



## ADMINISTRATIVE REPORT

Report Date: September 6, 2016  
Contact: Abi Bond  
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RTS No.: 11618  
VanRIMS No.: 08-2000-20  
Meeting Date: September 20, 2016

TO: Vancouver City Council

FROM: General Manager of Community Services and Acting General Manager of Planning, Urban Design and Sustainability.

SUBJECT: Grant Request - Atira Women's Resource Society - 420 Hawks Avenue

### **RECOMMENDATION**

- A. THAT Council approve a Capital Grant of \$350,000 to Atira Women's Resource Society ("Atira") towards the construction of 21 units of social housing for women and women-led families in the Downtown Eastside at 420 Hawks Avenue [the South 1/2 of Lots 1 and 2, all of Block 66, District Lot 181, Plan 196; PIDs: 015-577-791 and 015-577-813 respectively] (the "site"); source of funding to be the 2016 Capital Budget for Non-market Rental Housing Grants;

FURTHER THAT the grant be subject to the funding commitment from Atira and other community partners being secured, and subject to the registration of a Housing Agreement securing all 21 residential units to be constructed on the site as social housing for 60 years or the life of the building, whichever is greater, where at least one third of the units are rented at rates no higher than the shelter component of Income Assistance and half of the remaining two-thirds to be up to "Housing Income Limits" (HILs); and subject to the enactment of the CD-1 By-law approved in principle for this site.

- B. THAT Council approve a grant of \$100,000 to Atira towards the provision of a ground floor community amenity space at the site; source of funding to be the 2016 Capital Budget for the Downtown Eastside;

FURTHER THAT the grant be subject to a Community Use Agreement to secure public access to the ground floor amenity space;

FURTHER THAT no legal rights or obligations shall arise or be created from approval of the above recommendations until all the required documentation

has been approved to the satisfaction of the General Manager of Community Services and the General Manager of Planning, Urban Design and Sustainability.

The approval of the grants set out in Recommendations A and B requires eight affirmative votes of Council.

### ***REPORT SUMMARY***

This report seeks Council approval of a capital housing grant of \$350,000 towards the construction of 21 social housing units for women and women-led families at 420 Hawks Avenue, and a Downtown Eastside (DTES) Capital Grant of \$100,000 towards the establishment of an amenity space on the site. The Housing grant is subject to the registration of a Housing Agreement as outlined in the conditions of enactment of the CD-1 By-law approved in principle for this site that will secure all 21 residential units to be constructed on the site as social housing for 60 years or the life of the building, where at least one third of the units are rented at rates no higher than the shelter component of Income Assistance, and where the target rents and affordability for the remaining two-thirds are for one of these thirds to be up to HILs, and the remaining third to be at affordable market rents. The DTES Capital Grant is subject to a Community Use Agreement securing public access to the amenity space on the ground floor to the satisfaction of the General Manager, Community Services and the Director of Legal Services.

The development supports the objectives of the Housing and Homeless Strategy and the DTES Plan by increasing the supply of on-site social housing units, with a focus on families, and supporting the addition of new community gathering spaces. This report also provides Council with an update on safety and security concerns raised at the Public Hearing for 420 Hawks Avenue on May 17, 2016.

### ***COUNCIL AUTHORITY/PREVIOUS DECISIONS***

In July, 2011, Council endorsed the Housing & Homelessness Strategy 2012-2021 which includes Strategic Direction 1: Increase the supply of affordable housing; Strategic Direction 2: Encourage a housing mix across all neighbourhoods that enhances quality of life, and Strategic Direction 3: Provide strong leadership and support partners to enhance housing stability.

In March, 2014, Council adopted the DTES Plan with the goal to improve the diversity of housing types, including much needed social and secured market rental, as well as improve building conditions, secure affordability, and provide supports to vulnerable tenants. The DTES Plan's vision is for the neighbourhood to be made up of mixed-income communities with a range of affordable housing options (including social housing) for all residents, local serving commerce, social services and cultural activities.

In October, 2014, Council approved the Healthy City Strategy 2014-25, including the implementation of the DTES Community Economic Development (CED) Strategy.

Following a Public Hearing on May 17, 2016, Council approved the rezoning of the site, with a condition that the applicant enter into a Housing Agreement securing all 21 residential units in this development as social housing for 60 years or the life of the building, whichever is greater, where at least one third of the units are rented at rates no higher than the shelter component of Income Assistance, and where the target rents and affordability for the remaining two-thirds are for one of these thirds to be up to HILs, and the remaining third to be at affordable market rents.

