

# CRISIS

RENTS AND THE RATE OF CHANGE IN THE DOWNTOWN EASTSIDE

## CARNEGIE COMMUNITY ACTION PROJECT'S

2017 HOTEL SURVEY & HOUSING REPORT



BY JEAN SWANSON, LAMA MUGABO, KING-MONG CHAN







IN MEMORY OF TRACEY MORRISON & GODFREY TANG



Photo: Nat Lowe

# CRISIS

## 2017 CCAP HOTEL SURVEY & HOUSING REPORT

### IN MEMORY OF TRACEY MORRISON & GODFREY TANG

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 Tracey Morrison and Godfrey Kwok Fai Tang who passed in 2017. Tracey and Godfrey both fought tirelessly for more and better housing in the Downtown Eastside and Chinatown that low-income residents can afford.

Thank you to Tom Wanklin and Andrea Gillman (City of Vancouver) for providing information on development proposals, Lama Mugabo and Beverly Ho for conducting hotel research, and to Wendy Pedersen for assisting with editing.

CCAP acknowledges that we organize and work on the occupied, unceded traditional territory of the Coast Salish peoples, including the territories of the Musqueam, Skwxwú7mesh (Squamish) and Selilwitulh (Tsleil-Waututh) peoples.

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.

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# INTRODUCTION



SUGAR MOUNTAIN TENT CITY, 2017.

2017 was the worst year for homeless Downtown Eastside (DTES) residents since the Carnegie Community Action Project (CCAP) began doing these annual reports in 2008.

With an estimated 1,200 homeless people living in the DTES, with over 500 DTES residents evicted from their homes through no fault of their own, with only 21 new units of housing at welfare rate, with average rents in privately owned and run hotels ramping up to \$687 a month, and with the fentanyl overdose tragedies killing people weekly, the community is in deep crisis.

**Governments need to act immediately to save lives lost to homelessness and drug overdoses.**

This report will focus on what the housing and homelessness situation is and what the government needs to do to ensure everyone is housed.

While there have been some token housing announcements, the new Federal Housing Strategy only commits to ending half of chronic homelessness in Canada (2-20% of all homelessness) in one decade. The City's new housing strategy doesn't mention attempting to end homelessness. The Province has provided funds for 600 units of modular housing, which is good, but we need modular housing for all homeless people (2,138 counted in Vancouver in March 2017). In January 2018 the Province announced that it would fund about 300 welfare rate units in the DTES but they won't be built, probably, for at least 3 to 7 years. These 300 units will only partially make up for the over 500 that we lost in 2017 alone.

While the number of affordable units in the DTES and everywhere diminished, the number of low income people in the DTES who are on welfare and disability has increased by almost a hundred people in the last year. (1) Low income people may not be displaced from the neighbourhood, but they are displaced from their homes to the street.



# SUMMARY / LOWLIGHTS

CCAP's annual Hotel Survey and Housing report measures whether low income people can afford to remain living in their neighbourhood. With about 9,000 low income people in the community surviving on welfare and disability and about 4,000 on seniors' pensions, most folks have only about \$375-438 a month for rent.



This year CCAP found:

- Downtown Eastside residents lost 500 affordable units in 2017 (see **Table A** on page 11). These are units that were physically closed with tenants evicted through no fault of their own. It does not include units lost to high rents.
- Average rents in privately owned and run hotels went up to an astounding \$687 per month, compared to \$548 last year, a \$139 increase. This is the highest yearly increase since CCAP began doing these reports 10 years ago.
- About 1 in 18 people who live in the DTES is homeless.
- Residents surviving on social assistance of \$710 a month and paying the average SRO rent of \$687 have only \$23 left for food and everything else for a month, less than a dollar a day.
- Average rents in the 10 fastest gentrifying hotels

are now \$1,267 a month, an increase of \$166 over last year.

- Only 21 units of new welfare rate housing opened in the DTES in 2017.
- The rate of change of new unaffordable housing (condos, market housing and social housing with rents above welfare shelter and pension rates) in the DTES in 2017 was 40:21 or about 2 unaffordable units to 1 affordable unit.
- The rate of change going forward into the foreseeable future with proposed and approved new DTES developments is 1544:525 or about 3:1. The new units could take up to 7 years to be built.
- The rate of change going into the future in Chinatown of proposed and approved developments is an inexcusable 282 condos, market rentals and unaffordable social housing, to an actual loss of 3 affordable units.
- The rate of change in Chinatown for 2017 is 149:0, with 149 unaffordable units opening and no affordable ones opening.



# HOUSING YEAR IN REVIEW



## ROSS HOUSE TENANTS FOUGHT FIXED TERM LEASES

In January, 2017 tenants at the Ross House Single Room Occupancy (SRO) came to the Carnegie Community Action Project, saying that their landlord was using fixed term leases to either evict them or raise their rents from the \$400 range to \$650 a month. CCAP held a news conference with the tenants and the DTES SRO Collaborative to protest this short term lease loophole in the Residential Tenancy Act, to demand that the loophole be closed, and to warn other tenants in the neighbourhood not to sign fixed term leases. By December 2017, the provincial government closed the loophole but it was too late for Ross House tenants. At least one ex-tenant is still (as of Jan. 2, 2018) homeless after her lease expired and she couldn't afford the new higher rent.

## CCG AND CAG FOUGHT FOR I05 KEEFER

The Chinatown Concern Group (CCG) organized an action in January at the Open House for Beedie Living's fourth rezoning application to build condos at 105 Keefer St. Beedie had proposed a building with 111 condos and 25 social housing units but none of the social housing units were guaranteed to be at welfare rate. At the action, low income Chinatown and DTES residents and Chinatown Action Group (CAG) told the developer their vision for that site, which is beside the Chinatown Memorial Monument that commemorates Chinese railway workers and veterans: a Chinatown community centre and 100% social housing accessible to people on welfare and pension.



## QUALITY INN TENANTS EVICTED

In January, the City also continued to evict tenants of the Quality Inn on Howe St., which had housed people from the 2014 Oppenheimer Park tent city. The lease on the Quality Inn expired, meaning 157 rooms for low income people were lost.

