

## MEMORANDUM

October 20, 2020

TO: Mayor and Council

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FROM: Gil Kelley  
General Manager, Planning, Urban Design and Sustainability

SUBJECT: Downtown Eastside (DTES) Plan Implementation Progress

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This memorandum is the second three-year (2017-2019) progress update on the Downtown Eastside (DTES) Plan implementation process and achievements. Council directed staff to monitor implementation initiatives and report back every three years on progress and the Social Impact Indicators of the change in the neighbourhoods.

The local area has seen an increase in population from 18,500 residents in 2011 to 19,950 in 2016 (Stats Canada). Much of this growth can be related to an increase in middle to upper income residents since median income grew from \$13,691 to \$23,359 per annum. Apart from the overwhelming social health crisis, we see that low income residents are experiencing added gentrification pressure from the change in population diversity and associated development.

Key understandings from the implementation process over the past three years (prior to the onset of the pandemic) including:

- Implementation continues to depend on significant contributions of senior governments, partner organisations and many local non-profit organisations, co-operatives and residents;
- A collective response to the overdose crisis has been established with participation of those who are most impacted and support and guidance from the Mayor's Overdose Emergency Task Force;

- New social, supportive and rental housing has been built, including Temporary Modular Supportive Housing; however, there is ongoing pressure and urgency as the number of people experiencing homelessness across the city has increased 23% (1,803 in 2014 to 2,223 in 2019) since the Plan was approved<sup>1</sup>;
- Renovations/replacement of Single Room Occupancy (SRO) hotels with self-contained social housing units continues to be challenging without significant senior government investment. At the end of 2019 over 1,000 SRO replacement units (shelter-rate units for singles) have been approved and are currently at various stages of development. Additionally, the City has recently invested in the purchase of Ross/Aoki House and is in the process of expropriating the Regent and Balmoral Hotels to enable the delivery of critical social housing in the 100 Block of Hastings. While progress is being made, the need for shelter rate, social and supportive housing for homeless and precariously housed residents is intensified by the affordability crisis and Covid-19 pandemic; and
- There were small signs of improved employment opportunities and increased general economic well-being, prior to the Coronavirus pandemic, with a decrease in unemployment by 9.2% and an increase in labour force participation from 55.3% to 57.2%. Also there was an increase in total number of jobs by 5.3% and median household income by 6%<sup>2</sup>.

(NB: Refer to the online [DTES Plan Implementation Summary \(2017-2019\)](#) for the more detailed progress report on Initiatives addressing these challenges, progress and community feedback on priorities going forward).

### **Evolving Community Challenges**

Unforeseen challenges in the neighbourhood continue to greatly impact the well-being of those who live, work and visit the DTES including:

- The overdose crisis with nearly 1,500 lives lost in Vancouver since a public health emergency was declared in 2016, of which half are estimated to have been in the DTES<sup>3</sup>;
- The coronavirus public health emergency, which disproportionately impacts DTES residents as physical distancing and other health measures to prevent COVID-19 transmission may not be possible for many;
- Increasing street homelessness and urgent need for supportive and shelter rate homes;
- Lack of access to social and cultural places and spaces for low-income residents, and affordable spaces for non-profits, social enterprises, arts and culture groups, and cultural/heritage businesses; and
- The impacts of rising triple net lease rents, property costs, and building upgrade costs on retail and commercial space affordability on small local business.

These challenges are pressing, systemic and multijurisdictional, requiring continued efforts by city, provincial and federal governments, Vancouver Coastal Health, non-profit sector and communities to work collaboratively toward an integrated vision of health and well-being.

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<sup>1</sup> City of Vancouver, Homelessness Count, March 13, 2019

<sup>2</sup> Unless otherwise noted, employment data is based on the Canadian Census and include employees with a regular place of work or who worked at home. It does not include workers with no fixed place of work. Distribution of income over this period shows there are fewer people in the lowest income bracket (below \$20,000) and a rise in higher earners, which suggests increased displacement of the lower-income residents from the area and an influx of higher income residents over time.