### ***CITY MANAGER'S/GENERAL MANAGER'S COMMENTS***

The City Manager, the General Manager of Community Services and the Acting General Manager of Planning, Urban Design and Sustainability RECOMMEND approval of the foregoing.

### ***REPORT***

#### ***Background/Context***

Council's priority, as laid out in the Housing and Homelessness Strategy (2012-2021) and the Downtown Eastside Plan (2014), is to support the delivery of a range of affordable housing options, including social housing, and to improve the conditions that enable all residents to achieve health and wellbeing.

The two grants proposed in this report are recommended to facilitate the delivery of both social housing and amenity space. In situations where the development of non-market housing projects are not viable, or where a City contribution will assist in addressing street homelessness or the needs of low income and core-need households, Council provides capital housing infrastructure grants to non-market housing sponsors to ensure that the project can proceed while serving the target demographic.

The DTES capital grant is designed to build partnerships with non-profit organizations, charities, social enterprises, Societies and Business Improvement Associations to support projects that align with the Social Impact Objectives or help implement actions identified in the DTES Plan. This proposal is in accordance with the key policy of identifying and protecting social, recreational and cultural assets in the neighbourhood and leveraging opportunities for new assets through development.

#### ***420 Hawks Avenue***

Following a Public Hearing on May 17, 2016, Council approved the rezoning of 420 Hawks Avenue for the development of 21 units of social housing, with a condition that the applicant enter into a Housing Agreement that secures the units as social housing for 60 years or the life of the building, whichever is greater.

The proposed project on the site is a seven-storey social housing building with a total floor area of approximately 1,275 m<sup>2</sup> (13,725 sq. ft.) and a height of 21.6 m (70.9 ft.). The housing component is comprised of 14 two-bedroom units averaging 40.4 m<sup>2</sup> (435 sq. ft.), and seven micro dwelling units averaging 27.1 m<sup>2</sup> (292 sq. ft.). The micro

dwellings are supported by the Council-approved *Micro Dwelling Policies and Guidelines*. The project includes outdoor amenity space on the seventh floor that will be accessible to all tenants, as well as a ground-floor amenity space that will be accessible to both building residents as well as local community members.

The housing provider for this project is Atira Women's Resource Society, a non-profit organization established in 1983 that provides a range of housing and services to women who are marginalized. Their programs include counseling, legal advocacy, addictions recovery and employment training as well as the operation of 49 housing projects for both men and women throughout Metro Vancouver. The social housing units in the development on the site will provide housing to low-income women and women-led families in the DTES.

### *Community Safety and Security Concerns*

During the public hearing for the rezoning of 420 Hawks, some community residents and businesses brought up neighbourhood safety concerns, as well as some specific concerns related to the Rice Block building which is operated by Atira and is located directly next to the site. Council requested that staff inquire and report back on addressing safety and security concerns brought forward at the public hearing.

Following the public hearing, City staff contacted the Vancouver Police Department, including the neighborhood liaison officer, who reported that there had not been an increase in calls for service for that area, but that there are general neighbourhood concerns not specific to that block or a particular building that need to be addressed in the context of a broader discussion around safety and public realm improvements.

As part of the DTES Plan implementation work, there are currently a number of initiatives underway that address safety and security issues. Staff will be reporting back to Council early next year on DTES Plan implementation, including on actions that can be taken to support strategic public realm improvements to enhance and improve public realm safety, quality, and amenity, in particular for vulnerable populations, as well as to prioritize safety of women, children, seniors and culturally diverse groups through well designed spaces and inclusive programs.

## ***Strategic Analysis***

### *Housing Infrastructure Grant*

The Housing and Homelessness Strategy 2012-2021 identifies a need for 5,000 social housing units (including 1,000 SRO replacement units). For Housing projects both in the DTES and elsewhere in the City, Council provides funding to non-market housing providers through one of two grant streams; Housing Infrastructure grants and SRO Upgrade grants. Housing Infrastructure grants are provided to facilitate the delivery of new social housing, while SRO Upgrade grants are provided to facilitate the upgrade or renovation of existing SRO rooms. Both grant streams enable non-market housing sponsors to proceed with housing projects while ensuring that rents in these properties can be reduced or maintained as affordable to low-income households. The site is a new social housing project and, as such, meets the criteria for the Housing Infrastructure Grant stream.

If this grant is approved, it will facilitate the completion of 21 units of affordable housing in the Downtown Eastside. These units are included in the totals under Current Projects (all other Non-Market Units) presented in Table 1, and in Current Projects (Social Housing units) in Table 2.

