

OUT OF CONTROL

RENTS AND THE RATE OF CHANGE IN THE DOWNTOWN EASTSIDE



CARNEGIE COMMUNITY ACTION PROJECT'S

2016 HOTEL SURVEY & HOUSING REPORT

By Maria Wallstam, Lenée Son, King-mong Chan, Beverly Ho, Lama Mugabo, & Jean Swanson

OUT **OF** CONTROL

CCAP'S 2016 HOTEL SURVEY AND HOUSING REPORT

THANK YOU TO ALL THESE PEOPLE FOR HELPING OUT
WITH GATHERING INFORMATION FOR THIS REPORT:

Lama Mugabo, Daniel Isadore, Chanel Ly, Wendy Pedersen
and volunteers with the SRO Collaborative.

This report is dedicated to the memory of all the people who have lost their lives to overdoses in SRO hotels, shelters, and on the streets, and specifically to Mike Illing who died on the street in the winter cold snap.

CCAP acknowledges that our neighbourhood lies on the Unceded Territories of the Coast Salish People: Musqueam, Squamish and Tsleil-Waututh.

Carnegie Community Action Project (CCAP)
c/o Carnegie Centre, 401 Main Street, Vancouver
Unceded Coast Salish Territories, BC V6A 2T7
www.carnegieaction.org

CCAP is a project of the board of the Carnegie Community Centre Association, which has about 5,000 members, most of whom live in the Downtown Eastside (DTES) of Vancouver. CCAP works on housing, income, and land use issues in the DTES so that the area can remain a low income friendly community. CCAP works with DTES residents in speaking out on their own behalf for the changes they would like to see in their neighbourhood.

If you find any inaccuracies in this report please contact: info@carnegieaction.org

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INTRODUCTION



58 West Hastings Tent City, July 2016.

In 2016 the average rent in privately owned and run SROs hit a higher than ever \$548 a month, while the rate of change in Chinatown for the foreseeable future is 362 to -4, or 362 unaffordable units will be built while 4 affordable units will be lost. Not surprisingly, it is also the first year in the history of the Downtown Eastside when homelessness escalated to over 1000. 972 homeless people were actually counted in the DTES (1) in the 2016 March count, which, even the counters admit, misses a lot of people. With a total population of about 18,000 in the DTES (2), that means about 1 in 18 people is homeless in our neighbourhood.

1 in 18 people is homeless in our neighbourhood.

Every day residents watch police, city workers, and outreach workers descend on homeless people who sleep on the street in tents or under awnings, or simply on the sidewalk. They force the homeless people to wake up and move their shelter and their belongings. If it's raining, homeless people are forced to move all of their sopping wet stuff and pack it around all day until they set up again at night only to be moved on in the morning.

Not surprisingly, homeless people have about half the life expectancy as other BC residents, (3) a clear fact that should be enough to get governments to provide housing that everyone can afford. If that fact weren't enough to create the political will to end homelessness, the fact that it's cheaper to house the homeless than leave them on the street (4) should do it. But governments seem to want to ignore both facts.

By April 1, 2017, provincial welfare and disability shelter rates will have been frozen for a decade. The shelter part of welfare is a mere \$375 a month, not enough to pay rent in anything but social housing. Because welfare is so low, people who lose their jobs, come out of prison or foster care, or people who can't work for health reasons, simply will not have enough money to pay rent unless they can get into social housing or have friends or family helping them. The wait list for social housing is years long. This means that provincial welfare rates will continue to churn out more and more homeless people until the rates are raised enough so that people can actually afford to pay rent. Homelessness in the DTES is a humanitarian emergency. All three levels of government need to take urgent action to end it. But what has happened in the last year to deal with this crisis?

HOUSING YEAR IN REVIEW



Group photo from the Paint-In at 58 W Hastings, May 2016.

FIGHTING FOR SOCIAL HOUSING AT 58 W. HASTINGS

On July 9th, residents with the Our Homes Can't Wait campaign marched to 58 W. Hastings, a city-owned site designated for social mix housing, and set up a tent city which quickly grew to include about 80 tents. Residents and tent city residents then descended on City Hall on July 12th to demand action on homelessness, occupying a room there until they got a meeting with the Mayor and got him to agree to come to the Downtown Eastside for a meeting with the community.

On Aug. 2nd at a packed meeting in the Carnegie Theatre, Vancouver Mayor Gregor Robertson finally agreed to the minimum demand of the Our Homes Can't Wait campaign: that the city-owned lot at 58 W. Hastings in the Downtown Eastside should have community controlled social housing with 100% welfare/pension rents.

The agreement comes after over ten years of struggle to get social housing at the large

vacant site, across from Army and Navy. Yet, the struggle isn't over yet. The Mayor didn't agree to fund the housing, just to rezone it by June 2017. He says the City will still have to get money to build it from the Federal and Provincial governments.

While the agreement is a notable victory, the fight is far from over. The housing will only replace half of the social housing destroyed by the climate of investment that Woodward's created, a fraction of the housing lost each year to rising rents and will only house a fraction of people who are homeless in our city. And that is only if the housing is actually built, which remains to be seen.

Since the town hall in August and after numerous meetings with the city, the future of the site is in limbo with only half the units designated to be at welfare rate and the Chinatown Foundation, a large donor to the project, being in control of management.

HOUSING YEAR IN REVIEW



Eviction of Wendy Poole Park tent city, November 24th, 2016.

CITY CONTINUES DISPLACING TENT CITIES

In the week leading up to cheque day at the end of November 2016, the Downtown Eastside had the highest number of overdose-related 911 calls ever recorded. During the week of November 17th to 23rd, BC paramedics responded to 494 suspected overdose calls in Greater Vancouver, including 271 in the Downtown Eastside.

The same week, the City of Vancouver launched a coordinated assault on tent cities in the Downtown Eastside – crucial spaces of safety, survival and harm reduction for drug users and homeless people. In the span of 30 hours, the City of Vancouver dismantled 4 tent cities in the area.

At Wendy Poole Park 12 tent city residents were displaced; all the residents at 58 W.Hastings were also evicted from their homes of the previous 4 months; and city workers dismantled the tent city outside the Living Room on Powell St. as well as the tent city set up in Thornton Park, where 7 people were arrested defending the tent homes.

At every step of the way, the City council which claimed they would end homelessness makes it harder for homeless people. Every week the City spends a significant amount of its resources in the area on harassing and forcibly displacing homeless people and homeless camps, to the extent that displacement is the everyday experience of being homeless in Vancouver.

The City often uses safety concerns to justify the displacement of homeless people, but in reality, displacement breaks up and destroys the little stability, safety and security that homeless people have, leaving them without access to shelter or housing.

Displacement tears apart life-saving relationships, puts drug users at significantly increased risk of dying from overdose and also forces homeless people into alleys and dark spaces of the city where they face increased danger from police, and anti-homeless and misogynist bigots who act under cover of isolation.



The May Wah Hotel houses more than 100 low-income tenants.

DISASTER AT MAY WAH HOTEL MAY BE AVERTED

In 2016, the Shon Yee Benevolent Association put the May Wah Hotel up for sale. The May Wah is an SRO hotel with 120 rooms renting at very low rents, mostly below \$375 / month. Many of the residents are low income monolingual Chinese speaking seniors.

All through 2016, CCAP and the Chinatown Concern Group were concerned that if a private developer bought the May Wah, the building would be upgraded and the current residents reno-evicted for higher paying new tenants. The Chinatown Concern Group called on the City to buy the building but they took no action.

In March it was announced that the Vancouver Chinatown Foundation bought the building for \$9.8 million in early 2017. CCAP and the Concern Group are hoping that the existing tenants will be able to stay at low rents with this new arrangement.

