



ADMINISTRATIVE REPORT

Report Date: April 4, 2014
Contact: Brenda Prosen
Contact No.: 604.873.6858
RTS No.: 10427
VanRIMS No.: 08-2000-20
Meeting Date: April 16, 2014

TO: Standing Committee on City Finance and Services
FROM: General Manager of Community Services
SUBJECT: Single Room Accommodation Permit for Universal Rooms (39, 41 and 49 East Hastings Street)

RECOMMENDATION

THAT Council approve a Single Room Accommodation Permit for the Universal Rooms, located at 39, 41 and 49 East Hastings [*Lots 25, 26 and 27, Block 8, District Lot 196, Plan 184; PIDs: 015-691-284, 015-691-292 and 015-691-314 respectively*] for the demolition of 37 SRA-designated units to be replaced with at least 102 units of self-contained social and supportive housing with the balance being secured market rental. Of the 102 new units, 52 units will be supportive housing with 24/7 staffing supports and 50 units will be below market social housing.

REPORT SUMMARY

This report seeks Council's approval to issue an SRA Permit to Atira Development Society for the Universal Rooms (39, 41 and 49 East Hastings) to demolish 37 rooms to be replaced by 102 social and supportive housing units with the balance of the development being secured market rental. As one of the conditions of the Council approved rezoning of the site (RTS#10113) the 102 units will be secured as social housing by a Housing Agreement. It should be noted that through the development permit process, the number of units may increase. Currently, 102 new self-contained units, 52 units will be supportive housing and affordable to singles and couples receiving the shelter component of income assistance while 50 units will be social housing with rents set to HILs or CMHC market rents, whichever is lower.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Relevant Council Policies for this site include:

- 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.
- On June 22, 2004, Council confirmed its objective of achieving a minimum of one-to-one replacement of Single Room Accommodation units in the Downtown South and the Downtown Eastside.
- On September 15, 2005, Council adopted the Downtown Eastside Housing Plan.
- On July 28, 2011 Council endorsed the Housing & Homelessness Strategy 2012-2021 which includes Strategic Direction 1: Increase the supply of affordable housing and Strategic Direction 2: Encourage a housing mix across all neighbourhoods that enhances quality of life. The 3-Year Action Plan 2012-2014 identifies priority actions to achieve some of the Strategy's goals.
- Following a Public Hearing on October 22, 2013, Council approved the rezoning of this site, with the condition, among other conditions, that the applicant enter into a Housing Agreement securing 102 of the 169 units in this development as social housing within an airspace parcel, for 60 years or the life of the building, whichever is greater and securing 52 of these social/supportive housing at rents where the tenant contribution is no more than the shelter component of income assistance (currently \$375); with 50 social/supportive housing units secured as rental housing where rents are set to HILs or CMHC market rents, whichever is lower. The remaining 67 units have been secured as market rental for 15 years.
- On March 15, 2014, Council adopted the Downtown Eastside Local Area Plan. The Local Area Plan sets out a vision for the future of the DTES to improve the lives of all those who currently live in the area, including low-income and middle-income residents, the homeless, seniors, women, children and families. The plan will also "enhance and accelerate a strategy to implement the Council's 2005 DTES Housing Plan" thereby improving the diversity of affordable market and non-market options in the neighbourhood.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

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

REPORT

Background/Context

The Universal Rooms

The Universal Rooms is an Atira Development Society owned rooming house located at 39, 41 and 49 East Hastings Street, one of two sites proposed for redevelopment. The 37 SRA-designated rooms on the second and third floors have not been occupied since the mid-1970's. The current ground-floor tenant, United We Can (UWC), is moving to a new location in a nearby industrial area in order to expand and evolve its operations, and to better serve the binning population.



Single Room Accommodation (SRA) By-law

On October 21, 2003, Council enacted the SRA By-law to regulate the conversion and demolition of SRAs in the Downtown Core. The SRA By-law designated all rooms in residential hotels, rooming houses, and other buildings in the Downtown Core as identified in the “2003 Survey of Low-Income Housing in the Downtown Core”.

