DTES Directions and Initiatives: Progress Updates

RTS 17846

Council: November 4, 2025

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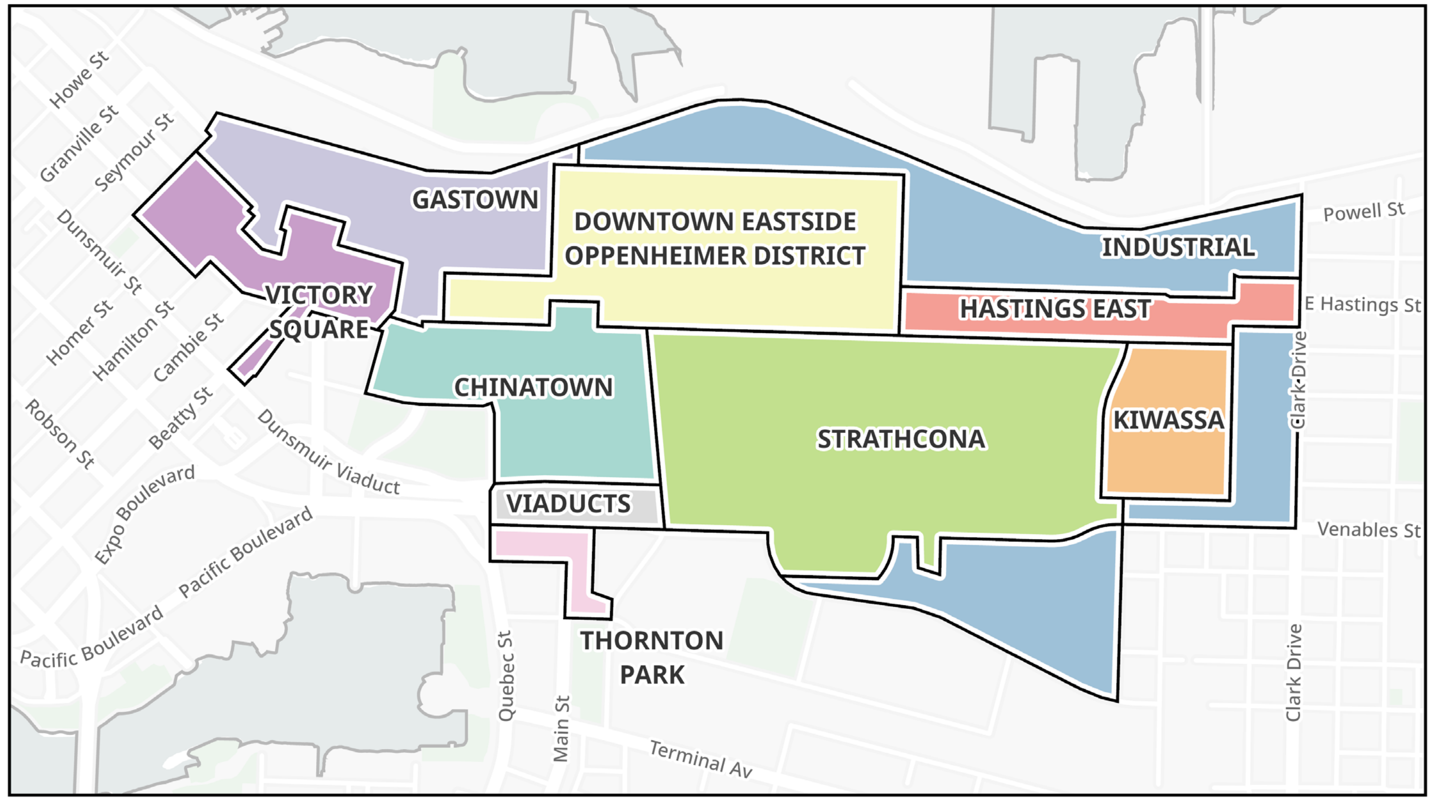
Reminder: The DTES Local Area Plan



— Downtown Eastside Sub-Area Boundaries

Approved in 2014, the Downtown Eastside (DTES) Plan 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.