FIXED TERM LEASES LET LANDLORDS INCREASE RENTS

Fixed term leases are allowed on page 2 of the Residential Tenancy Agreement. Landlords can ask tenants to agree to move out after a fixed term which could be 2 months or a year or any period of time. At the end of the term landlords can raise the rents as much as they like or evict

tenants with no reason. In late 2016, the owners of the Ross House SRO started using these leases to either evict or raise the rents by up to \$210 a month.

Rumours abound that other SRO owners are increasingly using them to “control their tenants.” Many of the gentrifying hotels that advertise on Craigslist say they want fixed term leases for their new tenants. Unless the province ends the ability of landlords to evade rent control and eviction protections with this clause, 40 years of work striving for tenant protection of SRO residents could be wiped out in 2017.

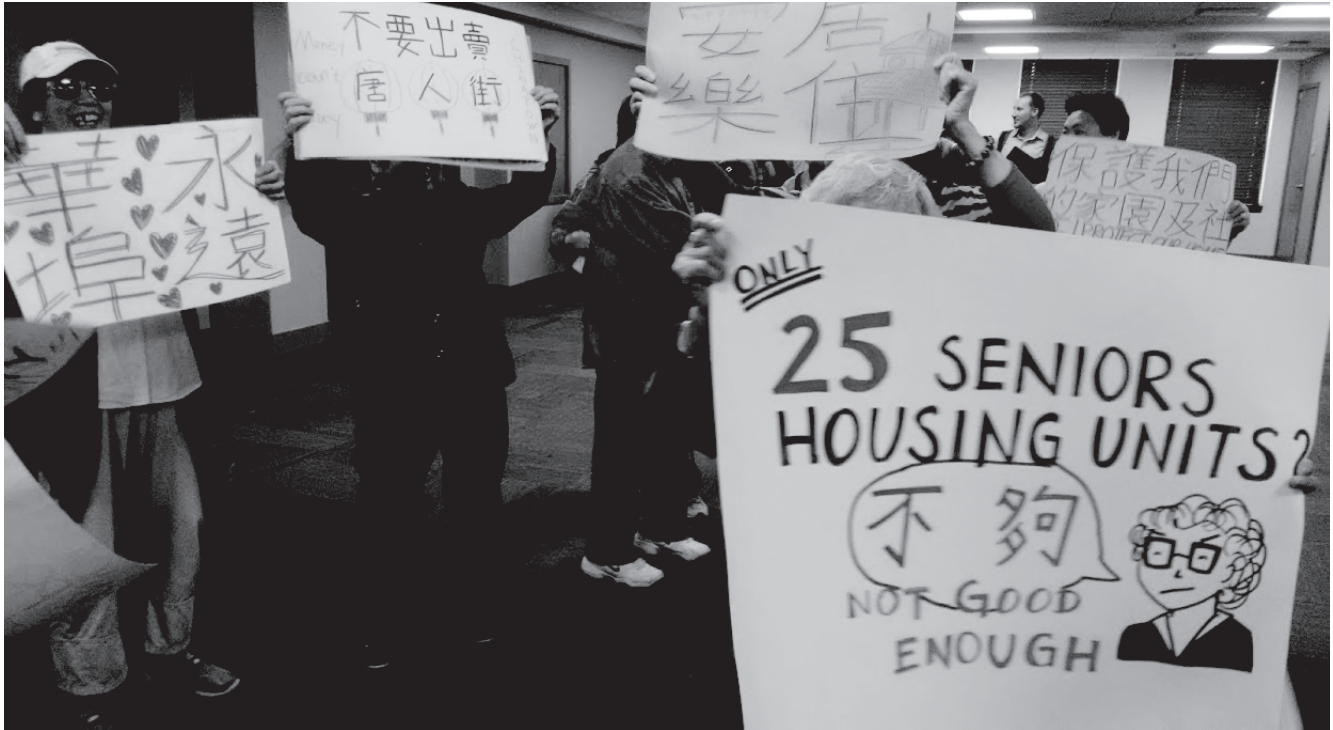
LOSING SOCIAL HOUSING: RODDAN LODGE AND QUALITY INN

Roddan Lodge is a social housing building owned by the city that houses 156 mostly Chinese seniors. The City plans to demolish this building and rebuild it as social mix housing. In 2016, the City started moving people out of Roddan Lodge and into other premises. Most of the seniors don't want to move; they are satisfied and happy with the close proximity to Chinatown, the community in Roddan, and their Chinese-speaking manager.

While the City says they will be able to return to the new building, that could take years, and many tenants are well into their 70s, 80s, and even 90s. At the Little Mountain social housing project at Main and East 35th, for example, people were evicted in 2009 and the new housing still has not been built. Emptying out Roddan Lodge could end up contributing to the growing number of homeless seniors. And the new social mix building planned to take its place will take years to build and will contribute to gentrification.

The Quality Inn is a hotel in the West End that the City is leasing to house homeless people. However the lease was up at the end of February and the City had to find housing for its 157 residents. In total, including Roddan Lodge residents, that's over 300 people that the City has to find housing for, meaning that whatever units they find, won't be available to others who are homeless or SRO residents seeking decent housing. It also means a net loss of over 300 units of housing for low-income people.

HOUSING YEAR IN REVIEW



CHINATOWN CRAP COULD OPEN FLOODGATES FOR CONDO DEVELOPMENT

The City is expected to update its Chinatown Plan in 2017 and started open houses on its Chinatown Economic Revitalization Action Plan (named CRAP by the Chinatown Concern Group) in 2016. Proposed changes include height restrictions being laxed (with a maximum of 150 feet-wide or 14 stories on Main St), 200 feet-wide building fronts, and gutting the public consultations (open houses and public hearings), making it a free for all for future market developments.

The City also failed to notify residents in many buildings in Chinatown, Strathcona, and the Downtown Eastside about open houses on these changes, and stated that only 80 people showed up to the two open houses held in October 2016. The Chinatown Concern Group and other groups representing working class residents have been fighting the CRAP because if passed, it will open the floodgates for condo development in Chinatown, raising rents, the cost of living, and displacing its most vulnerable residents to an even greater rate.

RESIDENTS FIGHT TO SAVE 105 KEEFER FOR SENIORS AND CULTURAL SPACE

Beedie Living is proposing to build a luxury high rise in the cultural heart of Chinatown at 105 Keefer beside the Chinatown Memorial, which remembers the sacrifices of Chinese-Canadian workers and soldiers. It would contain 119 condos, 25 social housing units for seniors (paid for with a \$7.3 million grant from the provincial government, but rents are still unknown), and a mere 1000 sq ft of seniors' cultural space, proposed to be rented to a community group for only 10 years at a reduced rate.

Low income and working class Chinese residents have been calling on the City to stop the proposal because of the recent onslaught of gentrification and displacement in Chinatown, purchase the lot, and build 100% welfare, pension rate housing with the bottom floor to be a free intergenerational cultural and community space for the Chinese community.