Under the SRA By-law, owners wanting to convert or demolish SRA-designated rooms must apply for and obtain an SRA Conversion/Demolition Permit. Council evaluates each application on its own merits and may refuse the permit, approve the permit, or approve the permit with conditions. The SRA By-law also allows Council to require conditions such as a levy of \$15,000/unit to deposit into a reserve fund for replacement housing.

Strategic Analysis

SRA Conversion/Demolition Permit

The Universal Rooms 37 SRA-designated rooms have been unoccupied since the mid-1970's. The demolition of these rooms will allow the Atira Development Society to move forward with constructing 102 social/supportive housing units for low and moderate income households on the site.

The Vancouver Charter requires Council to consider a number of factors in deciding whether to grant an SRA conversion or demolition permit. These factors include:

1. **Adequacy of Replacement Accommodation for Affected Tenants:** There are no affected tenants as the Universal Rooms has been vacant since the mid-1970's. While not subject to the SRA Permit application, the adjacent building (Ginseng

Building) provided 8 temporary shelter beds for women. These shelter users have been relocated to Bridge Housing also operated by Atira.

2. **Supply of Low-Cost Accommodation:** The low-income stock remained relatively stable in the downtown area between January 2004 (11,549), the year after the SRA By-law was enacted, and January 2014 (12,230). However, all sub-areas of the Downtown Core have seen a decrease in the number of units renting at or below shelter rates, indicating a loss of low-income accommodations. In 2013, only 24% of the Downtown Core and 26% of the Downtown Eastside private market SRO stock was renting at or below the shelter component of welfare (currently set at \$375 per month).

Table 1: SRO (private market) and Social Housing (non-market for singles), Change from 2004 to 2014

The following table shows the net changes of SRO (private market) and social housing units (non-market for singles) between 2004 and 2014 by sub-area. The reduction of private market SROs and increase in Social Housing in the DTES over this period was largely due to the purchase of over 900 units in 13 SROs by BC housing. Other non-market housing for singles that opened in the DTES in the last ten years include Woodward's (125 units), Pacific Coast Apartments (96 Units) and the Lux (92 Units). If this SRA permit is approved and the new housing is occupied, the table would be amended with an increase of 102 units of Social Housing in the Downtown Eastside. The total ten year change in units in the Downtown Eastside would increase from 423 to 525 units and the increase of units across the Downtown Core would be raised from 681 to 783 units.

Sub-Area	Change from 2004 to 2014						
	SRO (private market)			Social Housing *includes supportive housing (non-market for singles)			TOTAL
	2004	2014	Change	2004	2014	Change	
Downtown Eastside	5,206	4,046	-1,160	4,223	5,806	1,583	423
Downtown South	692	452	-240	808	1,367	559	319
Rest of Downtown Core	433	81	-352	187	478	291	-61
TOTAL	6,331	4,579	-1,752	5,218	7,651	2,433	681

Table 2: Summary Roll Up - Non-Market Housing Targets and Project Status

The following table includes 52 units of supportive housing and the 50 units of social housing under “Current Projects” as these 102 units have been committed through rezoning (RTS#10113).

	TARGETS ¹		CURRENT PROJECTS ²	GAP
	Long Term (2021)	Near Term (2014)	Committed, Under Construction and Completed	(2014 Target)
Supportive Housing Units	2,900	2,150	1,846	304
All Other Non-Market Housing Units	5,000	1,500	961	539
Total Non-Market Housing Units	7,900	3,650	2,807	843

(1) Targets are established in the 2011 City of Vancouver Housing and Homeless Strategy.

