

Uplifting the Downtown Eastside and Building Inclusive Communities that Work for All Residents: **Progress Update**

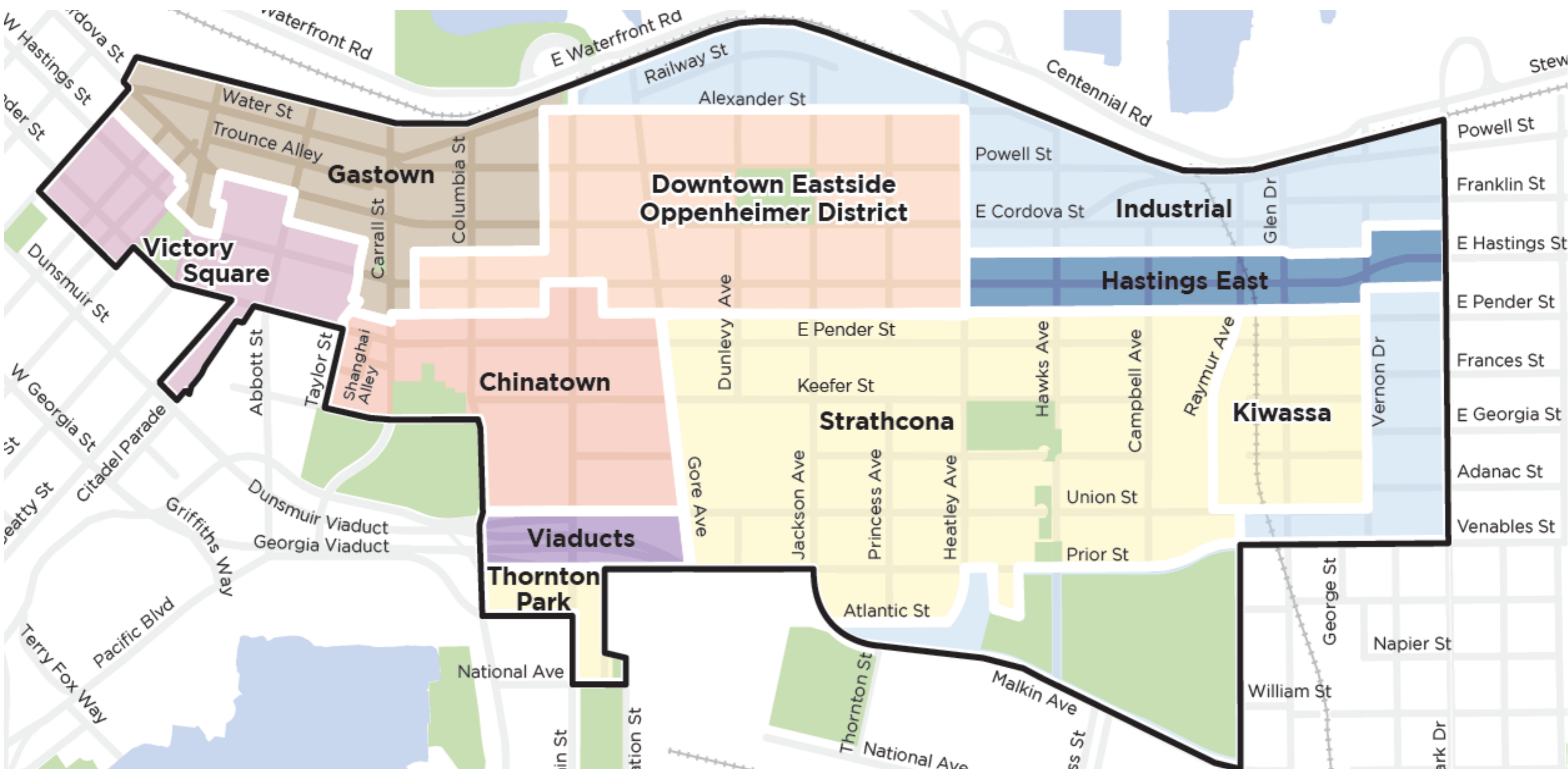
Presented to: Vancouver City Council

Meeting date: 2025-Feb-25

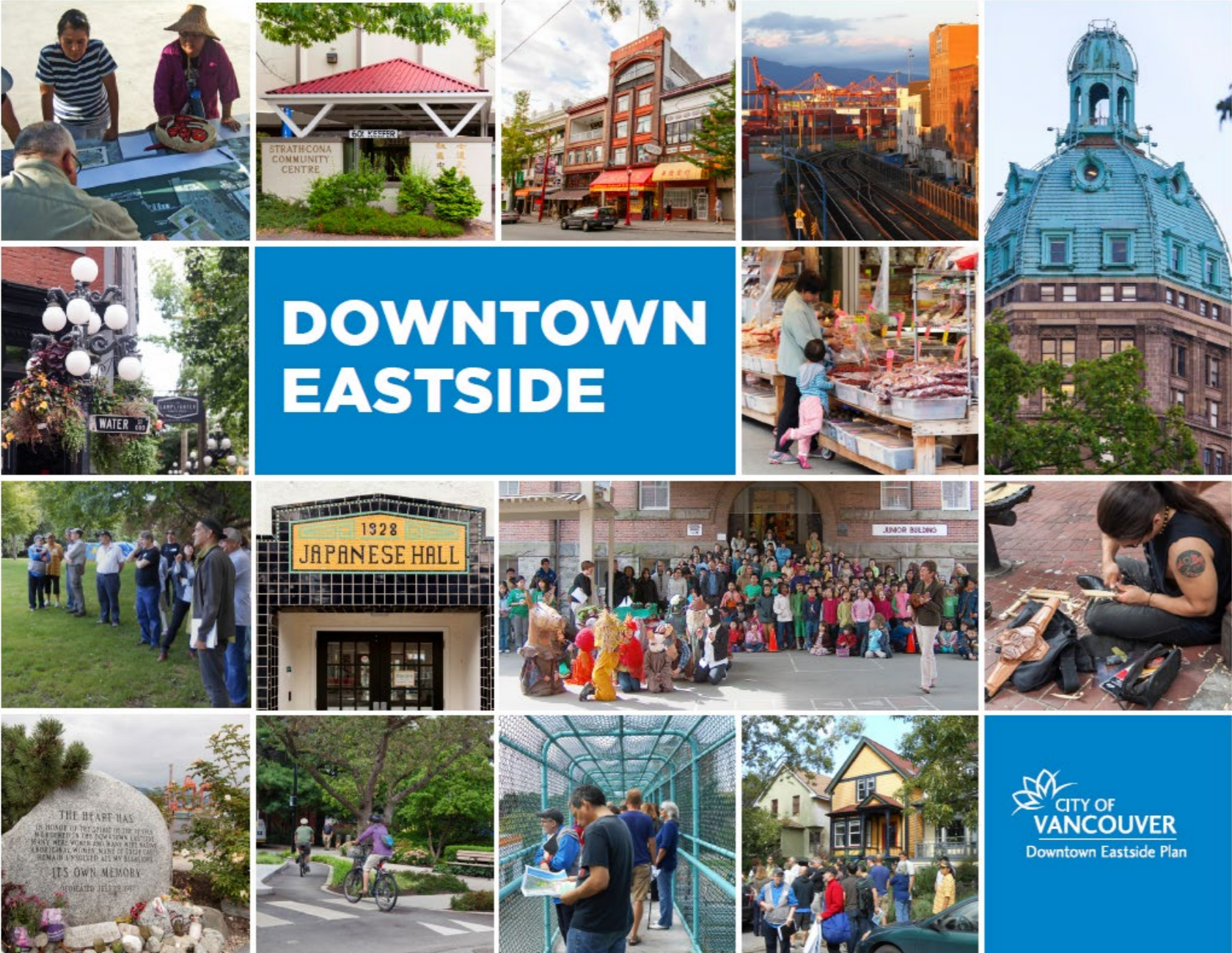
Council report: RTS 16128

The City of Vancouver acknowledges the unceded and ancestral territories of the x^wməθk^wəy̓əm (Musqueam), Sk̓wx̓wú7mesh (Squamish), and səlilwətał (Tsleil-Waututh). We recognize they have been stewards of these lands since time immemorial, and their unique relations, title and rights in these territories remain intact.

The DTES is comprised of distinct, diverse, and dynamic neighbourhoods



The City's work in the DTES is guided by several Council-approved policies



DTES Local Area Plan

The Downtown Eastside (DTES) Plan, approved by City Council in 2014, provides a vision, policies, and strategies for the DTES that focuses on ways to improve the lives of low-income DTES residents and community members.

Other key City policies:

- Healthy City Strategy
- Vancouver Plan
- UNDRIP Action Plan
- Housing Vancouver Strategy