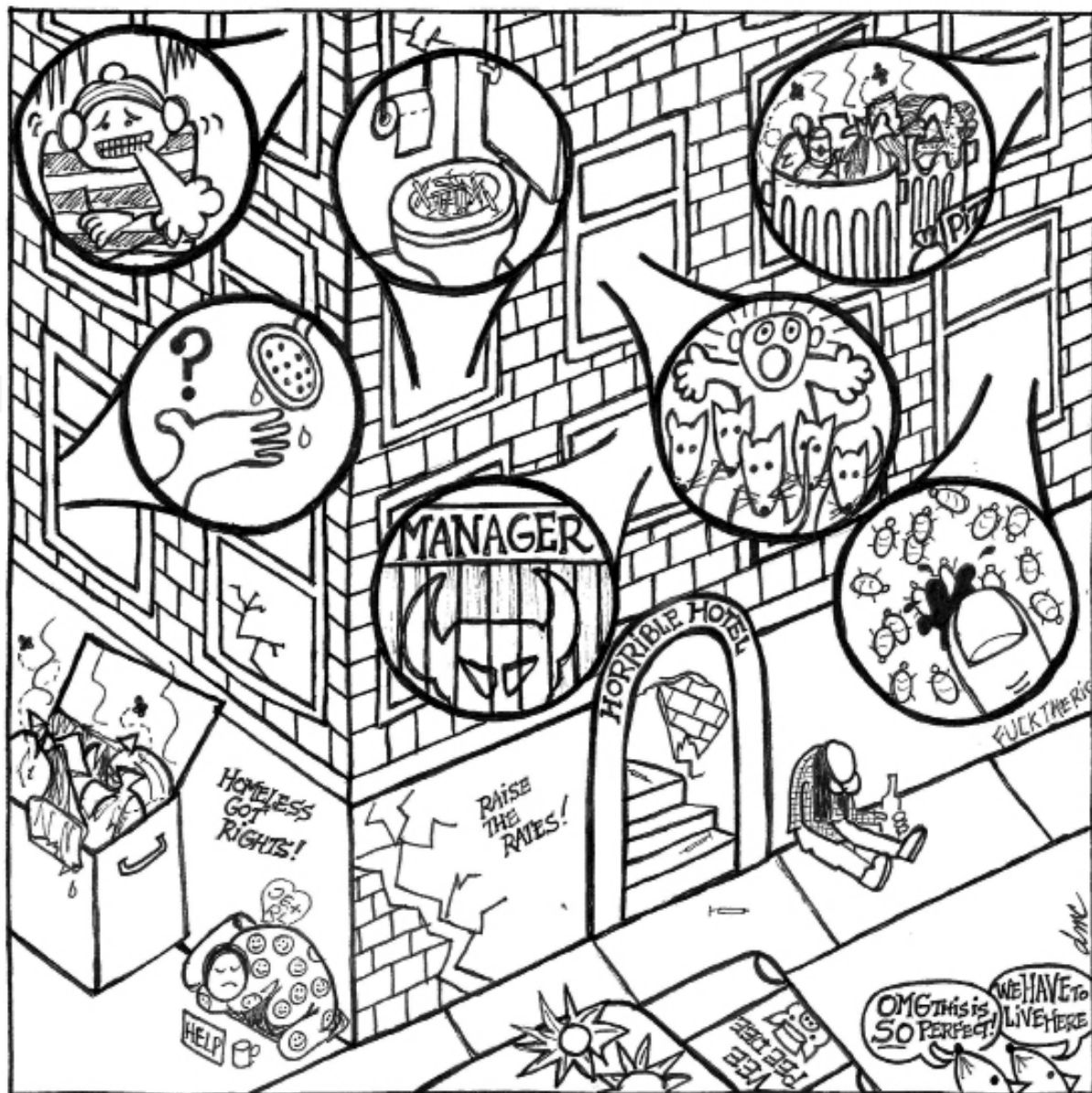
RESIDENTS FIGHT FOR GOOD MANAGEMENT AT THE SAHOTA HOTELS

One good thing that's happened around housing in the DTES in 2016 is fight for better maintenance and management at the Sahota owned hotels. The Sahota family, worth an estimated \$130 million, owns 4 DTES hotels (Balmoral, Regent, Astoria, Cobalt) that house over 500 residents.

Rents in these hotels start at about \$450 a month for a single person but conditions are terrible and include malfunctioning elevators, lack of heat and

hot water, rats, a falling off facade, cockroaches, bedbugs, and management that has allowed homeless people from the street to come into the building and sleep in halls and communal washrooms.

This year residents organized by the SRO Collaborative started fighting back. Jack Gates, a tenant at the Regent, and his lawyer Jason Gratl have been involved in two legal actions: one is a possible class action against the City and the Sahota family. The second is a request for a court injunction. Gates is taking the City to court too, because it is not enforcing its own Standards of Maintenance bylaw. Results of these court cases are expected later in 2017.



This cartoon illustrates some of the common problems in SRO Hotels: rats, bed bugs, fire safety hazards, poor management, lack of heating and hot water, among many other problems. Artwork by Debra McNaught.

CRUNCHING THE HOUSING BUDGETS

To end homelessness in the DTES and to provide adequate housing for thousands of SRO residents federal and provincial governments have to build about 5000 units of social housing in the DTES, that low income people can afford. While both governments talk a lot about the millions they are spending, we need to really crunch their numbers to see if they are adequate to meet the need.

The BC government made 2 big housing funding announcements in 2016. One was for a probably one time allocation of \$500 million for the whole province (5). This will result in 96 units in the DTES but we don't know if the rents will be low enough for homeless people to afford. Some probably will be.

The other announcement was for \$355 million to be spent across the province over the next 5 years (6). Of this \$305 million would be left for spending in the 2017-2020 period, or about \$76 million per year for the whole province. Not all of this money will be for building new social housing. Some will be for renovations, and probably most will be for mixed income housing that people who are homeless and live in SRO's can't afford. Vancouver's share (at 13% of the population) would be about \$9.9 million per year for the next 4 years. That's about 50 units a year, to deal with a homelessness crisis of thousands.

The Federal government committed \$150 million for housing for the whole province for 2016 and 2017 (7). If all of that were used to build social housing units that cost about \$200,000 each on city owned land, that amount could build about 49 units a year in Vancouver, a pittance.

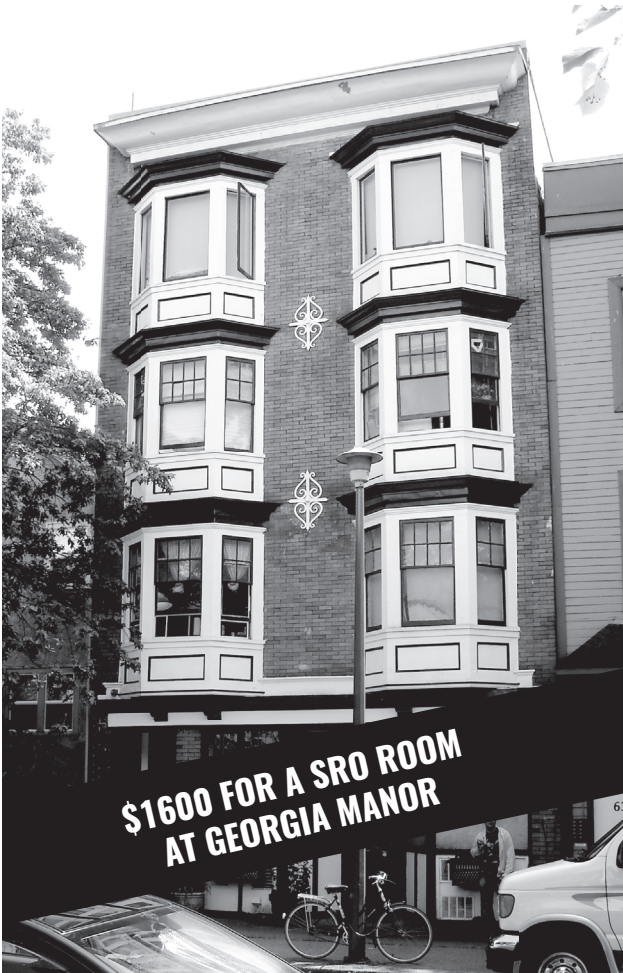
Adding up the federal and provincial contributions to social housing over the next four years, Vancouver gets at absolute most 49 units per year from federal funding plus 50 units a year from provincial funding (which won't all be for low income people), plus up to 96 units in the DTES as a one-time addition. So a maximum of 99 units, total, per year, for the next two years, plus up to 96 units as a one time contribution. This is nothing but a guarantee that homelessness will continue to escalate beyond what anyone can even imagine today.

The Federal government has promised a national housing strategy and the Federation of Canadian Municipalities (FCM) has called for that strategy to spend \$12.66 billion over the next 8 years on housing (8). Unfortunately, the FCM isn't calling for anywhere near the amount of housing that's needed to end homelessness in Canada.