<sup>3</sup> BC Coroners Service, Illicit Drug Toxicity Deaths in BC through August 31, 2020.

## Major Infrastructure Changes

In addition to the compounding challenges of public health emergencies, homelessness and housing affordability crisis, and increasing affordability pressure on commercial and industrial spaces, there are major infrastructure changes underway including:

- The new St. Paul's Hospital and Health Campus will include research, office, hotel, and workforce housing and bring acute care and integrated health services closer to residents as well as opportunities for investment/spending in the local economy. However, there are concerns residents may be squeezed out by development related to the emerging medical technology hub and gentrification;
- Council endorsement of grade-separating the Burrard Inlet Rail Line (BI Line) with an underpass along Prior/Venables Street and the Adanac Bikeway, downgrading Prior Street to a collector and piloting reduced vehicle speeds near Strathcona Park, and improved walking and cycling connections and public realm. These measures will provide a safe, accessible and reliable connection across the rail line, better connect residents with park space and improve access to the new St. Paul's Hospital and surrounding industrial businesses;
- The Port of Vancouver's Centerm expansion project to expand capacity of the terminal immediately north of DTES in support of Canada's growing trade demand for goods shipped in containers; and
- Plans for CN Rail to add a second track to the BI Line which runs through Strathcona, False Creek Flats and the Grandview Cut and the advancement of rail safety improvements and grade-separation along the corridor by CN. The City is working with CN to mitigate potential impacts related to noise, vibration, air pollution and safety risks.

## Public Consultation and Community Engagement

Over the period 2019-2020 some 700 participants<sup>4</sup> were consulted on the implementation progress of the plan. Community notification included: emails to the 535 member DTES list-serv and four DTES Business Improvement Associations; a robust social media campaign; and distribution of posters in the community and all SRO hotels.

The public engagement process was multi-faceted and provided the community with a variety of ways to be involved, including:

- A community co-created DTES Plan Community Fair that provided information boards summarising the plan progress;
- Panel discussions: housing & homelessness, healing & wellness, local economy, and grants;
- A exhibition space for local organisations;
- A community lunch, and a summary [video](#);
- An online and in-person questionnaire; and
- Focused meetings and workshops.

While monitoring and evaluating the progress of implementing the Plan, community members and organisations provided insight into several areas where priorities need to be altered and interventions are urgently needed to meet the needs of the residents in the area. In addition to much needed housing, health and social services, communities emphasised the need for:

- Basic amenities,
- Safe and welcoming spaces with infrastructure,
- Safe vending opportunities, and
- Access to affordable space for local livelihoods and community serving enterprise.

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<sup>4</sup> This number is a total count of participants and may include those who have attended multiple events.

## DTES Plan Targets

The Plan sets out the policies, strategies, quick starts and actions needed to achieve the long-term vision that:

*“the neighbourhood will be made up of mixed-income communities with a range of affordable housing options (including social housing) for all residents, local serving commerce, social services and cultural activities where all feel welcome, valued and at home”*

Since the adoption of the plan six years ago, steady progress has been made towards achieving the 30-year targets (some also include interim 10-year targets) set in 2014 and outlined below in Table 1. Of note is the delivery of social housing both inside and outside of the DTES, which is due to the considerable efforts of government, institutions, non-profit agencies, social enterprises, groups and individuals. It is also in part thanks to the implementation of the Temporary Modular Housing program. However, the need for social housing remains high and may be due in part to pressure from on-going speculative investment in private SRO buildings leading to affordability, displacement of low-income renters and disinvestment, resulting in closure of some buildings and rooms due to safety concerns.