- SRO Revitalization Action Plan
- Community Economic Development (CED) Strategy
- Spaces to Thrive: Vancouver Social Infrastructure Strategy

In November 2023, City Council passed the motion Uplifting the Downtown Eastside and Building Inclusive Communities that Work for All Residents

The motion focuses on **5 themes**, directing staff to explore policy and actions to improve housing and wellness outcomes in the DTES through local, regional, and senior government levers and partnerships:

1. SRO replacement
2. Regional response to homelessness and mental health and substance use
3. Land-use and housing policy
4. Community and low-income community economic development
5. Social infrastructure in the DTES



Motion Theme 1: **Single Room Occupancy** **(SRO) Replacement**

Appendix A

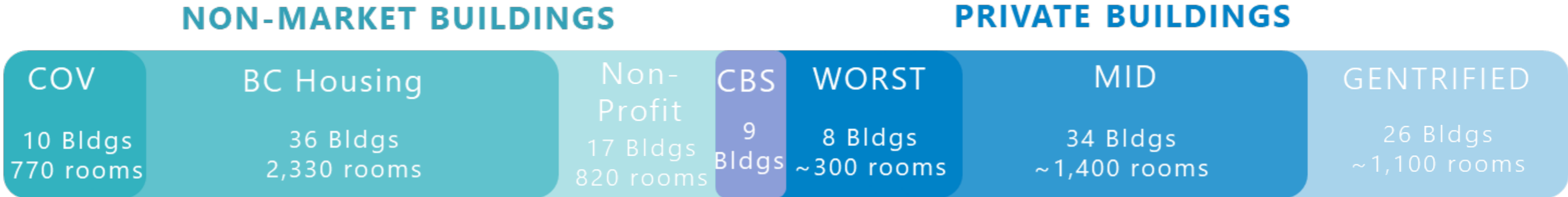
Motion Resolutions:

- A. Explore ways to accelerate the full replacement of existing SROs, including discussion with and advocating to senior government for a pilot funding program
- B. Determine whether culturally appropriate health services on site can improve housing outcomes.