The FCM is asking for a mere \$350 million per year to end homelessness. Some of this would be for shelters and other priorities of different communities. But if it were all used to build housing for homeless people, \$350 M per year across Canada would result in about \$45.5 million for BC (which has about 13% of Canada's population) and a mere \$5.9 million for Vancouver--at most 30 units of housing per year for the 1847 homeless people counted in Vancouver in 2016 (9).

Because people are dying of homelessness, and because it's cheaper to house homeless people than maintain them on the street, it's critical that the general public and media crunch these numbers about housing funding and ask the question: is the government spending enough money on housing to end homelessness? The answer is clearly NO.

SUMMARY / LOWLIGHTS



Georgia Manor at 634 East Georgia

CCAP's 8th annual hotel survey and housing report is designed to report on whether low-income people can afford to stay in their community. With about 9,000-10,000 people on welfare and disability (10) most with only \$375 a month for shelter, and with about 4,000 seniors with about \$433 a month for rent or less, most residents have only about \$375-433 a month for shelter.

- About 1 in 18 people who live in the DTES is homeless.
- The amount of money that federal and provincial governments plan to spend on new social housing will guarantee that homelessness continues to increase.
- Between 2009 and 2016 the average lowest

rent in hotels surveyed increased from \$398 to \$548.

- Between 2015 and 2016 the average lowest hotel rents increased by \$31, the highest ever year over year increase in 8 years.
- 85% of hotel rooms now rent for over \$425 a month.
- Residents surviving on social assistance of \$610 and paying the average SRO rent of \$548 have only \$62 a month, or about \$2 a day, left for everything else including food, hygiene, laundry, transportation, etc.
- Average rents in the 9 fastest gentrifying hotels are \$1,101, an increase of \$196 over last year's fastest gentrifying hotels.

Only 11 new units of welfare/pension rate housing opened in the DTES in 2016. These units don't come close to meeting the need of the 1,000 homeless people in the neighbourhood.

- The rate of change of new unaffordable (condos, market rental and social housing with rents above welfare shelter rate) housing units to units at welfare/pension rate in 2016 was a whopping 46:1, with 510 expensive units being built and only 11 welfare rate units.
- The rate of change going forward into the foreseeable future with proposed and approved new developments is 5.4 to 1, with 1,510 new unaffordable units scheduled to open and only 252 units at welfare/pension rate.
- The rate of change for the immediate future in Chinatown is a whopping and inexcusable 362 unaffordable units to an actual loss of 4 SRO units.
- The rate of change in Chinatown for 2016 is 36:1, with 398 unaffordable units opening up and only 11 at welfare/pension rate.

SAMPLE INFORMATION

This year CCAP checked 84 privately owned and run hotels for rent and other information. We got rent information from 68 of these hotels with 3,170 rooms or 95% of the rooms in all the privately owned and run hotels.

SAMPLE INFORMATION	2013	2014	2015	2016
Number of hotels checked	81	79	85	84
Number of hotels that provided rent information	64	68	67	68
Number of rooms in hotels that provided rent information	3071	3004	3156	3170
Percent of rooms that are in hotels that provided rent info	93%	96%	93%	95%

RENTS

Most hotels have rooms that rent at different rents within the building. CCAP doesn't have access to the owner's books. Instead CCAP surveyors use the "mystery shopper" method. Investigators posing as prospective tenants ask managers and desk clerks questions about rents and vacancies in each hotel. We complement the information we get from managers with information from tenants and Craigslist. CCAP checked only hotels that are privately owned and run.

For most of this report CCAP has conservatively grouped hotels by the lowest rent in the rent range. This means that it is likely that hundreds of people actually pay higher rents than it appears by looking at most of our data.

For example in some cases CCAP has classified a hotel as having rents that begin at \$425 even though we know some rooms in the building rent for \$550 or more. This also means that there might be longer term tenants who pay a lower rent than reflected by our data.

For 2016, CCAP found that the percent of hotel rooms that rent for the welfare shelter rate of \$375 is about 6%, with only about 200 rooms in privately owned and run hotels with these low rents. The majority of these rooms are at the May Wah Hotel. There were no vacancies in these buildings.

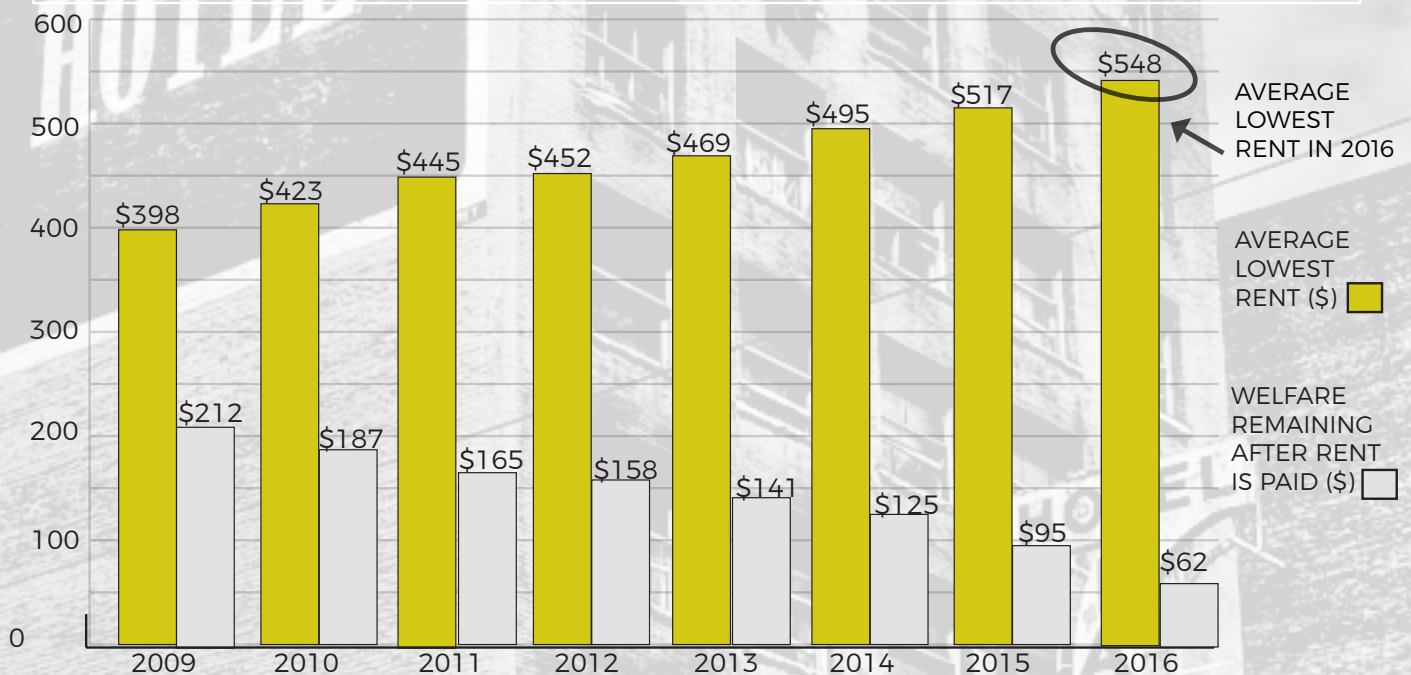
CCAP got vacancy information from 52 hotels. Of those only 2 had vacancies on the day they were surveyed. One rented for \$495 and the other for \$450. There were vacancies in the upscale hotels, but the rents in these hotels are far out of reach for low-income residents.

We also found 2701 rooms renting for \$425 or more. The average lowest rent in all the hotels we got rent information for is a whopping \$548 per month, \$31 higher than last year.