## WARMING CENTRES OPENED

January was also the month that the City opened up warming centres for homeless people. One of these centres was the Carnegie Community Centre. Warming centres are an admission that homelessness is completely out of control. They are places where people often don't even have a mat to lie on; just a place that's heated. And people have to leave in the morning.

## CCG ORGANIZED AGAINST THE CRAP

The Chinatown Concern Group began organizing against the City's proposed new zoning for Chinatown through updating the City's Chinatown Economic Revitalization Action Plan (which CCG called "the CRAP" for short). When the update was first proposed, the CRAP would allow buildings up to 150 feet tall in certain parts of Chinatown to be built without having to apply for a rezoning and receive the public input that is part of the rezoning process.

The CRAP would also not include any inclusionary zoning and so would continue to allow new developments to not include any social housing unless they were over 90 feet tall. These buildings would have to include 20% social housing but according to the definition of social housing in Chinatown, none of that would have to be at welfare/pension rate. So low income Chinatown seniors won't be able to afford it even if it is social housing. By January 2018, the City says it is still reviewing the CRAP update proposal. While this review is happening, developers are still allowed to submit development applications through the current gentrifying zoning policies in Chinatown.

## RETAIL GENTRIFICATION REPORT RELEASED

In February, 2017, CCAP released its retail gentrification report, *We are too Poor to Afford Anything*. The report was the result of a comprehensive participatory research survey of businesses in the DTES by low income English and Chinese speaking residents. The report concluded that:

"Non-profit places, big chains stores with low-prices and Chinese restaurants and grocery stores were the most popular places to shop and/or to eat.

Affordability, proximity, quality, non-judgmental and sense of community were some of the top factors people mentioned as important in choosing where to shop and/or eat. New retail stores, cafes and restaurants in the more gentrified parts of the Downtown Eastside were listed as places where people do not shop or eat.

Price, language, prejudice and security were listed as some of the top factors that made retail exclusive to low income Downtown Eastside residents."

Of the 20 stores that opened in 2016, the year before the report was written, all were gentrifying stores from which low income people felt excluded.

## DTES LOCAL AREA PLAN ABANDONED LOW INCOME RESIDENTS

March was the month that City Council heard staff give a three-year review of the DTES Local Area Plan, refused to hear speakers, and downplayed the Plan's failures, one of which was an utter abandonment of low income people who need housing. This review was revealed in the same month when the homeless count came out showing a 19% increase in Vancouver's homelessness with 2,138 homeless people. CCAP estimates that about 1,200 homeless people live in the DTES in 2017, 1 in 18 DTES residents.

# HOUSING YEAR IN REVIEW



LAMA MUGABO LEADS HOGAN'S ALLEY TOUR. 2017

## WORKING TO ADDRESS URBAN DISPLACEMENT OF HOGAN'S ALLEY

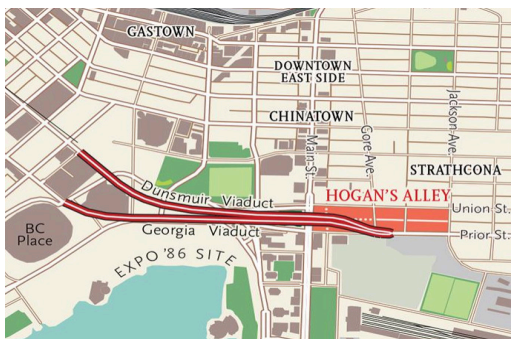
Following the decision by City Council to tear down the Georgia and Dunsmuir viaducts In October 2015, the black community saw an opportunity to revitalize the community that was destroyed by the racist urban renewal policies in 1975.

Throughout 2017 the Hogan's Alley Working Group (HAWG) consulted with the larger Black community and invited them to contribute ideas about what they wanted to see built on the new block. They said they wanted a cultural centre, retail shops and housing. The working group worked with Perkins + Wills design team and City staff to re-imagine the future of Hogan's Alley. The new Hogan's Alley Plan was unveiled in a public meeting at Simon Fraser University, Harbour Centre campus, in November, 2017. The Hogan's Alley plan was embedded into the Northeast False Creek Area Plan that City Council unveiled before the public hearing on Feb. 13, 2018.



# IMAGINING HOGAN'S ALLEY POST-VIADUCTS

Two years stand out in the historic life of the Black community at Hogan's Alley in Vancouver. In 1972, bulldozers began to clear the land, demolishing our home in order to build the Dunsmuir and Georgia viaducts. Hogan's Alley was destroyed by the racist urban renewal policies that were used in major North American cities to displace inner city residents. 40 years later, on October 28th, 2015, Vancouver City Council voted to tear down those viaducts. For the Black community, that decision was historically significant because it began an opportunity to escalate our fight for reparations for the dispossession of our community's properties, homes, and gathering place. On that day we began to engage the City for Black community leadership to build a future of Hogan's Alley.



From the 1920s to the 1960s, Vancouver's Black community clustered in the East End, with its nucleus at a site known as Hogan's Alley. Forming a T out of two intersecting alleys — Park Lane and one that was Hogan's Alley — lay behind a series of houses, cabins, and storefronts that faced Main, Union, and Prior streets, and extended onto Jackson Avenue. It was socially a part of the multicultural East End, including immigrants from Europe and Asia. But for Vancouver's Black community, it had a particular significance.

To win reparations from the City of Vancouver to rebuild Hogan's Alley, our first step was to organize our own community. A group of Black community organizers used the concept of *Isokan*; a Yoruba philosophy that calls us to be "of one mind." It was important that we are of one mind, given the diversity and sometimes contradictory identity conflicts that exist in the Black community. Some people identify themselves as people of African descent while others

feel that they are Black people and have nothing to do with Africa. Speaking in one voice when it came to Hogan's Alley was critical at this stage.

In 2016, we formed the Hogan's Alley Working Group (HAWG), and started meeting with City staff. To the City of Vancouver's credit, they understand how important the revitalization of Hogan's Alley is, given its cultural and historical significance. The city hired an African American architect, Zena Howard from North Carolina to head the design project. Howard was a perfect pick. Right from the get go, we formed a bond and began working together, starting with a three-day charrette where members of the HAWG toured the Hogan's Alley block. The walking tour was facilitated by former residents of Hogan's Alley, who knew the story intimately. We then sat down to imagine how we wanted Hogan's Alley to look. We decided we needed to have a cultural centre, retail businesses and housing.