SROs are an important part of the existing low-income housing stock, and vary widely with regards to rents, building conditions and tenant base

There are over **140 open SRO buildings** and approximately **6,900 rooms** in Vancouver. SROs are small 10x10 rooms with shared bathrooms and kitchens and serve as housing of last resort before homelessness for many.

68 (48%) are privately owned and operated



The long-term goal: replace SROs with self-contained social housing. As we work to replace buildings, we need to stabilize the existing stock to prevent further deterioration and loss of affordability for residents.



The well-maintained SROs are generally no longer affordable to low-income residents unless publicly owned and operated.



The more affordable SROs are often in poor condition and provide a housing of last resort before homelessness for many residents.



Progress Update: Accelerating SRO replacement while stabilizing existing stock



Existing City SRO Policies + By-Laws

Replacement will take time and significant investment - interim policies/measures are needed to maintain affordability, stabilize the condition of buildings and address the well-known challenges of building deterioration, livability, and life safety.



Engaging with Senior Government

Intergovernmental working group was convened to explore strategies for SRO replacement, interim measures, and working towards an SRO Investment Strategy. One government-owned SRO replacement project is currently under construction, with another 3 government-owned SROs identified for replacement in the near-term.



SRO Tenant Survey

Research and engagement conducted in 2024 indicate that some SROs are operating well and providing homes for low-income residents but are at-risk due to a variety of pressures on the private SRO stock. Findings will inform the SRO Investment Strategy.

Progress Update: Health Support Services



SRO Roles & Responsibilities

SRO tenants are not homogenous – some simply require affordable housing and others require additional supports in replacement housing.

Services at public or non-market SROs

BC Housing provides funding for 24/7 staff to support tenants on site and provide off site referrals to health and other services. At some sites, VCH also supports tenants through in reach and community.

Services at privately owned SROs

The City provides grant funding to SRO-Collaborative to engage tenants in privately-owned SROs

VCH's new Integrated Care Teams

Provides clinical and outreach services through their community health centres and provide support for some SRO residents.



City Investments in Community Wellness

Outside of SROs, the City has supported key initiatives to enhance access to health services, including culturally appropriate health and wellness care aimed at improving health and social outcomes in the DTES.

Providing funding to Vancouver Coastal Health for the Mobile Crisis De-Escalation Team

Planning to activate interim uses at the Balmoral redevelopment site

Granting capital funding for tenant improvements for the re-located Saa'ust (healing and wellness) Centre

Granting capital funding to enable operations of an Indigenous Healing and Wellness Centre

Offering onsite wound care services through a partnership program with St. Paul's Hospital at Evelyne Saller Centre

Providing access to City-owned space at 320 Alexander St where Watari operates the Provincially funded DTES Wellness Hub

Motion Theme 2:

Regional Response to Homelessness and Mental Health and Substance Use (MHSU)

Appendix B

Motion Resolutions:

- D. Explore opportunities for an improved regional approach to address the Metro Vancouver region's homelessness and housing issues.
- I. Council request that the Mayor write an advocacy letter to the Province of British Columbia, on behalf of Council, seeking a greater supply of shelter spaces and supportive housing units across the Metro Vancouver region to stabilize and better support people in their home communities, including an increase in complex care housing and harm reduction and mental health services to support individuals with severe mental illness and addiction issues

The City's progressive approach to supporting people experiencing homelessness and MHSU:

Social and Supportive Housing

Between 2017-24, enabled the creation of approximately 1,400 supportive housing units and 4,700 units of social housing.

Homelessness Services Outreach Team

Connect individuals to housing, income and supports and inform service delivery, policy and project development, and advocacy to address the root causes of homelessness.

Shelter Creation

Between 2006-24, the City supported the creation of over 1,000 new shelter spaces.

From 2000 to 2024, the City supported the creation of 469 new shelter spaces – 382 year-round and 87 seasonal.

Homelessness Support Services

City dedicates millions of dollars each year directly and through grants to support operations of services to support people experiencing homelessness.

Four Pillars Drug Strategy

Approved in 2001, represents a public health-supported and balanced approach to substance use based on: (1) Harm reduction, (2) Prevention, (3) Treatment, and (4) Enforcement

Harm Reduction Support Services

The City has a long history of supporting harm reduction services (such as OPS's) in partnership with Vancouver Coastal Health (VCH) and non-profit partners.