This means that a person on the basic welfare rate of \$610 a month has only \$62 a month left for all necessities including food, after paying the average rent in a privately owned and run DTES SRO hotel. Welfare doesn't pay enough to

RENTS

AVERAGE LOWEST RENT AND WELFARE REMAINING AFTER RENT IS PAID (\$)



SEVEN YEARS OF HOTEL SURVEY FINDINGS	2009	210	2011	2012	2013	2014	2015	2016
% of hotel rooms where all rooms rent for \$375 or less	29%	12%	7%	5%	4%	9%	5%	6%
Number of rooms in hotels where all rooms rent for \$375 or less	777	365	235	159	126	283	155	200
Vacant hotel rooms renting for \$375 or less	4	2	2	1	0	2	0	0
Numbers of rooms in hotels renting for above \$425	1416	1689	1567	2042	2278	2444	2576	2701

HOUSING DISCRIMINATION

PUSHING AGAINST THE WALLS OF RACIAL DISCRIMINATION AS SOCIAL CONDITION

Racial discrimination is complex. The BC Human Rights Code prohibits landlords from refusing to rent to you because of your race but racial discrimination is subtle. Landlords no longer tell you to your face that they won't rent a unit because of your race. Instead, they might tell you their apartment is listing is gone but show the place to a white applicant. Deeply entrenched systems of racism make it difficult for visible minorities to find housing.

I sat down with my friend Herb Varley to talk about how racial discrimination affects people of color. Although I have not been denied housing because of my color in the recent past, I realized that what happened to me decades ago, still happen to folks of color today. One of my friends said to me: "Nothing has changed, my brother. Same shit, different day".

"Ten years ago", Herb explained to me, "I bounced from apartment to apartment, looking for a place to rent with my younger brother. We were two Native, hard working guys, looking for a place to rent in the neighborhood. We didn't want to move to Surrey; we wanted to live in Vancouver. It became a routine. We'd call up the manager; he'd say come on in, we have a unit available for you. The minute we opened the door and he saw we were two Aboriginal young men working in construction, he said what we heard many times: 'I'm sorry the unit is rented.' How can it be? One time, we sent a white friend to substitute for us. Sure enough, there was a vacancy."

This is a classic scenario. If you are a person of color, you are treated differently than if you are white. A friend of mine who works in the housing industry shared with me that in his building, the management discussed how it is unwise to rent units to Black people, because they are troublemakers. Of course, this allegation cannot be corroborated. It's hard to admit it

because landlords are careful what they say in public. The bottom line is that many people of color who are homeless are victims of what is now called "enlightened racism". Instead of telling you, "no" to your face, they avoid potential legal suits and do it behind your back.

Racial discrimination is often masked as social condition. A landlord can deny you a place to rent based on your appearance; you are on welfare, a person of color or an immigrant. How else can we explain the fact that Indigenous people make up 4% of the population in Vancouver and yet comprise 30% of the homeless population? Are they denied decent housing by the fact of their social class or their racial/colonial position? Racial discrimination is prohibited by law in some situations but discrimination based on social condition is not covered in BC by Human Rights laws. Since people are not protected against discrimination by social class, this critical point of their racial/colonial oppression or poverty is not defended by BC law.

Herb and his young brother kept bouncing from landlord to landlord for a while. The question was never that he would not be able to afford the rent. They had a well-paying job. Sometimes they even offered to pay \$50 extra in order to get a rental unit. One landlord told Herb: "We can't afford to let this place turn into a party house". The underlying tone was: "You are young, work in construction; you will cause trouble for the rest of the tenants. In the end, Herb found accommodation at Native Housing Society and has been there for the past six years.

In order to make a discrimination claim, indigenous and other racialized people have to argue that their experience with discrimination was on account of a 'pure' racism, not an economic appearance of racism. This is usually impossible, because poverty and race cannot be clearly disentangled.

BY: LAMA MUGABO

LIVING IN AN SRO HOTEL

HOME SWEET BEDBUGS AND COCKROACHES



Zook's room at The Afton Hotel.

Zook moved to Vancouver from Calgary, via Toronto. Originally from South Africa, he was one of the few lucky refugees who was given the opportunity to make Canada his new home. Like many African refugees who immigrated to this country, the image of Canada as a land of milk and honey, where money grows on trees fades shortly after he land here.

Lack of affordable housing is a major barrier to integration for new immigrants. When welfare shelter allowance is \$375/month, it becomes a challenge to find an affordable home at that rate. Zook was drawn to Vancouver by its climate and access to the sea. "I like to run. Every time I watched the weather channel, I dreamed of a life in Vancouver where I could run by the sea, the breeze blowing in my face".

Zook initially stayed at Haven, a shelter run by the Salvation Army. "The place was clean. I was grateful to have a roof over my head, but a shelter is not a home. You check in at 9:00 pm and out by 6:00 am with no place to store your stuff. I had to get out of there, real quick. Luckily, my perseverance paid off and I got a room at the Afton Hotel".

The manager took Zook around to show him the room. "Here is how the system works", he

explained: "The only thing private is your room. You share washroom and shower with tenants on your floor. There are coin operated-washing machines on each floor. Your rent is \$480/month. We will need \$240 for your damage deposit. Once approved, the welfare office will send the rent directly to us. They will lend you the damage deposit, which you will reimburse by taking \$20.00 off your monthly cheque. Please fill out this application form and we can have you move in as soon as welfare cuts us a cheque."

"Zook invited me to visit his room and for a while I forgot I was in Canada. The building desperately needed repairs, the floors were dirty and unkempt. The air was stale and uninviting."

Zook invited me to visit his room and for a while I forgot I was in Canada. The building desperately needed repairs, the floors were dirty and unkempt. The air was stale and uninviting. He opened the door and said to me: "Welcome to my palace!" The room is about 6mx3m. Enough space to lay down a bed, a chair and hang up his clothes. It has a small fridge, an old small TV with cable and an electric hot plate where Zook is able to prepare small meals. "Today is bedbug cleaning day". His bed was leaning against the wall, he had spread insecticide powder on the bed, mattress and floor, to kill the uninvited guests.

I asked him what he liked and what he didn't like about his room. "I like my privacy. When I come home and close the door behind me, I can sit back, relax and watch a little TV before I hit the sack. What I cannot stand are three things. The air ventilation is poorly installed, so whenever someone uses the toilet, a nasty stench spreads across the floor. My next door neighbor has a habit of playing loud music late at night when I'm trying to get some sleep. And to top it off, I hate the daily fights against cockroaches and bedbugs."