HAWG believed that in order to bring back the community, we had to secure social housing that new residents could afford. Black people left Hogan's Alley because of the urban renewal policies that displaced them. Displaced Black communities have been blocked from returning to the city by the high cost of living in Vancouver. They moved to suburbs in search of affordable housing and continued to work in Vancouver commuting between one to two hours to work.

Following several hours of deliberation, on February 13, 2018, Council approved the area plan with amendments to consider "an option for residential floor space that consists of 100% rental housing, as well as an option of 100% rental housing including 70% of units renting at below market rates, with details on the funding required and impacts on the overall financial strategy for the Northeast False Creek Plan." This may be a significant development in Vancouver's history and the beginning of the long journey to revitalize Hogan's Alley. It will be rebuilt under Black control; this is an historical reparation. What remains is to use this space, to expand and extend this move to justice and fight market forces that continue to displace and dispossess communities.

# HOUSING YEAR IN REVIEW

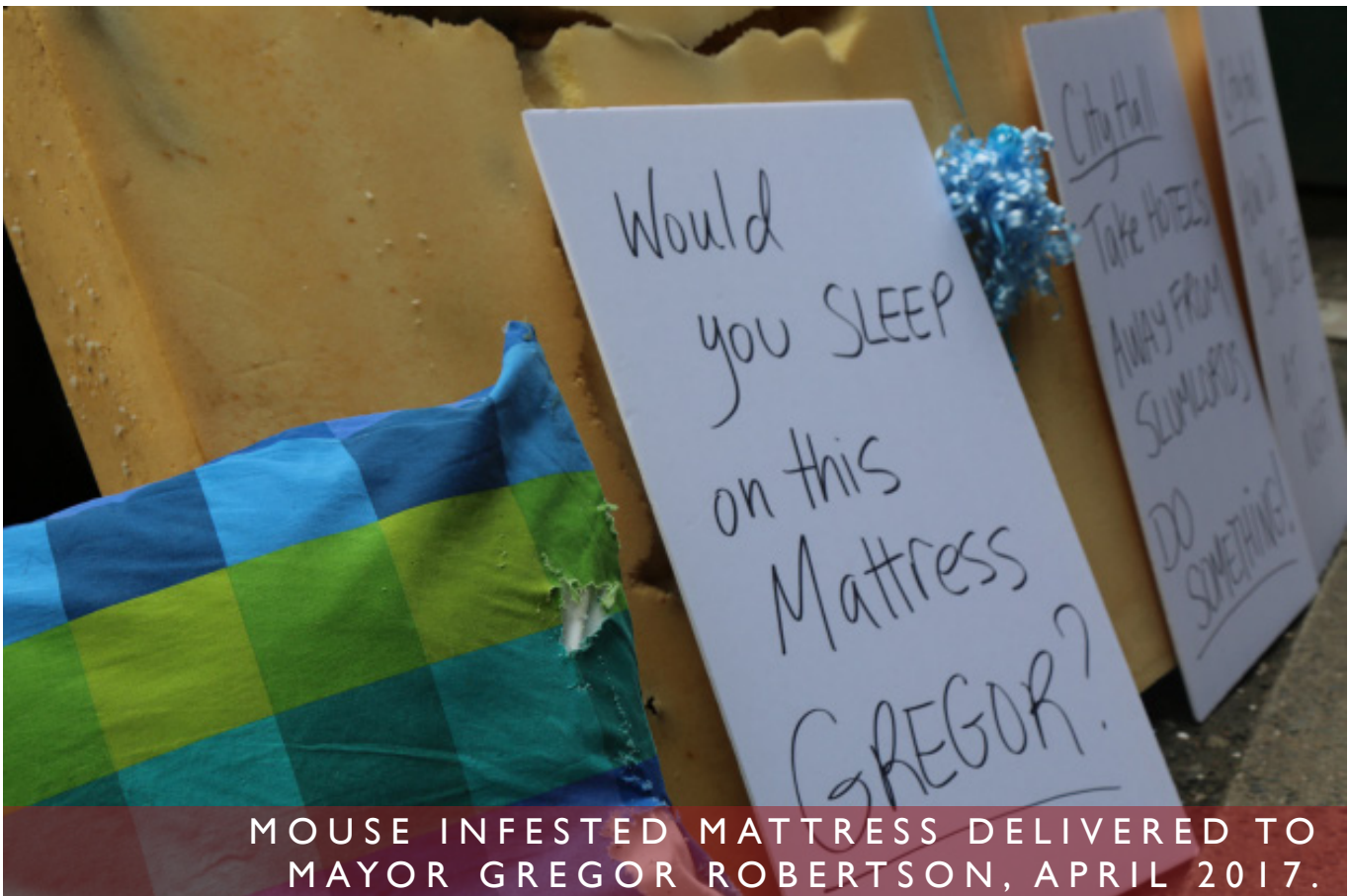
## MOUSE INFESTED MATTRESS GIVEN TO MAYOR

In April Jack Gates, Regent Hotel resident and champion of tenant rights, took his mattress up to City Hall complete with a big bow on it to gift to Mayor Gregor Robertson. The mouse urine-reaking foam mattress, was full of mouse tunnels because city inspectors hadn't followed up on their promise to Jack to replace the mattress and deal with the mouse problem at the Regent Hotel.

## RESIDENTS BATTLED FOR BALMORAL

In June, the City of Vancouver condemned the Balmoral Hotel, as an unfit dwelling for people.

More than 150 tenants were evicted. This decision sent housing advocates on a scramble to find housing for the victims. At first, the City said Balmoral residents would be put into shelters, but the community fought back and in the end, almost all tenants got permanent housing as well as compensation from the slumlord. What is remarkable is the fact that the City administration failed to enforce its own Standards of Maintenance Bylaw, Section 23.8. It stipulates that if a landlord fails to comply with required building repairs, the City has the authority to do the repairs and bill the owner. Clearly, the City should have acted sooner to prevent the evictions, as the bathrooms were rotting.



MOUSE INFESTED MATTRESS DELIVERED TO MAYOR GREGOR ROBERTSON, APRIL 2017.