Recognizing MHSU as a public health concern

For decades, the City has supported VPD to take a health-led approach to MHSU responses – Car 87, ACT Teams, AOT, etc.

Innovating MHSU Approaches

In 2023, City Council approved up to \$8M/year to support VCH to expand targeted innovative approaches to supporting people with MHSU needs.

Calls for a regional response to homelessness and MHSU have been raised by City over the years



A regional approach unlocks new opportunities and options

Context

- ▲ With only 25% of the overall population of the Metro Vancouver region, Vancouver is home to 67% of the region's operating shelter spaces, over 77% of the region's supportive housing units, and over 50% of the region's social housing.
- ▲ Vancouver has greater numbers of homelessness response services and MHSU services and supports per capita when compared to other municipalities across the region.
- ▲ With limited or no services in their home communities, people come to Vancouver resulting in over-representation of region's dual crises in Vancouver.

Situation

The impacts of the crises are not only the source of significant harm to the individuals experiencing them but also contribute to:

- ▶ Significant financial pressures for Vancouver residents and businesses
- ▶ Extensive pressure on Vancouver's public realm
- ▶ Intensification impacts ability to implement solutions

Focusing solutions to the region's homelessness crisis in Vancouver limits response possibilities and options

Approaches - Regional Response to Delivering Supportive Housing and Emergency Shelter

Supportive Housing

- Preliminarily population-based modeling highlights the current significant disparity in access to housing and shelter.
- There is significant opportunity to enhance the region's response to homelessness.
- Provincially mandated housing targets set pathway and framework for Provincial leadership in the development of a regional approach to homelessness through partnership and investment across the region.

Emergency Shelter

- Population-based modeling shows an extensive under-serving across the region.
- Until more housing is built, shelter remains an essential service.

Population Based Distribution

- Uses 2023 Metro count to identify a total need of 3,915 supportive units across the region
- A population distribution-based analysis to illustrate where homelessness response through Supportive Housing would be needed if it were distributed proportionally across the region
- Modeling 100% delivered outside of the City given City's existing housing numbers.

Provincial Housing Targets Approach

- An extrapolation of the Province's methodology for supportive housing to municipalities that have not received target orders
- The estimate shows a total need of over 2,900 units, with 26% of net new supportive housing located within the Vancouver, with 74% delivered outside of the City and across the region
- 5 yr time-frame for targets reinforces the urgency of the crisis

Road to Recovery: Provincial Framework for Substance Use Recovery as a Regional Model for MHSU Recovery

- ▲ A new model of seamless addiction care to support people through their recovery journey developed by Providence HC & VCH
- ▲ Provides “right care, right setting” and timely, simplified access to addiction care through a single point access and same-day clinical assessment and care planning tailored to an individual’s needs.
- ▲ A positive and comprehensive framework in its holistic and unified approach.
- ▲ Being supported by the Province as a provincial approach and is being rolled out to health authorities across BC.
- ▲ Staff are currently exploring needs and opportunities of the Road to Recovery model as part of the City’s partnership with VCH to support and enable harm reduction services, recovery services, and upstream approaches in Vancouver.
- ▲ Staff will reach out to VCH to arrange an update to Council on the implementation of Road to Recovery here in Vancouver and across the region.

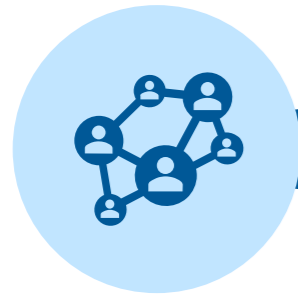


Regional Approach to Harm Reduction: Overdose Prevention Site (OPS) availability across the region

- ▲ Harm reduction is also part of the addictions care continuum of services – not covered in Road to Recovery.
- ▲ 2024: Vancouver is host to 14 OPS sites - 47% of the total of 30 sites across the region.
- ▲ There is uneven access to harm reduction services across the region.
- ▲ Without services, community members in need of them will not feel welcome and supported where they live and are forced to travel to other communities who have these services.
- ▲ The modelling is not presented to suggest that Vancouver should close or relocate existing OPS sites.
- ▲ Increasing service access in other communities would ensure other residents in need have access to these life-saving services in their home communities.

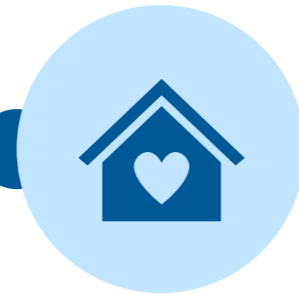
The screenshot shows a webpage from Vancouver Coastal Health. At the top, there is a language selector set to 'English' and a navigation menu with 'Services and resources', 'Locations', and 'Patients and visitors'. The main heading is 'What is harm reduction?'. The text explains that harm reduction is an evidence-based approach to care that minimizes health impacts. It provides examples like sunscreen and seatbelts. It then lists harm reduction strategies for drug use, including naloxone, drug checking, harm reduction supplies, and overdose prevention sites. The page concludes by stating that harm reduction is part of a comprehensive response to substance use and that research shows it is effective in reducing HIV, Hepatitis C, and drug deaths.

