



ADMINISTRATIVE REPORT

Report Date: September 8, 2009
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VanRIMS No.: 08-2000-20
Meeting Date: October 6, 2009

TO: Vancouver City Council
FROM: Managing Director of Social Development
SUBJECT: Grant Request for Dunsmuir House

RECOMMENDATION

THAT Council approve a grant of \$500,000 to BC Housing for the renovation and operation of Dunsmuir House (500 Dunsmuir Street) with the source of funds to be the Affordable Housing Reserve.

GENERAL MANAGER'S COMMENTS

The General Manager RECOMMENDS approval of the foregoing.

CITY MANAGER'S COMMENTS

The City Manager RECOMMENDS approval of the foregoing.

COUNCIL POLICY

The City's social housing priorities are low and modest income families with children; seniors on fixed incomes or in need of support; SRO residents; and the mentally ill, physically disabled, and others at risk of homelessness.

In June 2005 Council adopted the *Homeless Action Plan* which identifies three priorities to address homelessness: improved access to income, more supportive housing and expanded mental health and addiction services.

The Interim Housing Strategy was presented to Council on April 7, 2009. On April 23, 2009 Council unanimously passed a motion asking for all provincial parties to support the City's Interim Housing Strategy. The strategy seeks to bridge the gap between immediate needs and long-term solutions to homelessness.

The Vancouver Charter requires a resolution passed by not less than two-thirds of all Council members for Recommendation A.

PURPOSE

This report recommends that the City contribute \$500,000 to the Province of BC (BC Housing) for the renovation of Dunsmuir House (500 Dunsmuir) with the source of funds for the City's contribution to be the Affordable Housing Reserve.

BACKGROUND

The City and Province are currently working to develop 1,500 units of social and supportive housing on 14 City-owned sites throughout the city. These units will be developed over the next two to five years. In the meantime, there is a significant gap in housing units available to the 1,600 people who are homeless in the city on a nightly basis.

In response, the City has developed an Interim Housing Strategy to bridge the gap between immediate needs and long-term solutions. This strategy was presented to Council on April 7, 2009. On April 21, 2009 Council unanimously passed a motion asking for all provincial parties in the May 2009 election to commit to supporting the Interim Housing Strategy. The Power Point presentation detailing the Interim Housing Strategy is available on the Housing Policy website at <http://vancouver.ca/commsvcs/housing/pdf/09apr7interimhousingplan.pdf>.

The City proposes to implement this Interim Housing Strategy in partnership with the provincial government, the Streethome Foundation, non-profit service providers and other key partners.

The City and its partners have identified Dunsmuir House (500 Dunsmuir Street) as an interim housing project that can proceed immediately.

DISCUSSION

Dunsmuir House (500 Dunsmuir Street)

Background: Dunsmuir House has a long history of providing housing to low-income singles in the downtown core and is listed on the City's Single Room Accommodation (SRA) Registry. The building was owned and operated by the Salvation Army for over 50 years before they moved their operation to Belkin House at 555 Homer Street in 2003. The building is currently owned by the Holborn Group, along with the Bay Parkade site, and currently operates as student accommodation primarily housing ESL students. The Holborn Group intends to redevelop the site at an undetermined date in the future.

Project Description: Dunsmuir House will provide approximately 160 rooms for people in need of supportive housing. The rooms will be allocated through BC Housing's Supportive Housing Registry (SHR). Priority will be given to people who are street homeless, staying in emergency shelters, and living in unsupported market SRO hotels. This will include people who were staying at the Granville and Howe shelters, which are now closed.

Partnership: Dunsmuir House is a partnership between the Province of BC, the City, Atira Property Management and RainCity Housing. The Province, through its agent BC Housing, holds

the lease with the Holborn Group and is responsible for operating funding. BC Housing's annual contribution to the project will be approximately \$450,000.

BC Housing will contract with Atira Property Management to manage the building, which will have a minimum of two staff 24 hours per day, 7 days per week. Additional tenant supports will be provided by RainCity Housing.

BC Housing is managing the renovations, which will cost approximately \$800,000. The City has been asked to contribute \$500,000 to the project (Recommendation A in this report). The City's funds will be used towards the cost of renovations. The source of funds for the City's grant is the Affordable Housing Reserve.

A celebration of the new use for Dunsmuir House will be arranged with our partners this fall.

Timing: BC Housing took possession of the building on October 1, 2009. Tenanting the building will begin as soon as possible (i.e. once renovations are completed). The Holborn Group has agreed to a three-year lease for the use of Dunsmuir House, renewable for an additional year. Under this lease arrangement, Dunsmuir House will be used for supportive housing until at least September 30, 2012 and possibly to September 30, 2013.

FINANCIAL IMPLICATIONS

Recommendation A provides a grant of \$500,000 from the Affordable Housing Reserve to the Province of BC (BC Housing) for the renovation of Dunsmuir House (500 Dunsmuir Street).

SOCIAL IMPLICATIONS

Recommendations A will result in the addition of approximately 160 supportive housing units for people who are homeless for the next 3 to 5 years. During that time, tenants will have the opportunity to stabilize their lives and receive support services for mental health and addictions issues.

CONCLUSION

The City and Province are currently working to develop 1,500 units of social and supportive housing on 14 City-owned sites throughout the city. These units will be developed over the next two to five years. In the meantime, there is a significant gap in housing units available to the 1,600 people who are homeless in the city on a nightly basis. In response, the City of Vancouver has developed an Interim Housing Strategy to bridge the gap between immediate needs and long-term solutions.

As part of this strategy, BC Housing in partnership with the City has secured Dunsmuir House for use as supportive housing over the next 3 to 4 years. It is recommended that the City commit \$500,000 towards the capital cost of renovations.

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