Table 1: Progress towards Social & Supportive Unit Targets as set in the City's Housing and Homelessness Strategy (June 30, 2016)

	TARGETS		CURRENT PROJECTS	GAP
	Long Term (2021)	Short Term (2018)	Committed, Under Construction, and Completed	(2018 Target)
Supportive Housing Units	2,900	2,700	1,755	945
All Other Non-Market Housing Units	5,000	3,500	1,568	1,932
Total Non-Market Housing Units	7,900	6,200	3,323	2,877

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

Table 2: Progress towards units in the City's Downtown Eastside Plan (June 30, 2016)

	TARGETS	CURRENT PROJECTS				GAP
	10-Year (2023)	Completed	Under Construction	Approved	Total	(2023 Target)
Social Housing	1,400	422	242	125	789	611
Secured Market Rental Housing	1,650	19	165	144	328	1,322

Staff recommend that Council approve a grant of \$350,000 (\$10,000 per studio unit and \$20,000 per 2-bedroom unit) to Atira for 21 social housing units. Subject to Council approval of the grant and the conditions of the grant being met, the funds will be advanced to Atira after the Building Permit is issued.

#### *Downtown Eastside Capital Grant*

The DTES Plan supports the City's goal of building a "Healthy City for All" which means continually improving the conditions that enable all residents to enjoy the highest level of health and well-being possible. Achieving a healthy neighbourhood for all in

the DTES means addressing significant health and social inequities by securing existing community assets and by leveraging new ones. Securing public access to the ground floor amenity space would be a positive step towards this City goal.

Staff recommend that Council approve a grant of \$100,000 towards the establishment of an amenity space. The grant will be subject to a Community Use Agreement to secure public access to a minimum 68.7 m<sup>2</sup> (740 sq. ft.) amenity room on the ground floor that satisfy the General Manager of Community Services and the Director of Legal Services.

### *Implications/Related Issues/Risk (if applicable)*

#### *Financial*

#### *Capital Funding*

The overall development cost (land and construction) for the 21-unit social housing project at 420 Hawks Avenue is estimated to be \$5.6 million. Atira's funding strategy for the project is outlined below.

<b>Anticipated Funding Sources</b>	
Atira Capital Fundraising (pending)	\$754,000
BC Housing (pending)	\$2,897,000
Streethome Foundation (pending)	\$350,000
Maria Marina Foundation (committed)	\$500,000
CMHC (committed)	\$650,000
City of Vancouver - Housing Infrastructure Grant (Recommendation A)	\$350,000
City of Vancouver - DTES Capital Grant (Recommendation B)	\$100,000
<b>TOTAL</b>	<b>\$5,601,000</b>

Subject to Council approval, the recommended City contributions will represent approximately 8% of the project's capital cost. Additionally, the social housing component of the project is exempt from Development Cost Levies. The value of this exemption is estimated to be approximately \$182,686.

The source of funding for the Housing Infrastructure Grant will be the 2016 Capital Budget for Non-market Rental Housing Grants and the source of funding for the DTES Capital Grant will be the 2016 Capital Budget for the Downtown Eastside. Should Council approve this housing grant, 44% of the total 2015-2018 Capital Plan allocation for Housing Infrastructure Grants (\$10 million) will be committed.

Disbursement of the Housing Infrastructure Grant will be subject to the following conditions:

- Funding commitment from other sources being secured;
- Registration of a Housing Agreement for not less than 60 years or the life of the building, whichever is greater, where at least one third of the 21 residential units are rented at rates no higher than the shelter component of Income Assistance, and half of the remaining two-thirds to be up to HILs; and
- Enactment of the CD-1 By-law approved in principle for this site.

Disbursement of the DTES Capital Grant will be subject to a Community Use Agreement to secure public access to the ground floor amenity space to the satisfaction of the General Manager of Community Services and the Director of Legal Services as per the conditions of By-law enactment.

### *Operating Funding*

The 21-unit social housing project will be owned and operated by Atira, where at least one third of the units will be rented at rates no higher than the shelter component of Income Assistance, one third to be up to HILs, and the remaining one third to be at affordable market rents.

Consistent with Council policies on non-market housing projects, the project is expected to be self-sustaining and does not require further operating subsidies or property tax exemptions from the City.

### *CONCLUSION*

The City Manager, the General Manager of Community Services, and the Acting General Manager of Planning, Urban Design and Sustainability recommend Council approve a Housing Infrastructure Grant of \$350,000 and a DTES Capital Grant of \$100,000 towards the construction of 21 social housing units and an amenity space for women and women-led families in the DTES. The capital contribution contributes to project feasibility and supports the Housing and Homelessness Strategy and DTES Plan objectives to maximize the delivery of on-site social housing, with a focus on families, and to support the addition of new community gathering spaces.

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