



REPORT

Report Date: October 31, 2021
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VanRIMS No.: 08-2000-20
Meeting Date: November 17, 2021

[Submit comments to Council](#)

TO: Standing Committee on Policy and Strategic Priorities

FROM: General Manager of Arts, Culture and Community Services

SUBJECT: Single Room Accommodation (SRA) Demolition Permit for 52 East Hastings Street

RECOMMENDATION

THAT Council approve a Single Room Accommodation (SRA) Demolition Permit in accordance with the Single Room Accommodation By-law for the Shaldon Hotel, located at 52 East Hastings Street, to demolish 53 SRA-designated rooms and replace them with 53 self-contained social housing units renting at the shelter component of income assistance.

REPORT SUMMARY

This report seeks Council's approval to issue an SRA Demolition Permit to the owner of the property, BC Housing, for the Shaldon Hotel, located at 52 East Hastings Street. The approval of an SRA Permit will enable the demolition of the existing building and the creation of 111 new social housing units at 52-92 East Hastings Street, including 53 SRA replacement units renting at the shelter component of income assistance. The project partners include the Aboriginal Land Trust, Lu'ma Native Housing Society and Vancouver Native Health Society, Raincity Housing and Support Society, together with BC Housing. The Development Permit Board has approved the project and approval of the SRA demolition permit will enable the project to proceed.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

- **Single Room Accommodation By-law (2003)** – The SRA By-law designates 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”. Owners wanting to convert or demolish rooms designated under the SRA By-law must apply for

and obtain an SRA Conversion or Demolition permit. In December 2020, Council enacted amendments to the SRA By-law that authorized Council to impose a \$230,000 charge per room, rather than a \$125,000 charge per room, as a condition of a conversion or demolition permit to allow for the provision of replacement housing.

- **Downtown Eastside Plan (2014)** – In March 2014, Council adopted the DTES Plan, which identifies the need to replace 5,000 SRA rooms over the next 30 years with safe, secure and self-contained dwelling units, while also upgrading the current stock in the interim. As part of the DTES Plan, Council also amended the SRA By-Law to expedite SRA permits for non-market projects by delegating Council authority for the approval of certain SRA demolition permits to the Chief Housing Officer.
- **Truth and Reconciliation Commission Calls to Action (2016)** - In January 2016, Council approved in principle the City's response to the 27 Truth and Reconciliation Commission Calls to Action that fall within its jurisdiction, in the areas of healthy communities and wellness; Indigenous and human rights and recognition; and advancing awareness, knowledge and capacity.
- **SRO Revitalization Action Plan (2017)** was developed by an interdisciplinary SRO Task Force made up of key stakeholders from the City of Vancouver, BC Housing, community partners, as well as SRO owners, building managers, and tenants. From this 6-month process, a set of strategies was developed to accelerate SRO replacement, while in the interim securing and improving the existing stock to meet the housing, healing and community needs of very low-income and marginalized residents.
- **Housing Vancouver Strategy (2017)** embedded the SRO revitalization actions into a citywide framework to address housing affordability. The current Council approved goal is to replace SROs with self-contained, shelter-rate social housing for singles, with an accelerated replacement target of 2,000 new units over 10 years. Recognizing the important role of existing SRO housing in combatting homelessness, the Strategy also calls for improving and protecting the remaining stock for low-income residents through regulatory tools and investment, capacity building efforts, and enhanced partnerships with senior levels of government.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

Background/Context

The Shaldon Hotel, 52 E. Hastings

The Shaldon Hotel, located at 52 East Hastings St, is a four-storey SRA-designated building containing 53 SRA-designated rooms with a vacant retail unit at grade (see Figure 1). Built in 1908, the Shaldon Hotel (also known as the Wright Building) is a C listing on the Vancouver Heritage Register.

Figure 1: The Shaldon Hotel (52 E Hastings) – Image and lot location



In 2009, BC Housing purchased the Shaldon Hotel and partnered with Raincity Housing and Support Society to operate the 53 SRA rooms.

Proposed Redevelopment

In 2019, BC Housing, in partnership with the Aboriginal Land Trust, Lu'Ma Native Housing Society and Vancouver Native Health Society, Raincity Housing and Support Society, applied for a development permit for 52-92 East Hastings Street comprised of:

- The SRA-designated Shaldon Hotel (52 East Hastings Street),
- An empty lot, formerly the location of the Downtown Eastside Street Market (62 East Hastings Street)
- The former Pigeon Park Savings building (92 East Hastings Street).

The project is comprised of an 11-storey mixed-use building with 111 social housing units, a healing centre, food centre, and a long house gathering space (social service centre), meeting multiple objectives of the DTES Plan.