## FORMER UNITED NATIONS HOUSING RAPPORTEUR SPOKE OUT ON HOMELESSNESS



Miloon Kothari, the former United Nations Special Rapporteur on Housing, visited Vancouver in June, touring the tent city on Main St. and speaking at the Balmoral Block Party, which was organized to support Balmoral residents and to call for enforcement of maintenance bylaws. “My initial impressions are one of disbelief and shock,” said Kothari. “The number of homeless people has grown 30 percent over three years. The welfare rates are shockingly exactly the same as when I was here in 2007.” Kothari called on all levels of government to end homelessness. He suggested that the community apply for foreign aid since the Canadian government wasn’t meeting the housing needs of residents.

## OUR HOMES CAN’T WAIT OCCUPIED CITY COUNCIL

Frustrated and appalled by inaction on homelessness, June was the month that about

25 Our Homes Can’t Wait (OHCW) Coalition members snuck into a City Council meeting and demanded “no more business as usual while people die of homelessness” even though they weren’t on the agenda. The Coalition formed in 2016 to fight for welfare/pension rate housing at 10 sites within the DTES. Council members listened but did nothing. OHCW demanded action on the tent city, the Balmoral Hotel, 58 W. Hastings and 105 Keefer. Council members left the chambers and OHCW members took over the seats of the Mayor and Councillors, passed mock motions themselves and spoke to the media.

## OHCW MET WITH PREMIER ABOUT HOMELESSNESS

In June, OHCW also managed to get a meeting with Premier John Horgan by threatening to invade a \$350 a plate fundraising dinner for the New Democratic Party (NDP) of British Columbia. At the action, OHCW Coalition members told Horgan they wanted welfare/pension rate social housing on 10 sites in the DTES including 58 W. Hastings, for the Province to buy and improve the SROs, bring in real rent control, and raise welfare to \$1500 a month. Horgan said he would meet with them later for a tour of the Downtown Eastside, but didn’t.

## CITY FORCED TENT CITY TO MOVE; THE COMMUNITY AND ALLIANCE AGAINST DISPLACEMENT SET UP SUGAR MOUNTAIN TENT CITY

June was also the month that the City got an injunction to move the 10 Year Tent City on Main St. With help from the community and the Alliance Against Displacement, residents set up a new tent city they called Sugar Mountain Tent City, at Glen and Franklin.

# HOUSING YEAR IN REVIEW

## CCG AND CAG RELEASED PEOPLE'S VISION FOR CHINATOWN



In July, the Chinatown Concern Group and Chinatown Action Group released the People's Vision for Chinatown. From 2015 to 2017, 500 Chinatown residents, businesses, and community members shared their vision for the community through surveys, interviews, and facilitated "tea time" discussions. The top issues community members were concerned with were: increased cost of living, unaffordable housing, social isolation, safety, political marginalization, and racism.

## CITY ANNOUNCED 600 MODULAR HOUSING UNITS

Also in July, the City announced that it would try to build 600 modular housing units for homeless people in the next year. These would be 250 sq. ft. units with a bathroom and kitchenette like the ones at Main and Terminal.

## OUR HOMES CAN'T WAIT LEADS DTES TOUR WITH HOUSING AND WELFARE MINISTERS

In August, OHCW led a gentrification and housing tour with Provincial Housing Minister Selina Robinson and Shane Simpson, Minister in charge of welfare. OHCW told the ministers they wanted the Province to do this list of things in the short term:

- Immediately build enough modular housing to house all homeless people, including couples and families. They will pay for themselves in 4 years. Do this before winter.
- Preserve and upgrade SROs until new social housing is built
- Implement a rent freeze and tie rent control to the unit, not the tenant
- Provide funds to build social housing at 58 W. Hastings and 105 Keefer at 100% welfare/pension rate
- Raise welfare. The City says we need \$600 for shelter just to pay for maintenance in social housing. We also need a provincial definition of social housing that overrides the city definition and doesn't exclude low income people.
- Fund tenant advocacy groups
- Build housing for women and children fleeing violence, especially Indigenous women

## OHCW CALLED FOR LONGER TERM ACTIONS

- Build 5,000 units of good quality social housing that low income DTES residents can afford
- Build 10,000 units of social housing that low income people can afford, each year, across the province
- Change housing management models so housing is dignified and independent, not institutionalized and medicalized. Make sure all rental housing is covered



by the Residential Tenancy Act (RTA)

- Make RTA changes that support tenants, including ending fixed term leases
- Stop the privatization of BC Housing buildings

## BC BUDGET ANNOUNCED MEAGRE FUNDING FOR HOUSING

In September, the BC budget announced that the Province will spend \$52 million a year for 4 years for the whole province. The Province also said it will fund 2000 modular units in the whole province. Out of that, Vancouver would get funding for the 600 units proposed by the City.

## COMMUNITY GROUPS PROTESTED GENTRIFYING DEVELOPMENTS



In September community members from CCAP, the Chinatown Concern Group, Chinatown Action Group and others invaded open houses for two gentrifying developments to oppose them loudly. The first was the 105 Keefer proposal that Council had defeated. It came back with 111 condos and ZERO social housing units as a development application. The second was the Bonnis development at Main and Union which would only replace 19 of the 22 units of low income housing, yet would build 99 market condos in a 15-story tower.

In October, the Our Homes Can't Wait Coalition organized another demonstration at a public information meeting on 58 W. Hastings to call on the

Mayor to keep his promise for 100% welfare/pension rate community controlled housing at this site. By this time, City staff had told OHCW that only one third of the housing proposed for the site would be at welfare/pension rate but that they would try to get more units at that rate.

## CITY AND FEDERAL GOVERNMENTS RELEASED DEFICIENT HOUSING STRATEGIES

November saw both the City and the Federal government release their new housing strategies, neither of which called for ending homelessness or building welfare/pension rate housing in the DTES.

## VIADUCT REMOVAL, NEW ST. PAUL'S HOSPITAL, & GENTRIFICATION

Meanwhile, the City agreed to remove the Georgia St. Viaduct and to relocate St. Paul's Hospital to a site adjacent to the DTES. There is no doubt that the incoming hospital will increase property values and taxes and put an immense pressure on rents in the area. Taken together, this will provide owners of SRO hotels and others with strong incentives to evict current residents and upgrade their buildings slightly to rent at high rents to hospital workers and workers in businesses that will serve the new hospital. Without adequate protection of SRO hotels, hundreds of low income residents will be at risk of losing their homes. CCAP has called on the city to immediately buy or lease the SRO hotels in the area before low income people are evicted into homelessness, but the City has ignored these requests.