Aside from more balanced service delivery across the region, benefits to increasing deployment across the region include:



Staying Where One Has Connections

People experiencing homelessness and MHSU deserve to have their needs met and feel welcome and supported in all communities across the region, including in the community where they are currently residing and call home.



Regional Differences equals Diversity of Form

A regional approach allows us to consider the geography and urban form: high-density communities may develop more high-density shelters or housing forms, whereas lower density communities could look at other lower-density options like tiny home villages, workforce modular, sprung structures, etc.



Opportunity to Deliver Shelter Faster

There is a network of service providers across the region that support Extreme Weather Response and other services and understand the needs of their local unhoused community.

Building on the knowledge and expertise of service providers, and with support of local municipalities and investment from the Province, more options for emergency shelter deployment across the region could be expedited.



Choice, Dignity, and Safety

People in need of shelter and MHSU services can have options and choices about the type of shelter, housing, or services that best meet their needs and can receive services wherever they are and whenever they need them.

Motion Theme 3: Land Use and Housing Policy

Appendix C

Motion Resolutions:

- C. Report back on the impacts of aligning the City's definition of social housing and supportive housing with Provincial definitions and funding program requirements to establish clear definitions for all housing providers and operators to utilize.
- E. Explore options to update the DTES Area Plan, with the goal to deliver a greater number of social and supportive housing units in the DEOD to meet the needs of residents, including updated economic testing in consultation with a range of non-profit organizations, including the Province, area residents, and community-led and Indigenous-led stakeholder groups.
- F. Accelerate Council's previous direction to explore a Pre-emptive Right by-law (aka Right of First Refusal By-law), which would give the City the priority to purchase buildings or lands for sale to provide housing choices that are equitably distributed throughout the city, and report back to Council with recommendations by Q2 2024
- I. FURTHER THAT Council direct staff to report back before the end of Q3 2024, with a 20-year needs assessment for social housing and supportive housing in the City of Vancouver, and opportunities to incorporate this assessment into updated long-term targets for the Housing Vancouver Strategy.

Resolution C: Aligning the City's definition of social housing and supportive housing with Provincial definitions and funding program requirements

The City's existing Zoning and Development By-law definition of social housing within the DTES requires that 33% of the units be delivered at the shelter rate of income assistance, with an additional 33% of units targeted at or below BC Housing's Housing Income Limits (HILs).

BC Housing's Community Housing Fund (CHF) program, the primary program funding social housing across the province, requires that 20% of the units be delivered at the shelter rate, and 50% at or below HILs.

EXPLORATIONS UNDERWAY

- ➔ Better aligning the City's definition of social housing to the Province's definition will involve decreasing the required percentage of shelter rate units
- ➔ Help increase the financial viability of projects by closing the funding gap, while maintaining a deeper affordability requirement when compared to the citywide social housing definition.



NEXT STEPS

Public engagement anticipated in Q2 2025



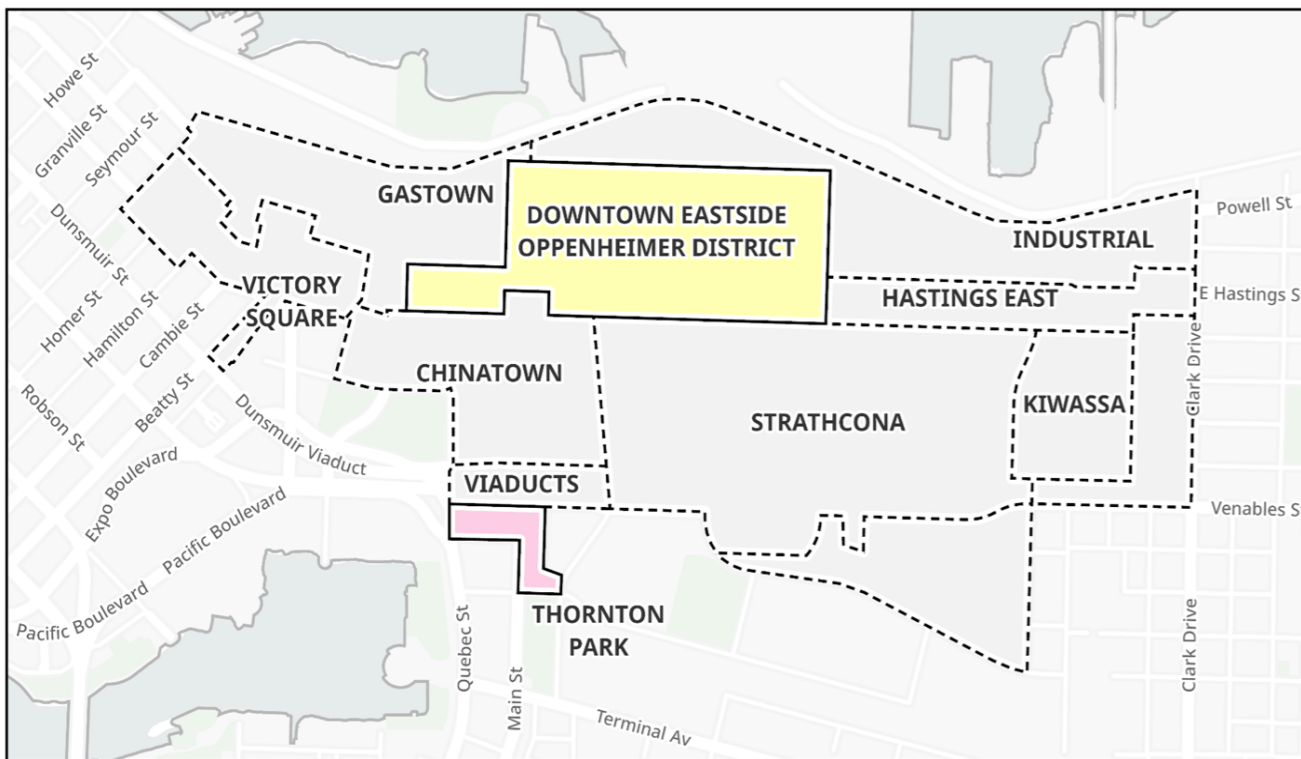
Resolution E: Explore Options to Update the DTES Plan