Table 1: DTES Plan Target Monitoring (DTES Plan Chapter 18)

Area	Targets		Total*	% of Target		
	10-yr (by 2024)	30-yr (by 2043)		10-yr (by 2024)	30-yr (by 2043)	
Housing	1,650	3,000	Secured market rental units <sup>†</sup>	729	44%	24%
	1,400	4,400	New social housing in the DTES* (units renting at shelter rate)	1,763	Met target	40%
				(1,070)	--	--
	1,900	2,200	Upgrades to SRO units	1,108	58%	50%
--	1,650	Rent subsidies	702 <sup>†</sup>	--	43%	
Local Economy	--	2,800	Retention of existing businesses <sup>‡</sup>	-516	--	-20%
		3-5%	Growth in business <sup>§</sup>	6.1%		Met target
		--	Reduction in empty storefronts	Stable		n/a
		3,500	Employment opportunities (jobs)	3,185		91%
Well-being	--	148	Age 0-4 childcare spaces	111	--	75%
		44	age 5-12 childcare spaces	0		0%

\* As of Dec 31, 2019. Housing data includes 130 temporary modular housing units

<sup>†</sup> BC Housing, Current rent subsidies in the DTES (not cumulative).

<sup>‡</sup> City of Vancouver, BusinessLicense data, total number of business licenses issued in 2014 and renewed by the same business within the reporting period.

<sup>§</sup> City of Vancouver, BusinessLicense data, change in total number of business licenses within the reporting period.

| Dun & Bradstreet, Business Establishment data (estimated) 2019, current total (not cumulative).

## Social Impact Indicators

Indicators for housing, development and well-being were identified in the 2014 DTES Social Impact Assessment report with revisions and additions made after data changes. Table 2 compares the 2013/2014 baseline indicators with the most-up-to-date data available to illustrate neighbourhood change and trends.

**Table 2: Social Impact Indicators**

Social Indicator	Baseline	Current	Units	Geography	Source
Homelessness	1,600 (2013)	2,223 (2019)	People who are homeless	City of Vancouver	Homeless Count
Poverty (Canada's official poverty line)*	49% (2011)	48% (2016)	% of individuals with family income below the market basket measure	DTES	Census, Community Data Program
Income assistance cases (including Disability Benefits, pensions)	38% (2013)	31% (2017)	% of tax families that report income assistance	V6A Postal Codes <sup>5</sup>	Income Tax Returns, Community Data Program
Individuals earning over \$50K	17% (2013)	25% (2017)	% of people that report individual income	V6A Postal Codes	Income Tax Returns, Community Data Program
Average market rent in purpose-built market rental (zero-bedroom unit)	\$870 (fall 2014)	\$1,294 (2019)	Dollars per month	CMHC East Hastings Zone <sup>6</sup>	CMHC Rental Market Survey
SROs at or below \$375 monthly rent (shelter component of income assistance)	24% (2013)	26% (2019)	% of private SRO units open and surveyed	DTES	City of Vancouver Housing
Rent subsidies	283 (2014)	702 (2019)	Number of subsidies	DTES	City of Vancouver Housing
Rental buildings with unresolved by-law issues	Unknown	91 (2019)	Number of buildings	DTES	Vancouver Open Data
Total number of unresolved bylaw issues in rental buildings	Unknown	561 (2019)	Number of bylaw issues	DTES	Vancouver Open Data
Supportive housing	2,777 (2013)	3,241 (2019)	Number of units	DTES	City of Vancouver Housing
Change in assessment value	Baseline (2013)	112% increase (2019)	% increase since 2013 baseline	DTES	Vancouver Open Data
Average life expectancy at birth <sup>7</sup>	71.21 (2013)	65.43 (2019)	Years	DTES CHSA <sup>8</sup>	BC Stats
Total crime	7,699 (2013)	9,763 (2019)	Reported incidents	DTES	VPD Data Request
Property crime	3,556 (2013)	6,294 (2019)	Reported incidents	DTES	VPD Data Request
Violent crime	1,797 (2013)	1,668 (2019)	Reported incidents	DTES	VPD Data Request

<sup>5</sup> Income tax data are available at the level of forward sortation areas (FSAs), the first three characters of postal codes. The V6A FSA covers an area from Carrall Street to Clark Drive in the DTES, as well as Citygate and much of the False Creek Flats between Main Street and Vernon Drive and south to Great Northern Way.