The viaduct removal could also have a major gentrifying impact on the low income DTES community as the City intends to recoup the cost of the viaduct removal by selling the land below to developers, who would then build market housing.

## POLICE TORE DOWN SUGAR MOUNTAIN TENT CITY

In December, police tore down the Sugar Mountain Tent City in a morning raid, forcing its residents into shelters, jail, or simply wandering with their belongings. The Tent City had been a source of inspiration and fight-back for decent housing since it started in the summer.

# PHYSICALLY LOST UNITS IN 2017

2017 was a really bad year for low income people being evicted from low cost units through no fault of their own. The DTES community lost 168 units at the Balmoral Hotel because the City refused to enforce its maintenance bylaws. 157 units were lost because the City decided to demolish Roddan Lodge and rebuild it at some time in the future. 78 units were lost because Community Builders sold the Jubilee Rooms empty to a company that Steven Lippman, the worst gentrifier in the DTES, is involved in. That's 408 units lost to low income people in the DTES. In addition, the City closed the Quality Inn, which housed 157 low income people, many from the DTES, because its lease was up. 565 low income units lost in one year! BC Housing did lease 60 vacant rooms in the Winters Hotel for Balmoral residents so those rooms were added to the low income stock.

What will happen to these buildings? The Balmoral is a huge question mark. Will the City force the owner to repair it? If they do, will the repaired place rent to low income residents or will it be gentrified? Or will the building be sold, probably to a gentrifier? Or will it be demolished?

Roddan Lodge will be replaced with a new building but only 140 of the new units will be guaranteed at welfare/pension rate. The Jubilee Rooms is being renovated and will probably be rented out at high rents. The Quality Inn is privately owned and due to be redeveloped, but not likely into social housing.

Because community outrage and organizing work, most of the people who lived in these units did get permanent housing when they were evicted. But this meant that people who are homeless on the streets and in shelters couldn't get the housing that they needed because there simply is not enough housing to go around.

Losing over 500 low income units in one year in one small low income neighbourhood is horrific. With new units taking at least three years before low income people can move into them, it will be a long time before these lost low income units are just replaced. Meanwhile even more units are lost to low income people because of escalating rents.

**Table A Low income units physically lost or gained in the DTES in 2017**

Building Name	Building Address	Number of Units	Reason
Balmoral	159 E. Hastings St.	-168	City closed building due to unsafe conditions
Jubilee	235 Main St.	-78	Building sold to Steve Lippman - being renovated
Roddan Lodge	124 Dunlevy St.	-157	City-owned building demolished and rebuilt
Winters Hotel	203 Abbot St.	60	About 60 vacant rooms opened for Balmoral residents
Quality Inn	Howe St.	-157	(outside of the DTES but housed many DTES residents)
<b>Total</b>		<b>-500</b>	



# HOTEL SAMPLE



For 2017, CCAP checked 84 privately owned and run hotels for rent and other information. We got rent information from 68 of these hotels with 2,919 units. There are 3,099 units in the 84 hotels that we tried to get information from. So we succeeded in getting information from hotels with 94% of the SRO rooms in the DTES.

**Table B** Hotel sample information 2013 — 2017

Sample Information	2013	2014	2015	2016	2017
Number of hotels checked	81	79	85	84	84
Number of hotels that provided rent information	64	68	67	68	68
Number of rooms in hotels that provided rent information	3071	3004	3156	3170	2919

# RENTS

Most hotels have rooms that rent at different rents within the building. CCAP does not have access to the owners' 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 available from tenants and Craigslist. CCAP checked only the hotels that are privately owned and run.

For the Hotel 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.

The average rent of all privately owned and run hotels in 2017 is \$687. This is an enormous increase of \$139 over last year's average of \$548.

**The increase means that people who live on welfare of \$710 a month, have less left after paying rent than they did last year — even though welfare increased by \$100 in 2017.**

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





# RENTS



METROPOLE HOTEL ON 322 ABBOTT STREET.

## WHY HAVE RENTS GONE UP SO FAST IN THE LAST YEAR?

Here are some possible reasons:

- Welfare rates went up by \$100. Landlords may be aware of this and looking to take advantage of the fact that their tenants have a little more money.
- With no rent control between tenancies, nothing prevents landlords from raising rents as high as they like for new tenants
- Landlords are becoming more aware that their tenants may be able to get rent supplements from various non-profit groups like Carnegie Outreach, The Downtown Eastside Women's Centre and Atira, to name a few groups. Tenants have come to the CCAP office, sent by their landlord, to try to access rent supplements from Carnegie Outreach. One well-researched impact of rent supplements is an increase in rents (3) even for people who don't get the supplements.
- DTES rent increases could be part of the general rent increases experienced in all of Vancouver

## VACANCIES

CCAP surveyors got vacancy information from most of the hotels we checked. Of those, only four had vacancies that day. In the hotels that had vacant rooms, rents ranged from \$500 a month to \$1,200. None of the hotels had vacancies in rooms that rented for the welfare shelter rate (\$375).



LOTUS LOTUS

bott St



CATCH EVERY  
SIX NATIONS  
GAME AT THE PINT!

BOOK YOUR NEXT  
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E DRINK REPEAT E



# GENTRIFICATION

This year, CCAP looked at rent increases in the ten fastest gentrifying hotels. As you can see from **Table C**, 8 of the 10 hotels have rents over \$1000 per month, with the average rent in the gentrifying hotels being \$1,267, about \$166 per month higher than last year.

**Table C**    **10 fastest gentrifying hotels**

<b>Hotel</b>	<b>Average rent in 2017</b>
Argyle Hotel	\$1,450
Burns Block	\$1,200
Georgia Manor	\$1,600
Golden Crown	\$1,400
Lotus	\$1,125
Low Young Court	\$1,800
Metropole	\$1,100
New Columbia	\$1,300
Thornton Park	\$850
The American	\$850
<b>Average Rent</b>	<b>\$1,267.50</b>

# RATE OF CHANGE: 2016 TO 2017

In its 2005 Downtown Eastside Housing Plan (4), the City of Vancouver called for keeping the rate of market housing development compared to social housing development at 1:1. In those days, the City's motto was "revitalization without displacement." This is because, if the rate of change is too fast, and market housing dominates, low income people can be forced out of their neighbourhood through gentrification.