City staff are currently exploring a number of updates to the DTES Plan along with related zoning and housing policies, focusing on increasing the delivery of social and supportive housing and better enabling private SRO replacement.

These changes are being explored within the Downtown Eastside Oppenheimer District (DEOD) and Thornton Park sub-areas

EXPLORATIONS UNDERWAY

- ➔ Investigating the use of below-market rental housing with deeper levels of affordability and updating to the inclusionary housing policy in the DEOD as a tool to replace private SROs
- ➔ Investigating increased heights and densities for social, below market and inclusionary housing
- ➔ Look at how to deliver more shelter rate or deeply discounted rents citywide to provide more housing choice for low-income residents of the DTES



--- Downtown Eastside Sub-Area Boundaries



NEXT STEPS

Public engagement is anticipated in Q2 2025, once analysis has been completed

Resolution E: Consideration for Resourcing a New Social Impact Assessment

In 2014, staff completed a DTES Social Impact Assessment (SIA) as a part of the DTES Plan and the Healthy City Strategy (HCS) to better understand the assets and the experiences of low-income communities in the DTES.

Staff last reported to Council on the SIA and associated indicators in 2020.

PROGRESS

- ➔ Updating the DTES SIA would require assigning multiple staff and dedicating resources to conduct a similar level of engagement with the community.
- ➔ As an alternative, staff are exploring ways to leverage the HCS as a framework for measuring changes in neighbourhoods, including social conditions, social impact indicators, and methods and tools to measure the impact of development. This would include measuring changes and impact in the DTES.



NEXT STEPS

Staff plan to bring recommendations to Council on the HCS refresh in Q2 2025.



Resolution F: Accelerate Council’s previous direction to explore a Pre-emptive Right by-law

Staff explored a pre-emptive right by-law (aka Right of First Refusal By-law) which would give the City the priority to purchase buildings or lands for sale to provide housing choices.

PROGRESS

- ➔ Staff found that while a pre-emptive right by-law has had positive impacts in some other jurisdictions, it is unlikely to increase the equitable distribution or quantity of non-market housing in Vancouver.
- ➔ The main barrier to achieving this is available funding to purchase properties, not the acquisition process itself. Staff reported back via a Council memo on March 18th, 2024.



Resolution F has been completed.



Resolution I: Update the Supportive Housing Needs Assessment

Vancouver's Housing Target Order (HTO) sets an overall target of 28,900 net new housing units to be built between October 2023 and September 2028, including 583 supportive housing units for people transitioning out of homelessness.

PROGRESS

- ➔ In June 2024, Council incorporated Vancouver's HTO supportive housing targets into the updated Housing Vancouver 10-year targets (2024 – 2033), which include targets for net new social, supportive and co-op housing, separate from SRO replacement targets. The updated Housing Vancouver target for net new supportive housing is 1,500 units over ten years.
- ➔ In November 2024, staff presented an Interim Housing Needs Report (RTS 16494) to Council, which was formally received on January 1, 2025, which included a 20-year housing needs assessment. This comprised of 21,500 units for households in extreme core need and 2,850 for people experiencing homelessness



Resolution I has been completed.