Of the 111 social housing units, 53 units will replace the units from the Shaldon Hotel and be rented for no more than the shelter component of Income Assistance. The 53 replacement units will be operated by Raincity Housing and Support Society. The remaining 58 units will target rents that are to be no more than 30% of the household income for rent to households with incomes below the Housing Income Limits (HILs) as set out by BC Housing. 28 of these units will be designated as family housing (2 and 3 bedroom units). Table 3 in this report provides a unit and affordability breakdown of this project.

SRA Demolition Permit

The development permit application was conditionally approved by the Development Permit Board on September 11, 2019 (DP-2019-00680). The “prior to” conditions have been satisfied with the exception of approval of the SRA demolition permit being recommended in this report. BC Housing applied for an SRA Permit on August 4, 2021 and in partnership the Shaldon

operator, RainCity Housing and Support Society, relocated all of the tenants in accordance with the Tenant Relocation requirements (building was vacant as of October 2021).

Staff are recommending approval of the demolition permit because all of the rooms will be replaced with self-contained social housing and rented at the shelter component of income assistance (secured by a Housing Agreement as part of the conditions attached to the Development Permit). Eligible tenants will be provided with an opportunity to return to the housing and the overall project supports the objectives of the DTES Plan as by improving the health and well being of the community.

Strategic Analysis

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 has authority to evaluate each application on its own merits and may refuse the permit, approve the permit, or approve the permit with conditions. The *Vancouver Charter* requires that Council consider at least four factors when deciding whether to grant an SRA Conversion/Demolition permit. These factors are:

1. *Adequacy of Replacement Accommodation for Affected Tenants*

At the time of BC Housing’s submission of the Tenant Relocation Plan, 42 of the SRA rooms were tenanted. The average rent in the building for a single room was \$375, with many of the tenants receiving income assistance. The average length of tenancy was 4 years. BC Housing worked with the housing operator, Raincity Housing and Support Society, to relocate all tenants into improved temporary relocation housing at the same rent rate, with supports where needed. BC Housing has committed to allowing all eligible Shaldon Hotel tenants to come back to the new social housing at rents no greater than the shelter component of income assistance.

2. *Supply of Low-Cost Accommodation*

This SRA permit application, if approved, would help contribute 111 units to the City’s inventory of social housing. These units would contribute towards the 10-year social, supportive and co-op housing targets as set out in Housing Vancouver Strategy, as shown in table 1.

Table 1: Progress Towards 10 Year Housing Vancouver Targets for Non-Market Housing as of Sept 30, 2021

Housing Type	10-YEAR TARGETS	Units Approved Towards Targets
Social, Supportive, and Co-op Housing Units	12,000	6,926 units (58% towards targets)

In addition to city-wide targets, the Downtown Eastside Plan contains social housing and secured market rental targets, shown in table 2. To qualify as social housing under the Plan, at least one third of the units must be occupied by persons with incomes below housing income limits, as set out under the current “BC Housing Income Limits.” Since the Downtown Eastside Plan was approved, 2,557 unit have been achieved towards the DTES housing targets.

Table 2: Downtown Eastside Housing Target Progress Update as of Sept 30, 2021

	10-Year Target	30-Year Target	Achieved	Gap (10-Year)	Gap (30-Year)
Social Housing in the DTES	1,400	4,400	2,557	1,157 (over target)	1,843

**DTES housing targets are measured from 2014 onwards.*

***Achieved units include approved, under-construction, and completed units in the DTES as of 2014.*

The project exceeds the housing affordability requirements in the Downtown Eastside Local Area Plan by providing most units at shelter rates or the lower end of the Housing Income Limits (HILs) as set out by BC Housing. A Housing Agreement is required as a condition of the development permit and of the 111 social housing units:

- 53 units will be renting at the shelter component of income assistance
- 58 units will be targeted at no more than 30% of the units renting to households with incomes below HILs. Twenty-eight of these units will be designated for urban Indigenous families, which diversifies the mix of housing available in the Downtown Eastside and options for urban Indigenous households. This project responds to Council’s priority of increasing affordable housing and decreasing homelessness for urban Indigenous people in Vancouver.

The following table breaks down proposed projects unit affordability.

Table 3: Unit Affordability Summary

	Studio	1BR	2BR	3BR	Total
Shelter	50	3			53
HILs	11	19	25	3	58
Lower End of Market	-	-	-	-	-
Totals	61	22	25	3	111

3. Need to Improve and Replace Single Room Accommodation

The proposed demolition of 53 SRA-designated units is in keeping with Council’s longstanding policy to replace SRA rooms with secured, improved self-contained social housing. The 53 new units of self-contained social housing will significantly increase livability for tenants, including through the addition of private washrooms and kitchens. The proposal replaces all of the rooms that were tenanted at the time of closure, and provides a right of first refusal for eligible residents to return. The affordability on the project is maximized as 53 units will be secured at the shelter component of Income Assistance, and will count towards the DTES Plan and Housing Vancouver SRO replacement targets. RainCity Housing will continue to manage the new shelter rate homes.