However, since the adoption of the Local Area Plan in 2014 (5), the City has changed its policy about rate of change by encouraging market rental and condo development even when not enough social housing is being built to keep the rate of change 1:1. This is especially true in Chinatown, where the zoning doesn't require developers to build a single unit of social housing as part of their new developments. Because of a high rate of change with market housing dominating, land values have been increasing in the neighbourhood, pushing up property taxes and rents.

## DTES RATE OF CHANGE IN 2017

In 2017, 40 new market housing units in DTES opened up, and 21 new housing units at welfare/pension rate opened, for a rate of change of about 2 market units to 1 welfare/pension rate unit. The 21 units that opened are on top of the new náčāmat Library on Hastings Street.

While this building was funded privately, it would not have been built without the work of the Carnegie Community Action Project in 2010. At that time the city planned to build a stand alone library. CCAP took delegations of speakers to several meetings of both the Library Board and City Council, arguing that low income housing should be built on top of the library. CCAP also organized a news conference of parents and children at the site and a phone campaign to City

Councillor Kerry Jang and the Mayor. As a result of this work the City agreed to try to find funding for the housing and succeeded.

## DTES RATE OF CHANGE LOOKING INTO THE FUTURE

In January 2018 the Province announced that it would fund about 300 new welfare rate units at 4 sites in the DTES, plus about 150 higher income units. Two of the sites included in the provincial announcement are in **Table D** at 58 W. Hastings (115 welfare rate units) and 21-53 Cordova St. (80 welfare rate units). The two remaining sites are 616 E. Cordova and 301 E. Hastings. The Province did not specify the number of welfare rate units at 616 E. Cordova and 301 E. Hastings, but with 195 of the 350 units taken up by 58 W. Hastings and 21-53 Cordova, 55 welfare rate units would be left. Adding the units from the provincial announcement to **Table D** gives us a rate of change of 1,544 unaffordable units to 525 affordable units or about 3:1.

In the last decade it has taken from 3 to 7 years from when buildings are announced for the DTES to when people can move in. If this timeline continues, it means an average of about 75 new affordable units per year for DTES residents — not nearly enough to make up for units lost through gentrification and building closures.

The province also proposes to fund 39 temporary modular housing units at Glen and Franklin and 39 at Powell and Jackson in the DTES. Because these are temporary units they have not been included in the overall numbers for rate of change.

**DTES developments announced, proposed, approved, or under construction as of January, 2018**
**Table D**

Site	Developer	Condos	Market Rental	Social housing above welfare rate (\$375)	Social housing units at welfare rate (\$375)	Comments
955 E. Hastings	Wall Financial Corp.	280		47	23	Under construction
946-950 Main	Lu'ma Native Housing Society		0			Vacant lot
105 Keefer	Beedie Living	111				Vacant lot
129 Keefer	James Schouw and Associates	33				Vacant lot
21-53 W. Cordova			62		80	This site contains the old building
58 W. Hastings	Chinatown Foundation			116	115	Vacant lot
227 Main		3				Under construction
95 W. Hastings			132			This site is a parking lot
124 Dunlevy	City of Vancouver		**57	16	140	This site contains the old building
728-796 Main	Bonnis Properties	99			*19	This site contains the old building
128 Powell	MPA Society				20	Vacant lot
177 W. Pender	City of Vancouver			60	30	Vacant lot
239 Keefer	Rendition Developments Inc.	25				Vacant building
179 Main			47		9	Under construction
41 E. Hastings	Atira		78	68	52	Construction nearly complete
9 W. Cordova			8			
137 Keefer	James Schouw and Associates	16				Vacant lot
303 E. Pender (450 Gore)	GMC Projects		56			Construction nearly complete
215 Main		6				Under construction
420 Hawks	Atira				21	Vacant lot
288 E. Hastings	Wall Financial Corp. & BC Government		68	69	35	Construction nearly complete
424 W. Pender			72			This site contains the old building
454 W. Pender			68			This site contains the old building
679 E. Cordova			4			
<b>Total</b>		<b>573</b>	<b>595</b>	<b>376</b>	<b>525</b>	

\*These 19 units are to replace existing units being destroyed by the new development for a net loss of 3 units

\*\*Thanks to Andrea Gillman in City of Vancouver for this information in an email to author dated Nov 8, 2017  
Two more buildings have been announced, to be at 616 E. Cordova and 301 E. Hastings, but we don't know the number and affordability of the units there yet.



# CHINATOWN RATE OF CHANGE



## CHINATOWN RATE OF CHANGE IN 2017

This year no new social housing units at welfare/pension rate opened in Chinatown. Forty condo and market rental units opened. So the rate of change for 2017 for Chinatown is 40:0.

\* Note: This report's authors know that Chinatown is not defined and limited only by the physical boundaries designated by the City of Vancouver. However, since those designated boundaries refer to the zoning districts of Chinatown, which have direct implications on the type of housing allowed in Chinatown, the authors follow these boundaries while acknowledging that many see Chinatown extending beyond those boundaries.

## CHINATOWN RATE OF CHANGE GOING INTO THE FUTURE

The rate of change for developments proposed or under construction in Chinatown looking into the future is bleak for low income people. A mere 19 social housing units, which are a replacement for 22 that will be demolished in the Bonnis development, are all that are proposed. In other words it looks like Chinatown will actually directly lose 3 units of low income social housing, going into the future. So the

rate of change for Chinatown looking into the future is 282 condo units to minus 3 affordable units.

Chinatown Concern Group members are worried and angry at how the quality of life for them as working-class residents in Chinatown continues to worsen as a result of their neighbourhood gentrifying. They are angry at developers for building unaffordable housing while people are sleeping on the streets as well as at the government for allowing this to happen. They are concerned about the loss of retail that serve low income Chinese people like themselves, especially greengrocers and other stores that sell products they depend on.