Motion Theme 4:

Community and Low-Income Community Economic Development

Appendices D and E

Motion Resolution:

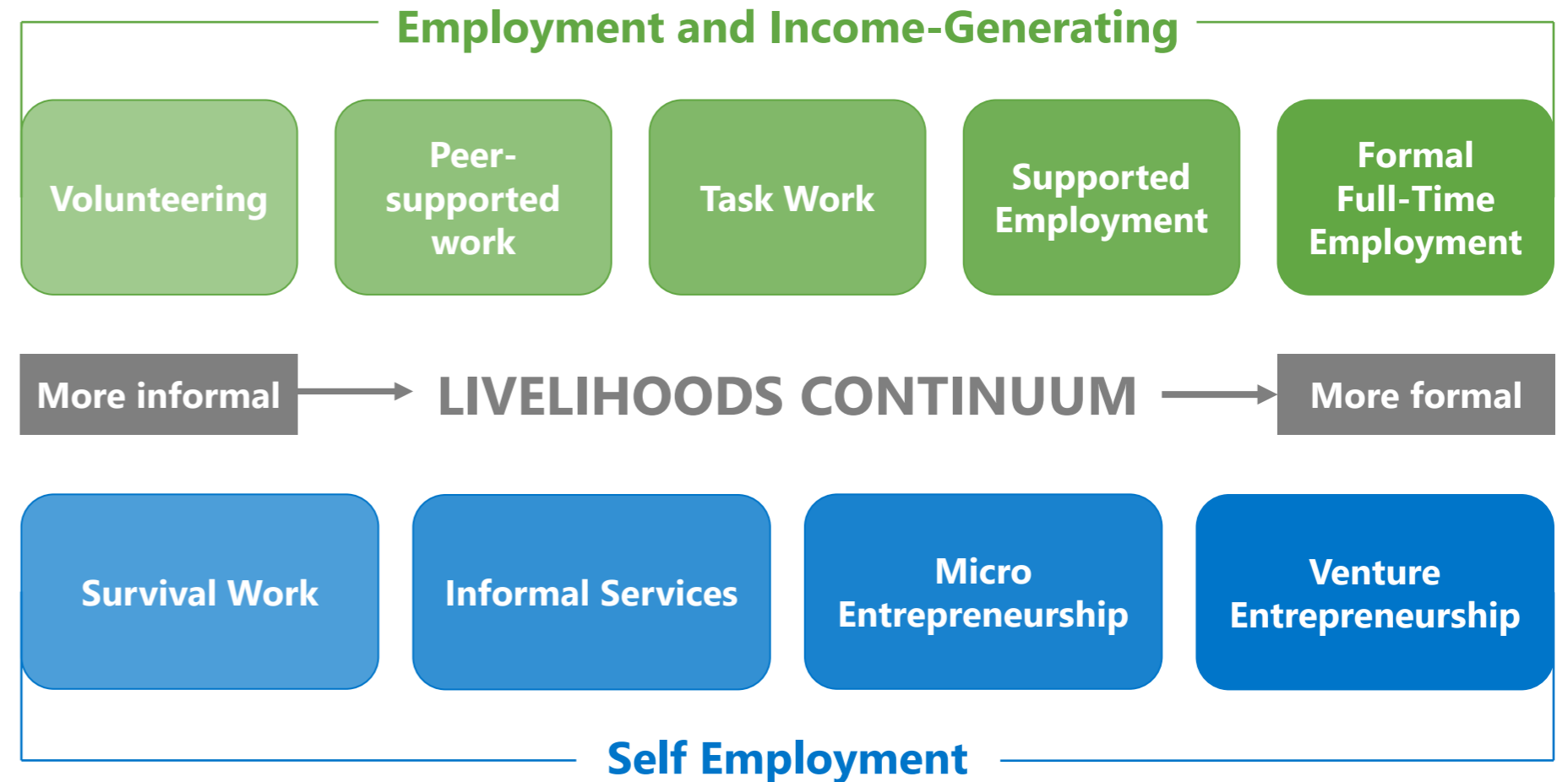
- G. Explore opportunities to partner with non-profit organizations to support low-income economic development and embed social procurement as a core consideration to enabling low-threshold economic engagement opportunities

The 2016 DTES Community Economic Development (CED) Strategy is a foundation for the City's work

9 core ideas seek to improve connections between existing assets and community partners to improve income and livelihoods of DTES residents:

1. Livelihoods
2. Inclusive Supports and Self-Employment
3. Asset Based Approach
4. Social Innovation Hubs
5. Social Purpose Real Estate
6. Poverty Reduction and Income Generation
7. Community Benefit Agreements
8. Stewardship and Activation of Public Spaces
9. Organizational Capacity and Partnerships

The **livelihoods continuum** directs the work being done to support people to move from unemployment to employment.



Many CED Strategy actions in alignment with related strategies have been completed and several are underway

Program and Policies

- Launched EMBERS Eastside Works
- Transitioned the Street Market indoors into the DTES Community Corner Market
- Special Enterprise Program 5-year Pilot
- Advanced planning for the CED Hub
- 2018 Community Benefit Agreement Policy

Low-barrier employment opportunities

- Street Cleaning Grants
- Launched Project Hope
- DTES Social Service Parklets
- EMBERS Chinatown Stewards
- Social Grants for DTES NPOs



Refresh of the CED strategy is planned to occur by 2027 and will ensure alignment with existing and emerging Council priorities

Since launching the Social Value Procurement (SVP) Framework in 2019, there has been an increase in the number of direct awards to social/diverse organizations



The SVP framework aims to leverage resources and relationships that:

1. Increase economic opportunities for social/diverse businesses
2. Diversify the supply chain
3. Improve economic independence and capacities
4. Advance reconciliation
5. Promote equity, inclusion and diversity in the workforce.