BY LAMA MUGABO

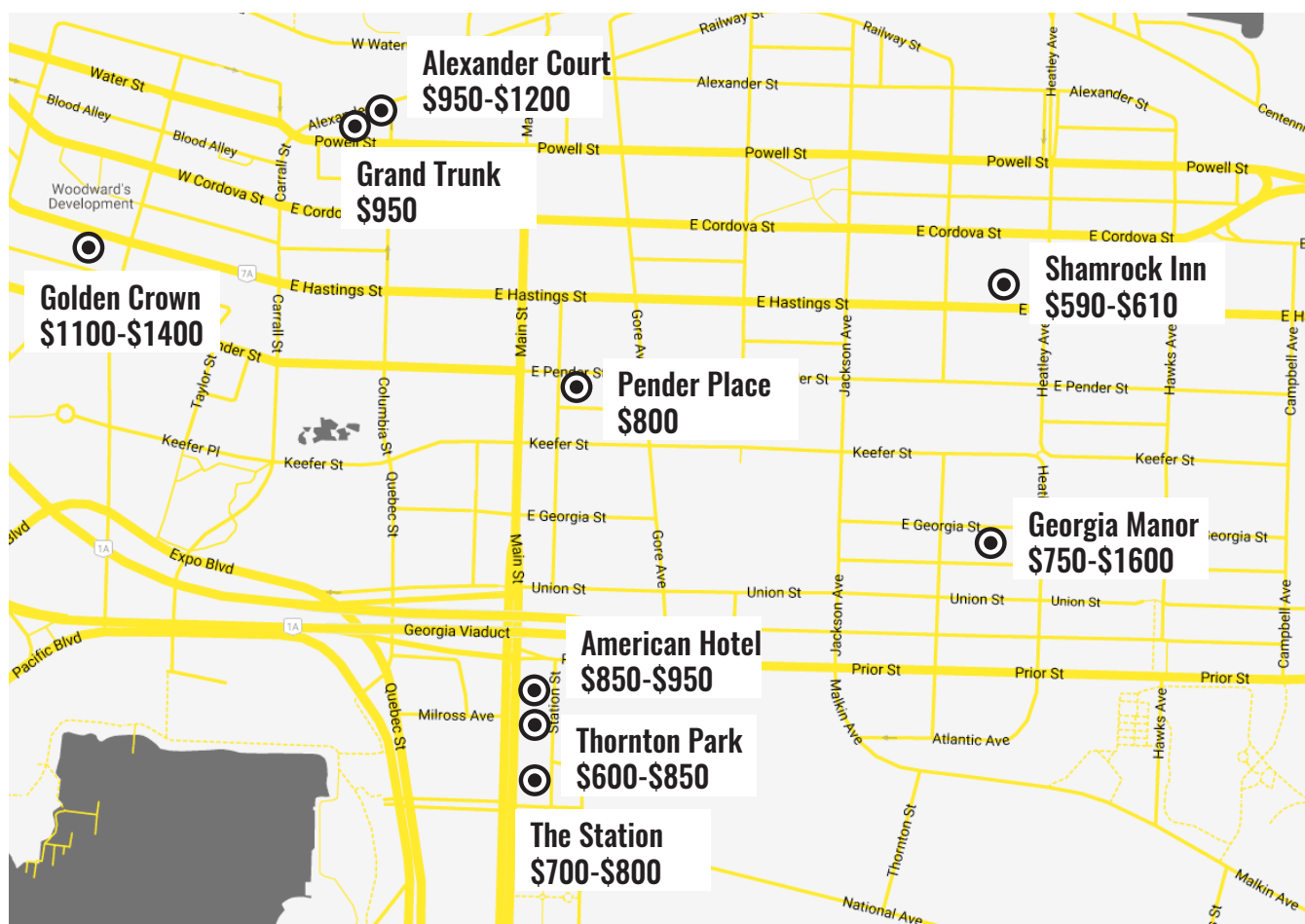
GENTRIFICATION

This year, like last year, CCAP looked at the hotels with the highest rents. In 2015 the average rents in these hotels was \$905. For 2016 the average rent is almost \$200 higher: \$1,101. Hotels that raised rents to a seemingly mere \$500 or so in 2009 after Woodward's opened, are now charging double that. The highest rent in an SRO hotel in 2016 was \$1,600 at Georgia Manor and there are now over 10 hotels with rents above \$1,000 / month.

HOTELS WITH RENTS OVER \$1000/MONTH	
HOTEL	AVERAGE RENT IN 2016
Alexander Court	1075
Argyle Hotel	\$1115
Burns Block	\$1,200
Georgia Manor	\$1,175
Golden Crown	\$1,250
Lotus	\$1,050
Low Young Court	\$1,000
New Columbia	\$1000
Metropole	\$1,100
71-77 E. Hastings	\$1,050
AVERAGE RENT	\$1,101



GENTRIFICATION



Map of the "Lippman Empire." Average rent in Lippman owned SRO Hotel: \$915 / month

Since the Local Area Plan was approved in 2014, the gentrification of the traditional low-income neighbourhood has intensified. In 2016, 510 new condominium and market rental housing units were opened in the Downtown Eastside. The new market housing has been accompanied by a growing number of gentrifying retail spaces, which cater to new high-income residents while excluding low-income residents.

And in SRO hotels, low-income people have been pushed out by students and workers who are able to pay up to \$1000 to live in an SRO room. Some investors, like Steven Lippman, have capitalized on this disaster to make profit off the displacement of Vancouver's poorest citizens.

Steven Lippman's business model is painfully simple: acquire cheap rental housing, evict the residents, renovate the space and raise the rents to \$600, \$700, and even \$900, \$1000 or more.

Excuses for evictions include:

- they want the room for the landlord's suite;
- they evict people for non payment of rent;
- they evict people claiming that they are drug dealers;
- they evict people for having too much stuff.

If they can't find a reason to evict tenants, they sometimes sign a "mutual agreement" to end the tenancy and sometimes pay people hundreds of dollars to leave.

Usually Lippman's hotels renovate the street level storefront for an upscale business like Bodega restaurant below the Thornton Park Hotel. They also put security cameras in some buildings and make tenants get key fobs instead of regular keys. Then tenants who lose their fobs have to pay a lot, like \$50, for a replacement.

RATE OF CHANGE: 2015 TO 2016

Rate of change used to be an important concept for the City of Vancouver. In 2005, the DTES Housing Plan said, "The development of new market housing and low-income housing must proceed together for the Downtown Eastside to remain sustainable." (12)

That is, for each unit of market housing, one unit of social housing should be built. Back in 2005, social housing meant housing that low income people can afford. But in 2014, the City changed the definition so that now only a small percent of new social housing in the city is for low-income people (13).

Back in 2005 planners wanted a rate of change of 1:1 because they realized that if market housing was built at a faster rate than social housing, the neighbourhood would become gentrified and low income residents would be displaced. By the time the 2014 Local Area Plan was passed, the City actually wanted gentrification and planned to relocate over 3,000 DTES residents (14) outside their community, without having the housing to put them in.

CCAP calculates the rate of change just to show how far away from its original concept of 1:1 that the city has come, and that it doesn't seem to care about the impact of gentrification on low income residents.

In 2016, the rate of change in the DTES was 46:1. 510 new condos, market rentals and social housing units that rent over welfare rate opened. Only 11 units at welfare rate opened. If you count only new units in buildings that have been approved and proposed for 2016, the rate of change going into the foreseeable future is 6.5:1.

In other words, almost all of the housing that's being built in the DTES is for people who can afford market rents. People who are homeless and people who need to move out of unhealthy SRO units have very little to expect in the way of new social housing.

RATE OF CHANGE FOR DEVELOPMENTS THAT OPENED IN 2016

DEVELOPMENT	DEVELOPER	CONDOS	MARKET RENTAL	SOCIAL HOUSING ABOVE (\$375) WELFARE RATE	SOCIAL HOUSING UNITS AT (\$375) WELFARE RATE
231 E. Pender	Framework	60			
150 E. Cordova	Concord Pacific	61			
633 Main St. / 183 E. Georgia Street	Bosa Blue Sky Properties		192		
308 W. Hastings			53		
188 Keefer	Westbank	134	5	6	11
TOTAL		255	249	6	11

RATE OF CHANGE FOR DTES DEVELOPMENTS THAT OPENED IN 2016: 510/11=46:1.

Some new social housing has been announced but not officially proposed to or approved by the City. This includes buildings on city owned land at 946 Main, 1015 E. Hastings, and 177 W. Pender, as well as provincially funded sites at 835 E. Hastings (45 seniors units), 453 Powell (5 seniors units), and 124 Powell (21 units for low income people). However we don't know how many of these units will rent for welfare/shelter rates.

