



ADMINISTRATIVE REPORT

Report Date: September 11, 2009
Contact: Liza Jimenez
Contact No.: 604.873.7975
RTS No.: 8324
VanRIMS No.: 08-2000-20
Meeting Date: October 6, 2009

TO: Standing Committee on Transportation and Traffic
FROM: Managing Director of Social Development Department
SUBJECT: Single Room Accommodation Permit for 7 W. Hastings (Beacon Hotel)

RECOMMENDATION

THAT Council approve an SRA Permit for the Beacon Hotel (also known as Backpackers) located at 7 West Hastings Street to convert 11 rooms by subdividing them to create 6 new rooms and 5 amenity spaces, increasing the total number of rooms from 41 to 47 in which every room is SRA designated, subject to the development permit being issuable.

GENERAL MANAGER'S COMMENTS

The General Manager of Community Services RECOMMENDS approval of the aforementioned.

CITY MANAGER'S COMMENTS

The City Manager RECOMMENDS approval of the aforementioned.

COUNCIL POLICY

On October 21, 2003, Council enacted the Single Room Accommodation By-law ("SRA By-law") to regulate the conversion and demolition of single room accommodation. Owners wanting to convert or demolish SRA-designated rooms must apply for and obtain a conversion/demolition permit. Council decides each application on its own merits and may refuse the permit, approve the permit, or approve the permit with conditions.

On October 23, 2003 Council amended the Zoning and Development By-law to require an SRA Permit prior to the issuance of a Development Permit.

SUMMARY & PURPOSE

This report is seeking Council's approval to issue an SRA Permit for the Beacon Hotel (7 W. Hastings St.) for 6 new rooms (from 41 to 47) and 5 amenity spaces, affecting 11 rooms in

total. An SRA Permit is required before the development permit, to increase the number of rooms, can be issued. This property is owned by BC Housing and is operated by a non-profit agency. Tenants began occupying the 41 approved rooms in mid-September. All of the rooms in the building will remain SRA-designated regardless of issuance of an SRA Permit.

BACKGROUND

In October 2003, Council enacted the Single Room Accommodation (SRA) By-law to regulate the conversion and demolition of single room accommodation. An owner wanting to change the configuration of an existing SRA-designated unit must apply for and obtain approval from Council for an SRA Permit, which must be issued prior to the issuance of a building or development permit. Council assesses each application and may refuse the permit, approve the permit outright, or approve the permit subject to conditions such as a Housing Agreement, a Heritage Revitalization Agreement, and payment of a fee towards the City's replacement housing fund.

This application proposes 6 new sleeping rooms resulting in a total of 47 sleeping rooms and 5 amenity spaces (office, kitchens, medical room) at the Beacon Hotel (7 W. Hastings Street). The hotel opened in September and began tenanting the 41 approved units that are permitted to be occupied.

DISCUSSION

The Beacon Hotel, located at 7 W. Hastings Street, is a 4-storey municipally designated building (category "B"), located in the historic district of Gastown (HA-2) on the north side of Hastings Street between Abbott and Carrall Street, see Figure 1 below. The second through fourth floors serve as a residential hotel with 41 sleeping rooms. On the ground floor are two commercial retail rooms, one is vacant and the other is a laundry service. BC Housing purchased this building in early 2009 and is making improvements.



Figure 1: Beacon Hotel, 7 W. Hastings Street

At some point in the past, and prior to BC Housing purchasing it, walls were erected to create additional units. The 11 rooms that were affected were larger than the average 100 square foot SRO unit - these rooms were on average 278 square feet. The result is two rooms that

are on average 139-square feet. This size is comparable to the balance of the other rooms which are an average of 160 square feet. The livability of the new rooms is enhanced by new windows that provide natural light. The applicant has made a formal application for a development permit which will require relaxation of the Zoning & Development By-law because of the size of the rooms. Currently, there is approval and an existing occupancy permit for the existing 41 rooms. BC Housing began occupying the 41 rooms in mid-September, and pending the approval of an SRA Permit and the necessary development permit to legitimize the extra rooms, they will be able to occupy an additional 6 rooms and change the use of 5 rooms to amenity spaces. Therefore, recommendation to approve an SRA Permit is subject to the development permit being issuable. The proposed amenity spaces include 3 kitchens (one per floor), a medical room where nurses can meet with tenants and an office for operational needs. The building will be operated by a non-profit agency and rooms will be rented through BC Housing's Social Housing Registry (SHR) at welfare rates or core-need income levels to low-income individuals.

As outlined in the Vancouver Charter, Council is required to consider a number of factors in deciding whether or not to grant an SRA conversion or demolition permit. These factors include:

1. Accommodation that will be available to the tenants affected by the conversion or demolition;
 2. Supply of low cost accommodation;
 3. Condition of the building;
 4. Need to replace and improve single room accommodation in the city; and
 5. Recent history of the land and building, and the use and occupancy of the building.
1. **Accommodation for Affected Tenants:** There are no affected tenants as the Beacon Hotel is vacant.
 2. **Supply of Low-Cost Accommodation:** The low-income stock in the DTES is estimated to have declined by just over 1% between January 2003, when the by-law was enacted and the end of April 2009. The low-income housing stock was approximately 10,000 in 2003 and 9,890 by April 2009, a 110-unit decrease. By the end of 2009, with new non-market housing coming on stream the low-income stock will increase to over 10,500 rooms.