<sup>6</sup> Canada Mortgage and Housing Corporation (CMHC) define zones and neighbourhoods to report results from their surveys. The East Hastings Zone includes the Downtown Eastside/Strathcona, Grandview-Woodland and Hastings-Sunrise neighbourhoods. More specific data for DTES is not available for the entire SIA monitoring period, but recent data suggest that the DTES may have higher rents than other neighbourhoods in this zone.

<sup>7</sup> Life expectancy estimates are now available at the Community Health Service Area (CHSA) level, which closely matches the DTES plan area and replaces Local Health Area (LHA) data published in previous DTES Plan updates. The current and historical figures included in this table and discussed below are not comparable to LHA data.

<sup>8</sup> The DTES CHSA is similar to the DTES planning area but extends south to Terminal/East 1<sup>st</sup> Avenue.

Social Indicator	Baseline	Current	Units	Geography	Source
Early Development Instrument <sup>9</sup>	52% (2011-2013)	68% (2017-2019)	% of kindergarten children considered vulnerable	Strathcona Local Area <sup>10</sup>	UBC Human Early Learning Partnership
Sense of belonging, connectedness, feeling accepted at 'home'	58% (2013-2014)	<i>Next survey expected 2020-2021</i>	% reporting strong or somewhat strong sense of belonging	Strathcona Local Area	My Health My Community

\* New indicator since 2017 progress report was previously completed

### Implementing the DTES Action Plan

The Plan includes an [action plan](#) with key projects and initiatives that need to take place over the next 30 years in order to ensure the area is a more livable, safe, and supportive place for all of its diverse residents, particularly the high proportion of low income residents who face systemic barriers.

There are a total of 81 action items, almost all of which are in progress or completed. Since 2017 an additional 33 projects have been completed, with only four not yet started. Progress on key actions is summarised below:

- **Improved well-being for all;**
  - Two 37-space childcare facilities and 144 social service grants distributed.
  - Support for the operations of the Sau'ust Centre.
- **Healthy Homes for all;**
  - 130 Temporary Modular Supportive Housing units.
  - BC Housing implemented HIFIS (Homeless Individuals Families Information System).
  - \$1.1 million in grants to upgrade 260 rooms across four SROs.
  - \$1.6 million to upgrade housing units in SROs owned by Chinese Benevolent Societies
- **Vibrant and inclusive economy;**
  - Community Benefit Agreement Policy approved.
  - Street vending study.
- **Improved Transportation;**
  - Implemented R5 Rapid Bus and extended bus lane hours on Hastings St to improve transit capacity, reliability and connectivity.
  - Implementing walking and cycling improvements including on Union/Adanac, Alexander and Richards Streets.
  - Installed 18 public bike share stations and launched the Vancity Community Pass.
  - Initiated a pilot on Prior Street to reduce vehicle volumes and vehicle speeds near Strathcona Park and improve walkability.
- **Arts and Culture opportunities;**
  - Over \$1.14M Cultural Infrastructure Grants awarded.
  - Murals created in the community, including in Strathcona, Chinatown, and the DEOD.
  - Over \$3.5M Cultural grants awarded to various community groups.
  - \$529,000 dollars in DTES Capital Grants awarded to support local DTES artist groups.

<sup>9</sup> Vulnerability is assessed by assessing children against developmental benchmarks on five scales: physical health and well-being; social competence; emotional maturity; language and cognitive development; and communication skills. The reported indicator is children who are considered vulnerable on any one of these scales.

<sup>10</sup> The Strathcona local area extends from Main Street to Clark Drive and from Burrard Inlet to East 2<sup>nd</sup> Avenue/Great Northern Way/East 6<sup>th</sup> Avenue.