According to a report by the Hua Foundation (6), 50% of Chinatown's fresh food stores (including greengrocers, fishmongers, barbecue meat shops, and butchers) were lost between 2009 and 2016. This trend of such stores, including dry food stores, being under threat from how the neighbourhood is changing and being redeveloped raises huge concerns for the food security of the Chinese working-class community in Chinatown, especially for seniors that face health and mobility challenges. These are issues that Chinatown Concern Group continues to organize on as they work toward the People's Vision for Chinatown. (7)

# CHINATOWN RATE OF CHANGE



CCG AND CAG ACTION AT 105 KEEFER OPEN HOUSE.

**Table E** Chinatown developments announced, proposed, approved, or under construction as of January, 2018

Site	Developer	Condos	Market Rental	Social housing above welfare rate (\$375)	Social housing units at welfare rate (\$375)	Comments
105 Keefer	Beedie Development Group	111				Vacant lot
129 Keefer	James Schouw and Associates	33				Vacant lot
728-796 Main	Bonnis Properties	99			19*	This site contains the old building
239 Keefer	Rendition Developments Inc.	25				This site contains the old building
137 Keefer	James Schouw and Associates	14				Vacant lot
<b>Total</b>		<b>282</b>				

\*These 19 units are to replace existing units being destroyed by the new development for a net loss of 3 units

# RECOMMENDATIONS

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

## MUNICIPAL GOVERNMENT

1. Buy or lease SRO hotels, especially near the location of the new St. Paul's Hospital at the South end of the DTES to prevent them from gentrifying and pushing out low income residents.
2. Use City powers to impose non profit management on hotels with outstanding Standards of Maintenance violations, ensuring that tenants have the protection of the Residential Tenancy Act.
3. Lease SROs to keep them from being gentrified and to ensure decent management.
4. 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.
5. Restore minimum unit size to 320 sq. ft so people have a home that feels permanent.
6. Do not provide incentives to profit or non-profit SRO owners to upgrade their units unless rents in upgraded units are guaranteed to not exceed the welfare/pension rate.
7. 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.
8. 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 until no one needs to sleep on the streets or in shelters.
9. Develop an SRO resident organizer structure to educate, support and liaise between tenants and bylaw and Residential Tenancy Branch.
10. Embrace a women-centred philosophy in hotels with policies and practices that ensure women's access and safety in all spaces, especially for Indigenous women and women of colour.
11. Revisit Downtown Eastside zoning regulations to ensure that they require new developments to include more social housing that low income people can afford.
12. Change the City's definition of social housing so that low income people are not excluded from any social housing.
13. Adopt and implement the People's Vision for Chinatown.



# RECOMMENDATIONS

## PROVINCIAL GOVERNMENT

1. Raise welfare to the Federal government's Market Basket Measure (about \$1600 a month for a single person).
2. Raise disability to \$300 more than welfare.
3. Raise minimum wage to at least \$15 an hour with regular increases after that up to a Living Wage (about \$21/hour in Vancouver).
4. 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. The Province should also implement a rent freeze and end the annual allowable rent increase (4% in 2018).
5. Ensure that residents of all non profit social housing, including SRO rooms, supportive housing projects and emergency shelters, have full tenant rights under the Residential Tenancy Act.
6. Provide funds to build 10,000 units a year of low income 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.
7. 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.
8. Ensure that immigration status is not a barrier to social housing.
9. Provide funds to Chinese societies in the Downtown Eastside that have housing units and are financially unable to upgrade their building to remain habitable on the condition that the rents in upgraded units are guaranteed to not exceed the welfare/pension rate.
10. Ensure that women and children fleeing violence have priority for decent social housing.

## FEDERAL GOVERNMENT

1. Provide funds to build low income social housing in the DTES to replace 1,000 SRO units per year for the next five years.
2. Provide funds to Chinese societies in the Downtown Eastside that have housing units and are financially unable to upgrade their building to remain habitable on the condition that the rents in upgraded units are guaranteed to not exceed the welfare/pension rate.
3. Provide funds to build enough social housing to end homelessness.

# APPENDICES

## APPENDIX 1: WHICH HOTELS WERE SURVEYED?

CCAP started with the City's 2013 SRO list for the DTES. We deleted privately-owned buildings run by non-profits because they are generally cleaner and cheaper. Even though we did not survey these buildings, CCAP recognizes that these buildings are not secure units of low income housing because their leases with non profits can expire. We added the Argyle, Burns Block, and 71-77 W. Hastings because they are all privately run SROs. We deleted the Winters Hotel because that is now run by a non profit. We accessed rent information from 68 buildings with 2919 rooms. In most cases the information was provided by a manager or desk clerk but sometimes we had to rely on a tenant because managers or desk clerks were not available after several visits to survey.

## APPENDIX 2: HOW CCAP DOES THE HOTEL SURVEY?

For the hotel survey part of this study CCAP went door to door to privately owned and run hotels within the DTES boundaries. CCAP approached each hotel like 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. CCAP (unlike the City) does not have the resources or the authority to actually 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 some 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 IT'S IMPORTANT FOR RENTS TO BE LOWER THAN \$375 A MONTH

About 9,000 DTES residents rely on welfare and disability income. Since 2007, \$375 a month is all single people have to pay for their rent, utilities and phone. If people on income assistance have to pay more than \$375, this money must come out of their support allowance of \$335, 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 \$1460 a month. For these seniors, rents at or below \$438 a month (30% of their income) are considered affordable.