New construction of singles social housing in the DTES includes:

- Woodward's (131 West Hastings): 125 self-contained apartments for low-income singles currently under construction. (In addition, there will be 75 apartments for families.)
 - The Lux (65 East Hastings): 92 self-contained rooms recently opened and operated by Raincity Housing and Support Society for people who are homeless or at-risk. This project is on City-owned land, funded by the Provincial Homeless Initiative with BC Housing providing the capital and operating funding and Vancouver Coastal Health funding support services.
3. **Condition of the Building:** Like many buildings constructed in the late 19th and early 20th centuries, the Beacon Hotel requires upgrades. The owner has renovated the building to improve the life and safety measures including a security system, a new ventilation system throughout all three residential floors, and new windows to the new rooms to improve the livability.

4. **Need to Improve and Replace Single Room Accommodation:** Since the enactment of the SRA By-law in 2003, there have been 7 SRA conversion or demolition permits issued for SRA buildings in the DTES, which resulted in a net loss of 88 SRA-designated rooms. This includes the loss of 26 rooms at the Pennsylvania Hotel in order to convert sleeping rooms into fully renovated, self-contained rooms dedicated for low-income singles and operated by a non-profit organization. Granting this SRA Permit for the Beacon Hotel will not affect its SRA designation; all the rooms would remain SRA-designated including the new ones.

The Province and the City have purchased and/or secured leases for 25 SRO buildings in the DTES over the past few years; the Beacon Hotel is one. The City has provided \$5 million for renovations to 10 hotels; the Beacon is not one of these. These recent purchases serve to improve and secure the *existing* stock from potential closures, unnecessary vacancies, and re-development, while providing safe, supported, and guaranteed low-income housing.

5. **History of Building and Land:** This property has a lengthy history of enforcement. It was partially occupied until the summer of 2008 when new owners issued notices to do building upgrades. In early 2009, BC Housing purchased the building to include it among the available rooms through the centralized Social Housing Registry (SHR). At some point in the past, and prior to BC Housing purchasing it, walls were erected to create additional units. This application legitimizes the additional rooms and the change in use for the amenity spaces.

Staff support this SRA Permit application as improving the existing stock of SRO rooms is a housing objective and endorsed Council policy identified in the DTES Housing Plan. The conversion of 11 rooms serves to enhance the living conditions of all the future tenants at this hotel. The rooms affected were few and large enough that the overall affect is minimal. Amenity spaces such as kitchens are an important element of independent living.

CONCLUSION

Staff recommends approval of an SRA Permit for 6 new sleeping rooms and 5 amenity spaces for approval, subject to the development permit being issuable, as the conversion affects a nominal number of rooms and rooms will remain SRA-designated and secured as low-income housing. The converted rooms would remain liveable, albeit, slightly smaller.

* * * * *



CITY OF VANCOUVER
COMMUNITY SERVICES
Housing Centre

**SINGLE ROOM ACCOMMODATION
CONVERSION* or DEMOLITION*
PERMIT APPLICATION**

SR No. SR400025

Civic Address: 1 WEST HASTINGS
Legal Description: Lot 16 Subdivider _____ Block 3 Block Lot _____ Parcel 168
Building Name: BACKPACKERS HOTEL

This area must be completed by the person signing this application.

Your Name: SLOAN THOM You are the:
 Working Address: 1701 4555 KINGSWAY 01 Property Owner
 City: BURNABY, BC 02 Agent for Property Owner
 Postal Code: V5H 4V8
 Phone Number: 604-439-4728
 Company Name: PROVINCIAL RENTAL HOUSING CORP.

Note: If the applicant is NOT the property owner, a letter of consent signed by the owner must also be submitted.

Owner's information (if other is a corporation, provide Incorporation Certificate and names and addresses of all directors & associates)

Property Owner's Name: PROVINCIAL RENTAL HOUSING CORP.
 Address: 1701 - 4555 KINGSWAY City: BURNABY
 Postal Code: V5H - 4V8 Phone Number: 604 439 4728

Property Owner's Name: _____
 Address: _____ City: _____
 Postal Code: _____ Phone Number: _____

Property Owner's Name: _____
 Address: _____ City: _____
 Postal Code: _____ Phone Number: _____

The application is for: (Check applicable box)

001 Convert occupancy of designated room(s)
 002 Change form of tenancy of designated room(s)
 003 Change frequency of rent payments for designated room(s)
 004 Convert vacant designated room(s)
 005 Recall or alter designated room(s)
 006 Demolish designated room(s)
 *See definition of "conversion" and "demolition" in reverse side of form under "Map-making Notes"

Total # of rooms in job building: _____
 Total # of SRA units in this building: _____
 Total # of non SRA rooms in this building: _____

Describe the nature of the proposed conversion or demolition:
To create 6 additional sleeping units and new amenity spaces including office, medical room, and three kitchens.