DEVELOPMENTS PROPOSED, APPROVED OR UNDER CONSTRUCTION BY FEB., 2017

DEVELOPMENT	DEVELOPER	CONDOS	MARKET RENTAL	SOCIAL HOUSING ABOVE WELFARE RATE (\$375)	SOCIAL HOUSING UNITS AT WELFARE RATE (\$375)	COMMENTS
955 E Hastings	Wall Financial Corp	282		35	35	Under construction
720 E Hastings	Cause We Care House				21	Under construction
179 Main Street		47		4	5	Construction starting
41 E Hastings	Atira		78	68	52	Under construction
105 Keefer	Beedie Living	110		25	Social housing rents unknown	Needs rezoning at point of publication.
245 E. Georgia St. (Albert Block)	GMC Projects		40			Under construction
288 E Hastings	BC Housing / Wall Financial Corp		68	69	35	Under construction
424 W. Pender	Onni		92			This site is still a diner
425 W. Pender	Onni		72			This site is still a parking lot
33 W. Cordova	Westbank		134	80	Social housing rents unknown	Replacement units
95 W. Hastings	Holborn		134			Parking lot
58 W. Hastings	Chinatown Foundation			114	114	Rezoning June 2017
420 Hawks	Atira				26	Vacant lot
450 Gore Avenue	GMC Projects		61			Under construction
137 Keefer St.	James Schouw & Associates	14				Approved with conditions
129 Keefer St.	James Schouw & Associates	33				Proposed
228-296 Main	Bonnis	140			-4*	Proposed
95 W. Hastings	Holborn		132			
TOTAL		626	811	395	284	

RATE OF CHANGE =1832/284 OR 6.5:1

CHINATOWN



Mrs. Kong, Chinatown Concern Group.
Photo by Nat Lowe / Chinatown Concern

Since the Chinatown Heights Review encouraged highrises and gentrification in Chinatown, more and more residents are concerned about the loss of shops serving the low-income Chinese speaking community, the impact of higher property values on rents in low rent accommodation, and the lack of new low-income housing, especially for seniors.

CCAP was hoping that when the City did its review of the impact of its zoning policies on Chinatown, they would propose changes that would preserve low-income serving shops, low-income housing and make sure new developments include a large percentage of social housing.

The opposite happened. As this report goes to press the City is considering its Chinatown Economic Revitalization Action Plan (CRAP) which is actually worse than the previous zoning. Contrary to its goals of supporting “innovative heritage, cultural and affordable housing projects,” “preserving Chinatown’s unique heritage,” and “bringing community members together to address issues such as economic growth and heritage retention,” the proposed policy will systematically displace and marginalize

the low-income Chinese community even more than the Historic Heights Review of 2011.

Major changes include raising the maximum building height all around, with developments of up to 150 ft (or about 14 stories) on Main Street that will no longer need to apply for rezoning and receive the public input that requires. New developments also do not need to include any social housing. Buildings over 90 ft only need to include 20% of units as social housing, but not at 1/3 of the renter’s income or at welfare/pension rate. And there is no provision that the developer will have to actually pay for the social housing.

Another incentive for developers is the proposed 200 foot wide building site fronts. The main reason why condo developers were not attracted to Chinatown in the past was because of height limits from the Historic Area designation and the 25 foot wide lots. City Council, during its public consultation period of the Heights Review in 2009, received feedback of “strong opposition to taller towers.” It also heard that “heritage character and scale [were] most important” and a “concern for impact of development on the low-income community.” But Council still passed it and opened the floodgates for market development in Chinatown.

CCAP and the Chinatown Concern Group are calling:

- For new buildings of any height to have at least 50% of the floor space dedicated to social housing. In the past we called for a percentage of housing units to be dedicated to social housing, but the City is making social housing units smaller and smaller.
- For all social housing units to be affordable to people on welfare/pension, and to employed low-income people at 30% of their incomes
- For a height restriction of 50 feet across all of Chinatown (in all Historic Areas) for any market development (15)

RATE OF CHANGE IN CHINATOWN

The rate of change in Chinatown for buildings approved or proposed as of February 2017: 362:-4. In other words, looking into the immediate future of Chinatown, a net loss of 4 low income units is proposed with 362 units that low income people can't afford coming on stream.

The rate of change in Chinatown developments that opened in 2016 was 398:11 or 36:1. In other words, in 2016, 398 new unaffordable units opened and 11 units that low income people can afford opened.

DEVELOPMENTS APPROVED OR PROPOSED IN CHINATOWN BY FEB., 2017

DEVELOPMENT	DEVELOPER	CONDOS	MARKET RENTAL	SOCIAL HOUSING ABOVE WELFARE RATE (\$375)	SOCIAL HOUSING UNITS AT WELFARE RATE (\$375)
105 Keefer St.	Beedie Living	110		25	
728-798 Main	Bonnis	140			-4*
245 E. Georgia St. (Alberta Block)	GMC Projects		40		
137 Keefer St.	James Schouw & Associates	14			
129 Keefer St.	James Schouw & Associates	33			

*Bonnis plans to build 18 micro social housing units to replace 22 SRO units for a net loss of 4

DEVELOPMENTS THAT OPENED IN CHINATOWN (2016)

DEVELOPMENT	DEVELOPER	CONDOS	MARKET RENTAL	SOCIAL HOUSING ABOVE WELFARE RATE (\$375)	SOCIAL HOUSING UNITS AT WELFARE RATE (\$375)
231 E. Pender	Framework	61			
633 Main St. / 183 E. Georgia Street	Bosa Blue Sky Properties		192		
188 Keefer	Westbank	134	5	6	11

RECOMMENDATIONS

All levels of government must take immediate action to prevent homelessness from continuing to escalate in Vancouver. Below is a list of needed actions divided by level of government responsible.

FEDERAL GOVERNMENT

- Enact a national housing program immediately. Provide funds to build low income social housing in the DTES to replace 1,000 SRO units per year for the next five years and to house all homeless people.
- Provide funds to Chinese societies in the Downtown Eastside that have housing units and are financially unable to upgrade their building to remain habitable.
- Restore the Residential Rehabilitation Assistance Program (RRAP) where hotels can get federal money for renovation and repair if they agree to strict rent control.

PROVINCIAL GOVERNMENT

- Raise welfare to \$1500 a month and disability to \$1800 a month. Raise minimum wage to at least \$15 an hour.
- Reform the Residential Tenancy Act to provide effective rent control by the rental unit rather than the tenant. This will stop giving landlords an incentive to evict low-income people and end renovictions.
- Legislate the right of all tenants to organize tenant unions.
- Ensure that residents of all non profit social housing, including hotel rooms, supportive housing projects and emergency shelters, have full tenant rights under the Residential Tenancy Act.
- Provide funds to build 10,000 units a year of low income affordable social housing throughout the province. Replace 1,000 SRO units with self-contained, resident controlled social housing every year for five years in the DTES.
- Amend the BC Human Rights Code and Residential Tenancy Act to make it illegal to discriminate on the basis of social condition including class, poverty and drug use.
- Ensure that immigration status is not a barrier to social housing.
- Provide funds to Chinese societies in the Downtown Eastside that have housing units and are financially unable to upgrade their building to remain habitable.
- End the use of fixed term leases as a means to control and deny rights to tenants.

RECOMMENDATIONS

MUNICIPAL GOVERNMENT

- Buy or lease SRO hotels to prevent them from gentrifying and pushing out low income residents.
- Use City powers to impose non-profit management on hotels with outstanding Standards of Maintenance complaints, ensuring that tenants have the protection of the Residential Tenancy Act.
- Designate enough land for 5,000 units of social housing in the Downtown Eastside to show senior levels of government that the City is serious about solving the housing crisis.
- Restore minimum unit size to 400 sq. ft, so people have a home that feels permanent.
- Don't provide upgrading incentives to profit or nonprofit SRO owners without a Housing Agreement that requires all rents to be at welfare/pension rate.
- Amend the SRA bylaw to define SRO hotel "conversion" to mean raising rents above welfare and pension level shelter rates. Include zero-eviction conditions in all renovation and building permits.
- Stop market housing development in the DTES to keep property values low and preserved for social housing until SRO hotels have been replaced with safe, secure, self-contained, resident-controlled, and low-income social housing and no one needs to sleep on the streets or in shelters.
- Develop and support SRO resident organizer structure to educate, support and liaise between tenants and bylaw and Residential Tenancy Branch. Also, fund community organizers to prevent illegal rent increases and renovictions due to long-term building neglect.
- Embrace a women-centred philosophy in hotels with policies and practices that ensure women's access and safety in all spaces, especially for Aboriginal women and women of colour.
- Revisit Downtown Eastside zoning regulations to ensure that developers actually pay for the social housing at welfare rate that they are required to provide.
- Change the city's definition of social housing so that low income people are not excluded from social housing.
- Stop harassing, criminalizing, and taking possessions of people who sleep outdoors.
- Buy the lot at 105 Keefer St. for 100% social housing at welfare/pension rate and intergenerational community space on the ground floor.
- Ensure that housing at Georgia Viaducts site includes at least 800 units of social housing at welfare/pension rate or 30% of income, with at least 500 of them being designated for people of African descent.

