



COUNCIL REPORT

Report Date: March 14, 2023
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VanRIMS No.: 08-2000-20
Meeting Date: March 28, 2023
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TO: Vancouver City Council
FROM: General Manager of Arts, Culture, and Community Services (ACCS)
SUBJECT: Grant to BC Housing to Support Continuation of Temporary Shelter at 15-27 West Hastings (Bud Osborn Shelter)

Recommendations

- A. THAT Council approve a grant of up to \$75,000 to the British Columbia Housing Management Commission (“BC Housing”) to contribute to a one year extension of BC Housing’s lease at 15-27 West Hastings (the “Premises”) serving as a temporary shelter. The source of funds for the contribution to lease costs is the Arts, Culture, and Community Services (ACCS) Homelessness Services 2023 operating budget.
- B. THAT Council, for the purposes of the grant set out in Recommendation A, deems BC Housing to be an organization “contributing to the culture, beautification, health or welfare of the city” in accordance with Section 206(1)(j) of the Vancouver Charter.
- C. THAT Council authorize the General Manager, Arts, Culture and Community Services to negotiate and execute an agreement to disperse the grant on the terms and conditions satisfactory to the General Manager, Arts, Culture and Community Services and the Director of Legal Services.
- D. THAT no legal rights or obligations will arise or be created by Council’s adoption of Recommendations A unless and until all legal documentation has been executed and delivered by the respective parties.

Recommendations A and B require 2/3 affirmative votes of all Council members per section 206 (1) of the *Vancouver Charter*.

Purpose and Executive Summary

This report recommends Council approve up to \$75,000 grant contribution to BC Housing in order to extend their lease of an existing temporary shelter at 15-27 W. Hastings. The 60+ bed shelter opened in May 2021 and is operated by PHS.

Council Authority/Previous Decisions

Council Report 14067 – Army and Navy Lease Contribution for Temporary Shelter – authorized payment to BC Housing for \$825,000, representing 50% of the lease costs for the Premises for 2021, 2022 and 2023.

Housing Vancouver Strategy 2017 outlines goals to work with partners to create temporary shelters to provide immediate support to individuals experiencing homelessness while transitional and permanent social housing is made available to foster pathways out of homelessness.

The City of Vancouver partners with BC Housing on rapid responses to homelessness to ensure residents have a space to come indoors year round. Since 2009, the City has partnered with BC Housing to open temporary shelter beds, in addition to the more than 900 permanent year-round shelter beds that are available.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

Persistent Homelessness

Vancouver's current homelessness crisis is a direct result of a historic lack of sufficient investment in supportive and affordable housing, insufficient and inappropriate health supports for people with mental health and addictions, and insufficient income supports for people living in deep poverty. The most recent Homeless Count, conducted in 2020 estimated approximately 595 individuals experiencing unsheltered homelessness in Vancouver. Noting, Point In Time counts are understood to be an undercount estimated as much as 20%¹.

A variety of options are needed to respond to homelessness. The existing emergency shelter system is at capacity with vacancy rates being very low, especially during the winter months. Temporary shelters help to add much needed capacity to the permanent shelter system, which is comprised of approximately 900 beds. There are currently approximately 350 temporary shelter beds in Vancouver.

¹ Chris Glynn†, Thomas H. Byrne, and Dennis P. Culhane HUD

15-27 W. Hastings: Bud Osborn Shelter

BC Housing entered into a two-year lease for the building on February 17, 2021 that included an option for Extension of Term for an additional period of one (1) year. Following renovations and selection of PHS as the operator, the shelter opened in May 2021.

This shelter plays a vital role in bringing people inside and connecting them with supports and longer term housing. The Bud Osborn shelter, located in the south side of the former Army & Navy building, provides 60 temporary year round shelter beds. It was developed in response to the encampment in Strathcona Park in 2020-2021.

For the winter season 2022-2023, BC Housing increased funding to PHS to expand the capacity of the shelter to a total of 98 spaces including:

- 20 additional beds from October 15, 2022 – March 31, 2023 open nightly with possibility of BC Housing extending funding past the winter season.
- 18 additional Extreme Weather Response (EWR) mats, during periods of extreme weather, when the Homelessness Services Association of BC activates EWR.

Discussion

Ensuring the Continuation of Much Needed Shelter

The lease for the Bud Osborn shelter expired February 16, 2023 and BC Housing has negotiated a one (1) year extension to February 17, 2024.

The landlord is seeking additional terms for the 2023 renewal, including an increase in base rent and operating costs over and above costs approved by Council in RTS 14067. BC Housing is seeking a 50% contribution (up to \$75,000) to the increased lease cost from the City of Vancouver. This request is consistent with the City's past practice of contributing to the creation of physical shelter spaces through making City-owned space available and/or contributing to lease and tenant improvement costs, recognizing that BC Housing also funds space creation costs as well as the operational costs of shelters. BC Housing has written a contingency into their ask to the City, which is why the report is asking for up to \$75,000.

Council approval of staff's recommendation would ensure the continued operation of 98 beds to support people experiencing homelessness for another year.

Securing Longer Term Options

The City has a long partnership with BC Housing to deliver the emergency shelter program. The City's commitment typically includes a contribution to lease costs, while BC Housing funds renovations and on going operations. The City will continue to work with provincial partners, including BC Housing, to find longer term solutions that provide safe and stable housing and health supports for all who need them.

Financial Implications

In 2020, Council approved (RTS 14067) the City’s Contribution to the lease at 15-27 West Hastings as follows:

City of Vancouver Lease Contribution Year	Council approved Recommendations (October 2020 (RTS 14067)) <i>City Contribution Amount: Up to 50% of BCH’s Base & Additional Rent</i>	Current Report Recommendation <i>City Contribution Amount: Up to 50% of BCH’s Base & Additional Rent)</i>
Year 1: Feb 2021 – Feb 2022	\$275,000	
Year 2: Feb 2022-Feb 2023	\$275,000	
Year 3: Feb 2023- Feb 2024	\$275,000	
Year 3: Feb 2023- Feb 2024 Increased Costs for Exercised Lease Renewal Option		\$75,000

This report recommends a grant of \$75,000 to BC Housing to support the extension of the lease at 15-27 W. Hastings for the provision of temporary shelter.

The City contributions of \$75,000 would contribute to half the annual lease costs for 2023, through to February 2024

Timing of three (3) lease payments to BC Housing are outlined in the Grant Agreement with BC Housing in 2021. City staff would create an additional one (1) grant agreement for the contribution stipulated in this report.

The source of funds will be the ACCS Homelessness Services 2023 operating budget.

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