Vision: "the neighbourhood will 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 where all feel welcome, valued and at home."

1. **Improved well-being for all**
2. **Healthy homes for all**
3. **Vibrant and inclusive local economy**
4. **Improved transportation, infrastructure and safety**
5. **Arts & culture opportunities**
6. **Celebration of heritage**
7. **Improved, safe, accessible public realm**
8. **Community place-making**
9. **Well-managed built form**

DTES: Overarching Context Since 2014

- **The DTES faces compounding crises.** Aging and loss of SRO stock, deepening poverty, toxic drug supply, intensifying mental health crisis, increasing homelessness, influx of gangs and predatory elements, and economic decline with significant retail vacancies.

- **Achievement of 2014 DTES Local Area Plan outcomes** has been impacted by these factors.

- **High Council interest.** 18 motions and amendments since 2014, all with outcomes aligned with the DTES LAP.

- **Need to improve coordination and reporting.** Use DTES LAP as coherent Framework to ensure coordination and leverage moving forward.

- **Urgency of work.**

Purpose

DTES Directions and Initiatives: Progress Updates (RTS 17846)

1. **Recommendations: Healthy Homes For All**
    1. SRO Revitalization Framework + Grant to DTES Community Land Trust to acquire / stabilize private SRO
    2. SRO Vacancy Control + Grant for private SRO owners for life safety upgrades
2. **Recommendations: Vibrant and Inclusive Local Economy**
    1. DTES Temporary Occupancy Permit Pilot (TOPP)
    2. Integrated Economic Approach
3. **Updates**: **Improved Well-Being For All** and **Improved Safe & Accessible Public Realm***

    Incl: Two advocacy-related recommendations

**Updates included but presentation will focus on key recommendations.*

DTES Actions Update
RTS 17846

Recommendation

A. THAT Council receive for information the DTES Actions Update as outlined in Appendix A.

DTES LAP 2:
Healthy Homes for All

Part 1/3

Housing Implementation Policy and Zoning Changes

For information only: As this item is being referred on the same day, discussion should be reserved for the public hearing scheduled December 9th.

Housing Implementation Policy and Zoning Changes

- **Separate referral report today (RTS 18120) recommended to be referred to a public hearing**
- Includes proposed amendments to the Downtown Eastside Oppenheimer District (DEOD) and FC-1 areas.

Key Changes Proposed:

- Aligning the affordability requirements for social housing in the DTES with senior government funding programs;
- Amending / adding inclusionary housing requirements;
- Increasing allowable building heights and density to enable social housing;
- Accelerating SRO Replacement; and
- Enhancing Tenant Protection policies.

As this item is being referred on the same day, discussion should be reserved for the public hearing scheduled December 9th

Purpose: address the housing directions from the 2023 motion ***"Uplifting the Downtown Eastside and Building Inclusive Communities that Work for All Residents"*** to explore policy updates that make it easier for governments, non-profits, and the private sector to build social housing and accelerate SRO replacement.

DTES LAP 2: Healthy Homes for All

Part 2/3

SRO Revitalization Framework

B. THAT Council receive for information the *SRO Revitalization Framework*, as set out in Appendix B, and direct staff to continue to pursue partnership with and funding from the provincial and federal government to implement the Framework;

C. THAT Council approve a capital grant of $1 million to the Downtown Eastside Community Land Trust (CLT), with funding being reallocated from the 2025 SRO Upgrading Grants Program, to leverage federal government funding for the CLT to acquire one privately-owned SRO building (see Appendix C);

SRO Revitalization Framework: Background

Vancouver has **169 Single Room Occupancy (SRO) buildings** with ~7,400 rooms – designated under SRA By-Law (2003)

- **48%** privately-owned
- **52%** non-profit/ government-owned
- **~1,200** rooms closed

SROs are small, small single (10x 10 ft) rooms with shared bathrooms/ cooking facilities - mostly located in DTES

SROs considered **"last resort before homelessness"**

SROs are ageing and at risk of closure:

- Deteriorating building conditions
- Seismic risk
- Fires and floods
- Loss of affordability, displacement of low-income residents in private SROs

Intergovernmental Working Group on SROs formed in 2023 in recognition that greater level of investment and coordination was needed among all levels of government to make meaningful progress on addressing SRO challenges.