## APPENDIX 4: RESIDENTIAL HOTEL ROOMS ARE NOT HEALTHY OR ADEQUATE ACCOMMODATION

The City's DTES Housing Plan (p. 5) (8) 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 tiny, about 10 by 10 feet. Residents usually have to share bathrooms with everyone on their floor and people don't 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, filthy, and pest ridden. Although not all DTES residents have health issues, many have told CCAP that the poor housing conditions worsens their health conditions. Living in a decent self contained apartment is important part of feeling respected and with dignity. In addition, SRO hotels are 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 5: SROS MUST BE RETAINED AS AN AFFORDABLE LAST RESORT

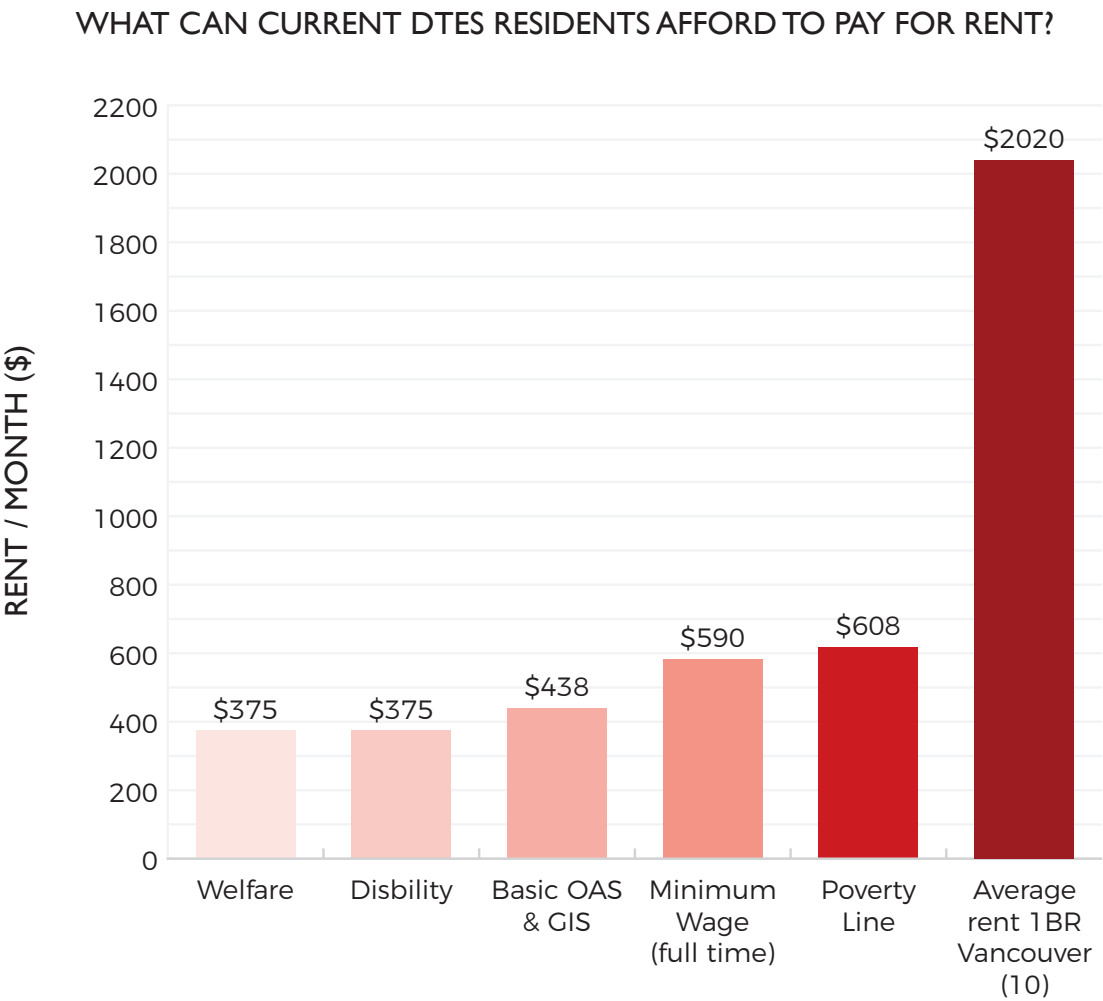
# APPENDICES

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 remain 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.

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

The vast majority of current DTES residents are far below the 2014 Statistics Canada Low Income Cut Off line (9) where a single person in a City is considered low income if they have less than \$24,328 a year. Of course, many low income people have a lot less than \$24,328 a year. A person on welfare gets only about \$8,520 a year; on disability, \$13,596; on basic old age pension and guaranteed income supplement, about \$17,520, on full-time minimum wage of \$11.35, about \$23,608 a year.

If we follow CMHC's definition of what is affordable, then shelter costs are not supposed to take up more than 30% of income. Following this definition, the amounts people in these categories have for rent are as provided in the chart below.







京華麵家

KEEFER  
ROOMS  
奇化旅館

新 京 華  
名 燒 烤

DOWNLOAD TO GO & WATCH OFFLINE  
MGO  
GAME OF THRONES  
shameless  
CURB YOUR ENTHUSIASM  
LALALAI  
SING  
PASSENGERS  
balle  
DOWNLOAD TO GO & WATCH OFFLINE  
MGO  
DOWNLOAD TO GO & WATCH OFFLINE  
MGO  
DOWNLOAD TO GO & WATCH OFFLINE  
MGO  
METZ  
strange peace  
September 22nd, 2017  
HERMES CASPIAN  
LIL WINTER  
EVIL BENEZER  
CHICKADEE  
JAYKIN  
JOSEPH ROSE  
SHAYLEN D  
RHEA THE DJ



# APPENDICES: LOWEST RENTS

## HOTELS WHERE LOWEST RENT IS \$1000 OR MORE:

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

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

American Hotel	Pender Place	Station
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## HOTELS WHERE LOWEST RENT IS BETWEEN \$600 AND \$799:

Brandiz	Woodbine	Wonder
Shamrock	Ross House	Mellville Rooms
Laurel Apartments	Heatley Rooms	Grand Trunk
Empress	Danny's Inn	Cathay Lodge

## HOTELS WHERE LOWEST RENT IS BETWEEN \$400 AND \$599:

Afton	Arlington	Astoria
Belmont	Chelsea	Cobalt
Creekside	Decker	Glory
Grand Union	Harbour Rooms	Hildon
Ivanhoe	Keefer Lodge	Keefer Rooms
Lion Hotel	Main Room	May Wah Hotel
New Sun Ah	Pacific	Palace
Patrick Anthony	Pender Lodge	Persepolis
St. Clair #2	St. Elmo	Travellers
United Rooms	Vernon Apartments	Vets Rooms
York Rooms	West Hotel	

## HOTELS WHERE LOWEST RENT IS UNDER \$400:

Sunwest	Tsung Tsin	Ying Ping Benevolent Society
Regent	King Rooms	Holborne
Hing Mee Society	BC Rooms	Lung Jen Benevolent Society
Arno		



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**CARNEGIE** COMMUNITY ACTION PROJECT  
UNCEDED COAST SALISH TERRITORIES