City of Vancouver Single Room Accommodation Conversion or Demolition Permit Application - continued

THIS SECTION MUST BE COMPLETED:		OFFICE USE
Are there any permanent residents needing to relocate as a result of this proposed conversion?		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If Yes, you must provide the following information:		
1. The number of permanent residents that will be affected?		
2. A list of names of the residents needing relocation, their room nos. and length of residency		
3. Proposed relocation strategy for existing tenants		
You must also include with this application the following required supporting documents:		
1. An affidavit, sworn by the owner or, if the owner is a corporation, by a director of the corporation, setting out why the owner wants to convert or demolish the designated room		
2. Records required under the Hotel Guest Registration Act or Hotel Room Tax Act, (tax assessment records, guest register, and daily rent receipts, for the current calendar year and for the three immediately preceding calendar years), in respect of the designated room		
3. One set of floor plans of the existing and proposed floor layout as described below		
4. Tentative schedule for construction (if applicable)		


Explanatory Notes:

- Definition of "conversion" or "convert" means the following under the Single Room Accommodation By-law:
 - (a) a change in the form of occupancy, intended form of occupancy, or customary form of occupancy of a designated room from living accommodation for a permanent resident to living accommodation for a transient guest or to another purpose,
 - (b) a change in the carriage regime of the tenancy to which a permanent resident has the right in respect of a designated room,
 - (c) a change in the frequency of the rent payments a permanent resident must make in respect of a designated room,
 - (d) an occupancy or use, or the suffering or showing of an occupancy or use, of a vacant designated room for a purpose other than living accommodation for a permanent resident,
 - (e) a repair or alteration to a designated room or any improvement or fixture in it, or a replacement of any such improvement or fixture, except for repairs or alterations that are minor in nature and have no material effect on the enjoyment by permanent residents of their living accommodation,
 - (f) a reclassification of a building or any portion of a building from Class 1-residential to any other class referred to in the Assessment Act and its regulations, or
 - (g) a loss of exemption in respect of a designated room from an obligation to pay or remit hotel room tax under the Hotel Room Tax Act and its regulations;
- Definition of "demolition" or "demolish" means the following under the Single Room Accommodation By-law: "to pull, knock, or tear down or to raise, wholly or partially, a designated room"
- Floor plans must be legible, drawn to a scale NOT less than 1/4" to 1', and must:
 - (a) include dimensions and layout of all floor levels including basement and underground parking,
 - (b) identify on each floor:
 - rooms that provide accommodation for permanent residents;
 - rooms that provide accommodation for transient guests (tourists);
 - rooms that provide other non-residential accommodation uses (e.g. lounge, storage rooms, etc.);
 - (c) indicate on each floor the square footage of all rooms and common areas;

Office Use Only

As owner or owner's agent, I have verified that the information contained within this document and associated applications and plans is correct, and describes a use, a building or a work which complies with all relevant by-laws and stat./reg. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and agree not to sue the City of Vancouver, its officials, employees and agents against all claims, liabilities and expenses of every kind, in respect of anything done or not done pursuant to this application or fact sheet or ensuing permit, including negligence and/or the failure to observe all by-laws, acts or regulations.

Further, I acknowledge that any information and documents provided with this SRA conversion/demolition permit application will be attached to the report to Council and as such, be made available to the public.

SIGNED AT VANCOUVER, BC THIS 29 DAY OF August 2004 
Signature of Applicant Susan Thomas

Canada

Province of British Columbia

In the Matter of the City of Vancouver
Single Room Accommodation By-law (the "By-law")

AFFIDAVIT

I, Susan Thom of _____
(Print Name) (Print Address)
Vancouver, British Columbia, make oath and say as follows:

1. I am a director of PROVINCIAL RENTAL HOUSING CORP., the registered owner
(Print Name of Company)
of real property in Vancouver, British Columbia bearing the legal description
BLOCK 3 PLAN 168 DISTRICT LOT OGT NEW WESTMINSTER LOT 16 EXE26FT.
BEACON HOTEL and civic address 7 WEST HASTINGS STREET, and as such have
personal knowledge of the matters to which I depose in this affidavit.



2. I wish to convert or demolish the following rooms in the building on the property for
the following purpose:

Room Nos:

102, 114, 116, 117, 215, 216, 217, 314, 315, 316 + 317

Purpose:

To create 6 additional sleeping units + new
amenity spaces including office, medical rooms +
kitchens.

Sworn before me at Vancouver, British Columbia this <u>23</u> day of <u>August</u> , 2009		
		
A Commissioner for taking Affidavits for British Columbia		Owner's signature

CHARLOTTE K. WONG
Barrister & Solicitor
300 - 5637 YEW STREET
VANCOUVER, B.C. V6M 3Y2

(Commissioner's Stamp or Seal must be provided)