SRO Revitalization Framework: City's Role

Regulator

- By-Law monitoring and enforcement (SRA By-Law, SRA Vacancy Control By-Law, life safety By-Laws)
- Policies and regulations to enable social housing for SRO replacement

Investor

- Provision of land and capital grants for social housing to replace SROs
- Grants to improve SROs

Partner/ Advocate

- Partnerships with Non-Profits + Advocacy Groups (DTES SRO-C)
- Advocacy to senior government for funding, legislative changes, tenant supports

SRO Revitalization Framework: Dual Goals

	REPLACE	STABILIZE		
	Replace SROs with self-contained social housing for low-income tenants	**Improve building condition and affordability** for existing SRO residents until buildings can be replaced		
Policies + Regulations	**Land Use Regulations to Enable SRO Replacement**	**SRO-Related Policies and Regulations (ie: SRA By-Law, SRA Vacancy Control)**		
Investments	**Redevelopment, Conversion to Self-Contained Units, or Off-Site Replacement**	**Support for Non-Profit/ Community Ownership of SROs**	**Renovation + Repair of Existing SROs**	**Expansion of Rent Supplements in SROs**

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SRO Revitalization Framework: DTES Community Land Trust

STABILIZE

Improve building condition and affordability for existing SRO residents until buildings can be replaced

Expansion of Rent Supplements in SROs

Renovation + Repair of Existing SROs

Support for Non-Profit/ Community Ownership of SROs

Recommended Grant:

- **$1M** to the DTES CLT, with funding being reallocated from the 2025 SRO Upgrading Grants Program

DTES Community Land Trust

- Non-profit formed in 2022 by a coalition of DTES partners
- Mandate to bring privately-owned SRO rooms into community ownership
- Ownership model focused on:
  - Land Security
  - Tenant-centered governance structure
  - Peer-based holistic programming
- Leverages $1M CMHC funding to acquire one SRO
- Non-profit/community ownership increases housing security for tenants, secures affordability, improves health outcomes

DTES LAP 2:
Healthy Homes for All

Part 3/3

SRO Vacancy Control

D. THAT Council receive for information the *2025 Impact Analysis of SRA Vacancy Control Policy*, as set out in Appendix D, which provides an analysis and comparison of SRO rents, building condition, and financial viability prior to and following the implementation of the policy in May 2024;

E. THAT Council revise the 2023-2026 SRO Upgrading Grants Program (SUGP) to include private owners as eligible applicants, and allocate up to $2 million of the SUGP to private owners under this program, as described in this report, subject to future Council approval of individual grants;

SRA Vacancy Control

Background

- Directed to implement by Council motion in 2020
- Adopted to **address speculative investment** of SROs and:
    - Slow rapid rent increases
    - Dampen speculation
    - Prevent tenant displacement/increased homelessness
- Originally adopted in November 2021, struck down by Supreme Court following lawsuit in August 2022
- Reinstated by Province through MEVA powers in May, 2024 at Council's request

Rent Increase Trajectory: New Investor vs Traditional SRO Owner, 2010-2024

SRA Vacancy Control: How it Works

- Applies to **all non-government owned SRA-designated properties** (~4,000 rooms)
- Regulations **restrict how much rent a landlord can charge a new tenant** when they move in
- **Provisions for rental increases** through RTB for capital repairs, extenuating circumstances

Allowable rent increases for rooms under SRA VC:

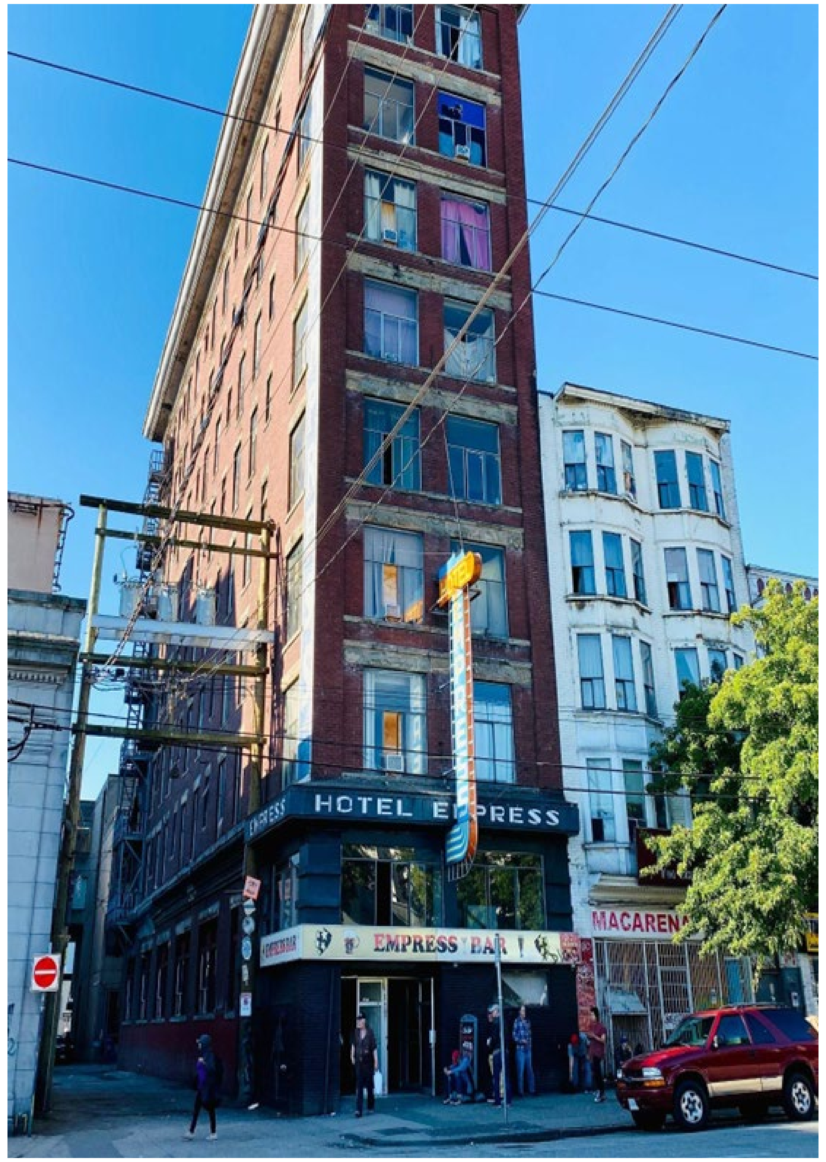
Under $500 →	Rent may be increased by 5% plus inflation or to $500, whichever is higher
$500 + →	Inflation rate*

SRA Vacancy Control: Data Trend Analysis

- Staff analyzed data trends pre and post vacancy control implementation to determine impacts on tenants, owners and building condition
- Based on data trends, vacancy control is doing what it intended to do:
    - Stabilizing rents
    - Increasing housing security for tenants
    - Dampening speculation
- No evidence that VC has had measurable impact on by-law compliance, building occupancy or condition

SRA Vacancy Control: Financial Impact Analysis

- Internal financial analysis undertaken based on six hypothetical building profiles (length of ownership, income profile, debt on title)
- Across all building profiles, **financial outlook similar with and without VC**
- Operating costs and leverage/ debt are the primary determinants of financial viability
- VC can add to these pressures but is not the primary driver
- **Some building profiles not financially viable** with or without vacancy control
- However, **VC reduces flexibility for buildings with marginal models** to transition to a more profitable financial model by displacing tenants/ doubling rents