4. *Condition of the Building*

Like many buildings constructed in the late 19th and early 20th centuries, the Shaldon Hotel is nearing the end of its useful life. The proposed redevelopment will significantly improve liveability, secure tenure and quality of homes for new and returning tenants. Staff support the replacement of the Shaldon Hotel with secured self-contained social housing units.

CONCLUSION

This report seeks Council approval to issue an SRA Demolition Permit to BC Housing for the Shaldon Hotel, located at 52 East Hastings Street, in order to demolish 53 SRA-designated rooms and replace them as part of a larger redevelopment project comprised of 111 social housing units, including 53 SRA replacement units renting at the shelter-rate component of income assistance. Staff recommend approval of an SRA Demolition Permit, as it will significantly contribute to improving housing conditions and liveability for existing low-income SRO residents.

* * * * *



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

SR No. _____

Civic Address: 56 East Hastings Street, Vancouver

Legal Description: Lot F & 12 Subdivision _____ Block 13
District Lot 186 Plan VAP184 & LMP27049

Building Name: Shaldon Hotel

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

Name: Vincent Tong
Mailing Address: 1701 - 4555 Kingsway
City: Burnaby Postal Code: V5H 4V8
Company Name: BC Housing Management Commission Phone Number: 778 452 6457
Non-Profit Number (if applicable): _____

You are the:
 Property Owner
 Agent for Property Owner

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 owner is a corporation, provide Incorporation Certificate and names and addresses of all directors & associates):

Property Owner's Name: Provincial Rental Housing Corporation, Inc. BC0052129 Incorporation Certificate with Names & Address of Directors attached
Address: 1701 - 4555 Kingsway Postal Code: V5H 4V8
City: Burnaby Phone Number: 604-433-1711

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

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

- | | | | | |
|-----|-------------------------------------|--|-----------|---|
| 001 | <input type="checkbox"/> | Convert* occupancy of designated room(s) | <u>4</u> | Total # of storeys in this building |
| 002 | <input type="checkbox"/> | Change term or nature of tenancy of designated room(s) | <u>52</u> | Total # of SRA rooms in this building |
| 003 | <input type="checkbox"/> | Change frequency of rent payments for designated room(s) | <u>0</u> | Total # of non-SRA rooms in this building |
| 004 | <input type="checkbox"/> | Convert* vacant designated room(s) | <u>52</u> | Total # of tenants in this building |
| 005 | <input type="checkbox"/> | Repair or alter designated room(s) | | |
| 006 | <input checked="" type="checkbox"/> | Demolish* designated room(s) | | |

*see definitions of "conversion" and "demolition" on reverse side of form under "Explanatory Notes"

Describe nature of the proposed conversion or demolition:

52-92 East Hastings Street is proposed to be redeveloped with multiple components, including: Family Housing (59 units) operated by Lu'ma Native BCH Housing Society, Supportive Housing (53 units) for Single Adults operated by Raincity Housing and Support Society, and Health Services spaces.

Please continue application on reverse

THIS SECTION MUST BE COMPLETED:	OFFICE USE
Are there any permanent residents needing to relocate as a result of this proposed conversion? <input checked="" type="radio"/> Yes <input type="radio"/> No	
If Yes, you must provide the following information:	
1 The number of permanent residents that will be affected? 33	
You must also include with this application the following required supporting documents:	
<input checked="" type="checkbox"/> 1 Tenant Relocation Plan Application Form (must be submitted whether or not tenant relocation may be necessary)	
<input checked="" type="checkbox"/> 2 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	
<input checked="" type="checkbox"/> 3 One set of floor plans of the existing and proposed floor layout as described below*	
<input checked="" type="checkbox"/> 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
- (b) a change in the term or nature of the tenancy to which a permanent resident has the right in respect of a designated
- (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, and do not include the relocation of a permanent resident during the repair or alteration and does not result in the room ceasing to be a designated room,
- (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

By submitting this application, I, Vincent Tong and Abbas Barodawalla as owner or owner's agent:

- (a) have verified that the information contained within this document and associated applications and plans is correct and accurate, and describes a use, a building or a work which complies with all relevant by-laws and statutes;
- (b) acknowledge that responsibility for by-law compliance rests with the owner and the owner's employees, agents and contractors;
- (c) 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; and
- (d) hereby agree to 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.

Abbas Barodawalla
Abbas Barodawalla,
Director

Vincent Tong
Vincent Tong, Director



SUBMITTED AT VANCOUVER, BC THIS _____ DAY OF _____ 20_____

Submit