Since 2019, **\$142M** has been spent on products and services from non-profit organizations, including but not limited to:

- MOSAIC
- Street Youth JobAction (FSGV)
- Potluck Café & Catering
- Embers
- MPEnterprises
- DreamRider
- HAVE Culinary Training
- CIRES
- The Binnars Project
- Exchange Inner City

In 2023, **\$1.9M** in contracts were awarded to social enterprises that are typically located in the DTES, while existing contracts resulted in \$20M of spend



As a result of the SVF, the City has seen established vendors which are being contracted directly by the City partnering with small social enterprises to align to the City's social sustainability expectations.

Examples include: snow and ice removal, landscaping, street cleaning, and facility maintenance.

Poverty continues to be a persistent issue in the DTES, and the current Income Assistance framework needs further consideration



Suggestions staff would recommend to the Province for consideration include:

Increases to earning exemptions

Re-consideration of how income assistance is disbursed

Changes to eliminate application and eligibility barriers



Motion Theme 5: Social Infrastructure in the DTES

Appendix F

Motion Resolution:

- H. Direct staff to work with non-profit organizations to explore potential policy options and social benefit strategies that enable below-market commercial spaces (in the DTES and elsewhere in the city) to help create a diversity of spaces, programs, and services that meet community needs and enable a thriving social infrastructure ecosystem and a healthy city.

Rising cost of living continues to disproportionately impact equity deserving populations, particularly experienced in the DTES.

Spaces to Thrive: Vancouver Social Infrastructure Strategy (2021) is a 10-year framework for the City to support social services, land and facilities of non-profit and community organizations through its various roles as regulator, partner, investor and advocate.



Six key policy directions that guide implementation and key investments

1. Partnerships and Capacity Support
2. Plan to Meet Priorities and Goals
3. Support what Already Exists
4. Plan for the Future
5. Innovate for Optimization
6. Improve Ecosystem Health



A key principle of *Spaces to Thrive* is securing below-market spaces for use by non-profits or social enterprise through redevelopment, considered and balanced alongside other City social infrastructure needs such as community centres, public libraries, pools, parks, childcare.

Enabling below-market commercial spaces for a thriving social infrastructure ecosystem and a healthy city

126 spaces (1.4M sq ft)

City spaces leased at below market rates to non-profits for arts and culture, social, childcare, and homelessness serving uses



Investments in DTES Social Infrastructure 2020-24

Operating Grants

\$11.63M to 54 NPOs

Social Responsibility Fund

\$403K to 12 NPOs

Capital Grants

\$4.25M to 64 NPOs

\$3.2M to 3 NPO-owned facilities

In non-City owned spaces, **\$845,000** was allocated to four community partners as part of the **Special Enterprise Pilot (SEP) Program in 2021-2023** to support the activation of vacant spaces, and provide capacity building opportunities to heritage businesses, social enterprises and non-profit organizations based in the DTES and Chinatown.

City-owned and supported social infrastructure in DTES

- 10 spaces (100K sq ft+)
- 12+ Social Operators and Non-profit Tenants
- 5 currently in development or planning phases



NEXT STEPS

Staff to develop options for deployment of City-owned DT spaces, including potential pilot portfolio of spaces for management by Community Impact Real Estate Society (CIRES).



Highlights since approval of the Spaces to Thrive strategy that relate to the DTES include:

- 1** Support non-profit owned facilities through **major capital funding and development process facilitation** including
 - Atira's Indigenous Women's Healing and Wellness Centre
 - Aboriginal Land Trust Healing and Wellness Centre
 - DTES Neighbourhood House
- 2** **Hygiene access programs** that support safer access to washrooms and hygiene, particularly for those who are without housing or are living in inadequate housing:
 - Temporary washroom trailer at Pigeon Park
 - Deployment of 320 Alexander for the provincially funded Watari DTES Wellness Hub.
 - Astoria Community Station at 369 Hawks (funded by VCH)
- 3** Supporting the re-location of the **Dugout Drop-in Society** that provides supportive safe space to those experiencing homelessness and residents of the DTES.
- 4** Planning for an **interim community use at the formal Balmoral hotel** site, a year-round outdoor space for gathering, events, healing and ceremony that will be in place for two years before the site is redeveloped into non-market housing
- 5** Planning for the **Community Economic Development Hub** that includes space for DTES community corner market and a commercial incubator kitchen that will be co-located with non-market housing
- 6** Now in its phase one pilot implementation phase, the **Non-Profit Space Optimization Pilot (NPSOP)** uses a newly developed internal-facing social infrastructure database to track non-profit space needs and opportunities to identify possible matches for non-profit needs, which enables the City to better respond to the needs of equity deserving community groups



Next Steps

1. Continue to advance work directed in the Motion

Land Use and Housing Policy work (Q2-Q4)

- Technical analysis underway
- Q2: Public engagement on proposed policy and zoning amendments
- Q4: Proposed Amendments brought to Council

Social Infrastructure deployment options (Q2)

2. Continue to advance work outlined in aligned Council-approved strategy



Thank You