Example Profile 1:
Avg. rents $486/ month

Example Profile 5:
Avg. rents $1,000/ month

SRA Vacancy Control: Grants to Private SRO Owners

- Privately-owned SRO buildings with marginal profiles could benefit from external grants/ financial subsidies
- Gap in Provincial/Federal funding programs for private owners
- City has existing SRO Upgrading Grant Program for non-profit operators (~$6M available in 2023-2026 Capital Plan)
- **Recommend expanding SRO Upgrade Grant Program eligibility and allocate up to $2M to private owners** to support critical capital building repairs
- Individual grant recommendations would come to Council for approval

DTES LAP 3: Vibrant and Inclusive Local Economy

DTES Temporary Occupancy Permit Pilot

F. THAT Council approve the Downtown Eastside Temporary Occupancy Permit Pilot (TOPP);

G. THAT Council approve the resolution to not enforce for a period of two years, applicable requirements of the Zoning and Development By-law and the Vancouver Building By-law, to enable inclusion of Artist Studio Class A in the Downtown Eastside TOPP.

DTES Temporary Occupancy Permit Pilot (TOPP)

Council Direction

Council Motion: From Vacancy to Vitality: Launching a Temporary Use Pilot for Empty Storefronts in the DTES (July 9, 2025)

Targeted Outcomes

- Fewer vacant storefronts in the DTES
- Increased social and economic activity in the neighbourhood

DTES Temporary Occupancy Permit Pilot (TOPP)

Proposed Pilot & Supporting Activities

2-Year Pilot: Simplified permit process and reduced requirements for building occupancy for six uses

Uses

- Five uses are exempt from a change of use development permit (since 2021)
  - Barber Shop/Beauty Salon, Beauty & Wellness Centre, Retail Store, General Office, Health Care Office*
  - DTES Pilot adds **Artist Studio Class A**

Permit Process & Building Requirements

- Changes in use are allowed among the six uses without change of use development permit
- Building upgrade requirements will be limited to life-safety via time limited occupancy permit
- Non-enforcement resolution of Z&D By-law and VBBL required to enable inclusion of Artist Studio Class A

**Health Care Office includes businesses such as physicians, dentists, optometrists, naturopaths, psychologists, mental health services, and other health care providers.*

DTES Temporary Occupancy Permit Pilot (TOPP)

Proposed Pilot & Supporting Activities (cont'd)

- Proactive inspection of vacant properties for property owners and prospective tenants
  - DBL to offer proactive inspections to see if the vacant space meets the minimum life safety requirements for the pilot uses. Inspection fee to be waived.
- Information workshops for BIAs, property owners and prospective tenants
- Communication and promotion of the pilot and existing pathways that can be used in activating storefronts

DTES LAP 3: Vibrant and Inclusive Local Economy

Integrated Economic Approach

H. THAT Council receive for information the planned DTES economic actions as outlined in this report and Appendix F, and direct staff to report back in Q1 2026.

Local Area Plan Indicators: Vibrant and Inclusive Local Economy

- Concerning progress against indicators set out in the DTES Local Area Plan
- Local business at a tipping point; concurrent crises of commerce, capacity and confidence

Indicator	2014 (reported)	10-year goal	2025	Shift
# of businesses	2,800 (1,767)	**Grow 3-5%**	1,710	**-5% decrease**
Vacancy %	24.5%	**50% reduction**	19.5%	**20% reduction**
Vacant storefronts	135	**50% reduction**	177	**31% increase**
Unemployment	12%	**Parity with city**	13%	8% increase / current Vancouver 6%
Jobs	19,000	**23,000**	TBC	**TBD**
Median Incomes	$23,359	**Up 3% each year**	$41,600 (2023)	**Growth up 5.4% year**
Poverty rate	61%	**75% reduction**	52%	**15% reduction**

Shifts in top 10 business concentrations, 2014 to 2025

- Diverse sectors with double-digit declines
- Decrease in high-value professional and industrial services
- Sectors of growth are typically lower wage and vulnerable to consumer spending shifts