(2) Current Projects includes the subject project at 33-49 East Hastings Street

3. **Need to Improve and Replace Single Room Accommodation:** The 37 unutilized SRA-designated units that will be lost at the Universal Rooms will be replaced by at least 102 supportive and social housing units. At least 52 of the new social housing units will be affordable to singles and couples receiving the shelter component of income assistance and at least 50 additional social housing units will be rented at rents affordable to Core Need Households (BCH Housing Income Limits) consistent with Council’s Affordable Housing and Homelessness Strategy as well as the Downtown Eastside Housing Plan.
4. **Condition of the Building:** 39, 41 and 49 East Hastings is a three storey 75-foot-wide building, the ground floor of which is occupied by United We Can, a bottle depot. The two upper floors are comprised of 37 SRA-designated rooms that have been vacant for over 30 years. Recent Building Inspection reports cover the commercial ground floor but not the second and third floors containing 37 vacant SRO rooms.
5. **Unique Features of Building and Land:** Built in 1945, 39, 41 and 49 East Hastings is not listed as a heritage building. The current ground floor tenant, United We Can (UWC), is a Downtown Eastside community asset, generating low-barrier jobs for the local people. UWC is moving to a new location in a nearby industrial area in order to expand and evolve its operations, and to better serve the binning population.

Financial Implications

There are no financial implications.

CONCLUSION

This report seeks Council's approval to issue an SRA Permit to Atira Development Society for the Universal Rooms (39, 41 and 49 East Hastings) to demolish 37 rooms to make way for the construction of 102 supportive and social housing with the balance of the development secured market rental. Approval of this project supports the Housing and Homelessness Strategy and the implementation of the DTES Housing Plan which was recently adopted by Council as part of the DTES Local Area Planning Program.

* * * * *

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 (no one is living in the building)	
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 ledgers, 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 term or nature 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 allowing 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 raze, wholly or partially, a designated room"
- Floor plans must be legible, drawn to a scale NOT less than 1/8" 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 statutes. I acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors. I will indemnify and save harmless 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 20 13


Signature of Applicant

Canada

Province of British Columbia

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

AFFIDAVIT

I, Michelle Houle, of #206, 1420 East 7th Avenue,
(Print Name) (Print Address)
Vancouver, British Columbia, make oath and say as follows:

1. I am a director of Atira Development Society, the registered owner
(Print Name of Company)
of real property in Vancouver, British Columbia bearing the legal description
PARCEL IDENTIFIER: 015-691-284 LOT 25 BLOCK 8 DISTRICT LOT 196 PLAN 184;
PARCEL IDENTIFIER: 015-691-292 LOT 26 BLOCK 8 DISTRICT LOT 196 PLAN 184;
PARCEL IDENTIFIER: 015-691-314 LOT 27 BLOCK 8 DISTRICT LOT 196 PLAN 184 and
civic address 41 E HASTINGS ST, and as such have personal knowledge of the matters to
which I depose in this affidavit.

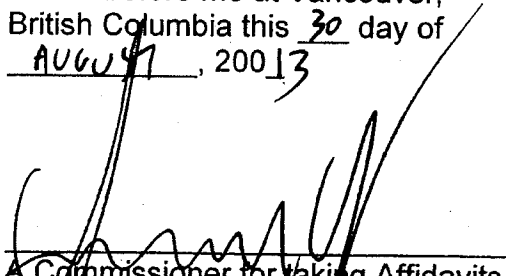
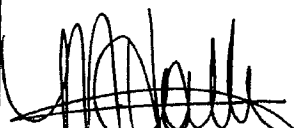
2. I wish to convert or demolish the following rooms in the building on the property for
the following purpose:

Room Nos:

The building will be demolished in its entirety.

Purpose:

To construct a new building.

Sworn before me at Vancouver, British Columbia this <u>30</u> day of <u>AUGUST</u> , 200 <u>13</u>  A Commissioner for Taking Affidavits for British Columbia))))))))	 Owner=s signature
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REG K. CHOW, NOTARY PUBLIC
#1 - 633 Main Street
Vancouver, B.C. V6A 2V4
Tel: (604) 669-7777