APPENDICES

APPENDIX 1: WHICH HOTELS WERE SURVEYED?

CCAP started with the City's 2013 SRO list for the DTES. We deleted buildings run by non-profits because they are generally subsidized by the government and have housing agreements that control the rents. Even though we did not survey these buildings, CCAP recognizes that these buildings are not 100% secure units of low-income housing because their leases with non-profits can expire. We added the Argyle, Burns Block, Winters and 71-77 West Hastings because they are all privately run SROs. We accessed rent information from 68 buildings with 3170 rooms.

APPENDIX 2: HOW DOES CCAP DO THE HOTEL SURVEY?

For the hotel survey part of this study CCAP went door to door in privately owned and run hotels within the boundaries of the DTES. CCAP approached each hotel posing as a prospective tenant looking for a room. The CCAP surveyor usually spoke to the desk clerk or manager and asked about vacancies, rent levels, daily/weekly rentals, and student only rentals. The surveyor looked to see if there was a sign asking for guests to pay fees to visit residents and asked if there were any vacant rooms that were not being rented. In contrast to the city, CCAP does not have the resources or the authority to properly inspect buildings, so this survey does not include maintenance aspects of the hotels. This information is as good as what was told to CCAP surveyors by desk clerks, managers, and in a few cases, tenants, as CCAP has no way of looking at hotel records. CCAP also analyzed City and Provincial statistics about new housing being built and provincially owned hotels.

APPENDIX 3: WHY IS IT IMPORTANT FOR RENTS TO BE LOWER THAN \$375 A MONTH?

As of Nov., 2016, 8871 cases (a case is an individual or a family unit) were on income assistance in the DTES. \$375 a month is all single people on welfare or disability have received since 2007 to pay for their rent, utilities and phone. If single people on income assistance have to pay more than \$375, this money must come out of their support allowance of \$235, leaving them with not enough money to eat and pay for other necessities. The DTES also has about 4,000 seniors. Many of them rely on a basic pension of only about \$1443 per month. For these seniors, rents at or below \$433 a month (30% of their income) are considered affordable. Some seniors, especially seniors who have not been in the country for 40 years, get less than \$1443.

APPENDIX 4: WHY MUST SRO'S BE RETAINED AS AN AFFORDABLE LAST RESORT?

While hotel rooms are not proper places to live, they are the housing of last resort for low-income people. Even though CCAP wants all the rooms replaced, it is crucial that they are open and available at \$375 a month until replacement housing is available and until the homeless people in the DTES have homes. If the hotel rooms don't stay open and available to low-income residents, homelessness will increase.

APPENDICES

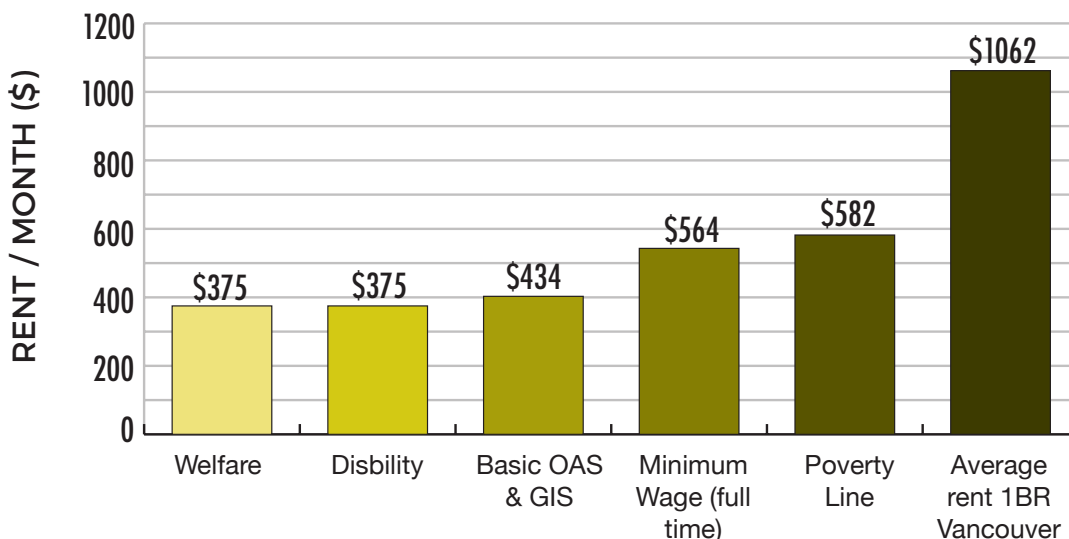
APPENDIX 5: WHY ARE SRO ROOMS NOT ADEQUATE ACCOMMODATION?

The City's DTES Housing Plan (p. 5) recognizes that the SROs are not good quality housing and calls for them to be replaced "with new self-contained social housing for singles," with supports for some residents. CCAP believes that DTES SRO hotel rooms are not proper housing because they are too small, about 10 by 10 feet. Residents usually have to share bathrooms with everyone on their floor and people do not have kitchens. How can low-income people eat cheaply without the means to cook? In addition, the buildings are old and don't meet current earthquake standards. Many are poorly managed, unsanitary, and pest ridden. Although not all DTES residents have health issues, many have told CCAP that the poor housing conditions have had a negative impact on their health. SRO hotels are also fundamentally unsafe spaces for women. A woman resident of the Regent Hotel explained, "When women leave their rooms at night to take a leak in the common bathroom we wonder if there is a man behind our door. We wonder if there is a man in the bathroom. And when we come back we wonder if there is a man waiting for us in our rooms. We feel locked up in our own rooms."

APPENDIX 6: WHAT CAN CURRENT DTES RESIDENTS AFFORD TO PAY FOR RENT?

The vast majority of current DTES residents are far below the Statistics Canada Low Income Cut Off (2013), in which a single person is considered low-income if they earn less than \$23,298 a year. Of course, many low-income people earn much less than \$23,298 a year. A person on welfare receives only about \$7,320 a year; on disability, \$11,724; on basic old age pension and guaranteed income supplement, about \$17,311; on full-time minimum wage of \$10.85, about \$22,568 a year. According to CMHC's definition of what is affordable, shelter costs are not supposed to take up more than 30% of income. Not everyone in the DTES is on welfare or disability, and it is crucial for the City and Provincial government to recognize that people working at minimum wage and pensioners also cannot afford average rents for even bachelor apartments. Someone making \$10.85 an hour can only afford rent at \$564 a month, which is the rate hundreds of SRO hotel rooms are now renting for.

WHAT CAN CURRENT DTES RESIDENTS AFFORD TO PAY FOR RENT?



APPENDICES: LOWEST RENTS



Photo: Carnegie Community Action Project

HOTELS WHERE LOWEST RENT IS \$1000 OR MORE:

Burns Block	Golden Crown	Metropole
The Lotus Hotel	Georgia Manor	Low Young Court

HOTELS WHERE LOWEST RENT IS BETWEEN \$800 AND \$999:

American Hotel	Pender Place	Station
Thornton Park	71-77 E. Hastings	

HOTELS WHERE LOWEST RENT IS BETWEEN \$599 AND \$799:

Alexander Court	Argyle	Grand Trunk
Heatley Apts	Laurel Apts	New Columbia
Ross House	Star Beach Haven	Danny's Inn

*Many of these hotels have units renting above these rates.

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