Business Type	**2014** % of total companies	**2025** % of total companies	**Change in # of companies**	
Health Care Professionals and Services	**5%**	**13%**	**135%**	↑
Professional Services	**18%**	**12%**	**-35%**	↓
Restaurant	**10%**	**11%**	**7%**	↑
Retail Dealer	**13%**	**10%**	**-25%**	↓
Association or Society	**7%**	**7%**	**-3%**	↓
Beauty and Wellness Services	**4%**	**6%**	**56%**	↑
Retail Dealer - Food	**6%**	**5%**	**-10%**	↓
ICT and Digital	**5%**	**4%**	**-19%**	↓
Legal Services	**5%**	**3%**	**-49%**	↓
Non-Food Manufacturer, Assembler and Processor	**3%**	**2%**	**-23%**	↓
Total businesses in top 20 concentrations	1,592	1,507	-5%	↓

Local Economy Strategies

Policy Directions

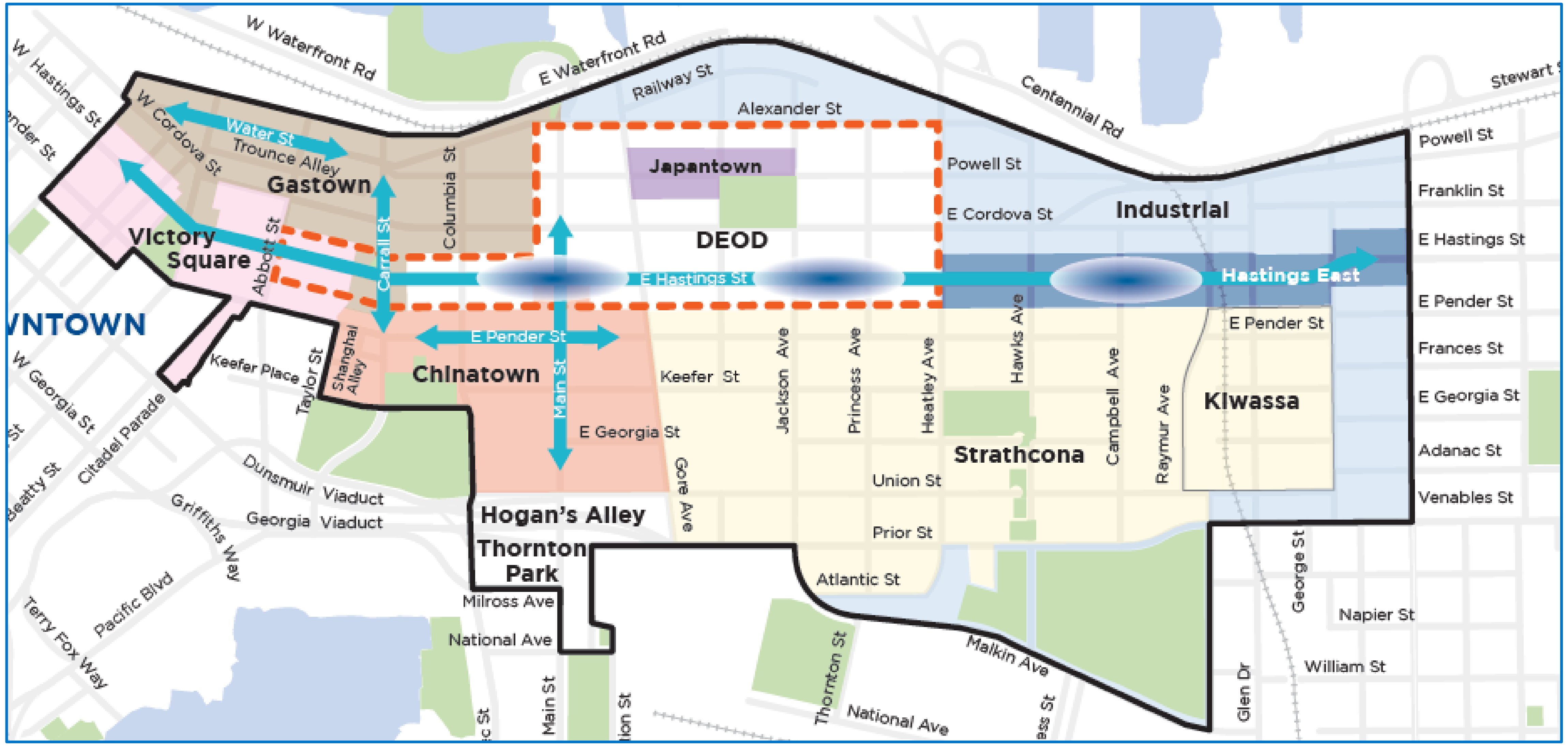
✓Retain local business and industrial uses

✓Attract new business

✓Enhance local serving retail

✓Increase local jobs

ECONOMIC ENHANCEMENT	**Gastown**
ECONOMIC REVITALIZATION	**Chinatown**
RETAIL/ EDUCATION/ COMMERCIAL	**Victory Square**
MIXED-USE/ RETAIL/ COMMERCIAL	**Japantown**
MIXED USE/ RETAIL/ COMMERCIAL REVITALIZATION	**Hastings East**
LOCAL-SERVING RETAIL/ SERVICE	**Strathcona/ Kiwassa**
INDUSTRIAL ENHANCEMENT AND JOB CREATION	**Industrial (sub-area)**



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A Renewed Approach

- **Build on success to date**
- **A collaborative and integrated approach**
- **Action opportunities for realignment and increased impact**

Initial Focus:

- Data collection, monitoring and analysis
- Business retention to enable employment
- Market growth opportunities for local business
- Integration of community economic development initiatives: Eastside Community Corner Market and Community Economic Development (CED) Hub
- Support for Temporary Occupancy Permit Pilot (TOPP)
- Review of related grant programs

DTES LAP 1: Improved Well-Being For All

DTES LAP 7: Improved, Safe & Accessible Public Realm

Recommendations

I. THAT Council direct staff to advocate to the provincial government for sustained funding for programming for at least two day-time respite sites in the DTES that include providing access to washrooms, such as the programming being delivered at 390 Main Street.

J. THAT Council request that the federal government reform bail and sentencing provisions in the *Criminal Code* for repeat, violent offenders and expand diversion courts to ensure that high-risk offenders are not being released into the community while awaiting trial.

DTES LAP 1: Improved Well-Being For All (Appendix H)

**included as updates in Council Report*

Mental Health and Substance Use

VCH Mental Health and Substance Use Framework

Road to Recovery

Social Infrastructure Delivery & Activation

Need for Daytime Drop-In Spaces

Enabling Below-Market Spaces in the DTES

Balmoral Interim Site Activation

Support for Storage, Hygiene, Basic Needs Programs

Washrooms at Main & Powell and Water & Abbott

390 Main: Operated by Aboriginal Front Door Society (storage, drop-in, food)*

320 Alexander: Operated by Watari (drop-in wellness, hygiene, food)*

**Funded until end of Q1 2026.*

DTES LAP 7: Improved, Safe and Accessible Public Realm

**included as updates in Council Report*

Public Realm Cleanliness

Street Cleaning Grants

Enhanced Cleaning in Hastings Corridor (Project Hope)

Uplifting Chinatown Actions Plan

Structures in the Public Realm (Integrated Response Team)

Public Safety

Gastown Hastings Crossing CPC

Neighbourhood Liaison Tables

VPD Task Force Barrage

Bail Reform Advocacy

Welcoming Public Spaces

Plazas: Blood Alley, Maple Tree Square, Chinatown Memorial Square.

Ashtrey Alley (133 W Pender Laneway)

Supporting events and commemorations with portable washrooms, attendants, water stations, traffic management, temporary placemaking.

Graffiti Removal and Abatement

Graffiti Removal on Public Property

Graffiti Removal on Private Property: Annual BIAs Graffiti Abatement Grant, Free Paint Program.

Uplifting Chinatown Action Plan

Next Steps

1. Referral Report – December 9 Public Hearing (RTS 18120)