- **Celebrate Heritage;**
  - Japanese Canadians cultural redress and reconciliation initiatives underway in Paueru Gai (Powell Street area).
  - Chinatown Transformation program – UNESCO bid, intangible culture and heritage.
  - Chinese Societies grants for building improvements and rehabilitation.
  - Heritage Action Plan, the Vancouver Heritage Program (including integration of cultural heritage) and the Heritage Incentive Program.
- **Parks and Open Space;**
  - Public engagement on draft final design for Blood Alley Square.
  - Activation Pilot – Andy Livingstone, Thornton Parks: intergenerational dance events.
  - Globe string lighting in the Chinese Cultural Centre courtyard for safe evening programs.
  - Temporary parklets and pop up plaza(s) to support social service providers, local businesses and the broader community.
  - Gastown Streets and Spaces project currently underway.
- **Community Place Making;**
  - Blood Alley Square detailed design open house completed and design commenced.
- **Well-managed Built form;**
  - DEOD ODP amended to enable corner site development with community serving uses.
  - Rezoning policy for Chinatown South rescinded and district schedules amended.
  - DTES Liquor Policy allowing new liquor primary licenses for live performance events.

Various City departments and agencies are implementing strategic initiatives and action plans affecting the DTES. These efforts have resulted in a number of important achievements and represent successful collaboration between City departments and partners to work toward shared outcomes. However, these efforts have not been sufficient to achieve systems-level solutions to the acute challenges of the area. There remain significant gaps in people’s ability to access basic needs, exacerbated by multiple crises that disproportionately affect those in the DTES.

### Emerging Three Year Priorities

Consultation with communities, groups and organisations identified several priorities for the next three years. Along with the priorities in the Plan, a substantial number of priority actions are needed, including those summarised below in Table 3 below.

Table 3: Emerging Three Year Priorities (2020-2022)

Focus Area	Emerging Three Year Priorities
Cultural Redress & Community-led Reconciliation	<ul style="list-style-type: none"> <li>• Japanese Canadian Paueru Gai (Powell Street District) cultural redress and reconciliation initiatives.</li> <li>• Possible Chinatown UNESCO World Heritage Site designation.</li> <li>• Cultural redress and reconciliation efforts for Black and Chinese Canadians on the two Main street blocks.</li> <li>• Community stewardship/peer-led programs that create low-barrier employment</li> <li>• Consult communities regarding meaningful alternatives to the Gassy Jack statue.</li> <li>• Focus on prioritising the various needs of Musqueam, Squamish, Tsleil-Waututh nations and urban Indigenous communities, including reconciliation, housing, healing and wellness.</li> </ul>

Focus Area	Emerging Three Year Priorities
Housing & Homelessness	<ul style="list-style-type: none"> <li>• Advocate for senior government investment in social and supportive housing delivery and prioritize and expedite the delivery of social housing projects.</li> <li>• Use City-owned land to increase the delivery of social, supportive, and critical shelter rate housing.</li> <li>• Plan for the relocation of existing Temporary Modular Housing and use new modular construction techniques to expedite housing delivery to address homelessness.</li> <li>• Implement the SRO Revitalization Action Plan, including a strategic acquisition fund for private SROs and invest in renovation or replacement of self-contained units across the stock.</li> </ul>
Policy review	<ul style="list-style-type: none"> <li>• Review DTES land use and zoning policies to prioritise social housing delivery and SRO replacement. These include consideration of ceiling height requirements within the Micro Dwelling Policy and Guidelines, clarification of modest increases in height and density, and heritage policy implications.</li> </ul>
Local Economy	<ul style="list-style-type: none"> <li>• Investigate a DTES Special Enterprise program pilot with business supports and affordable work spaces, for local serving uses, legacy businesses, social enterprises and arts and cultural initiatives.</li> <li>• Support the community stewardship program in Chinatown and DTES.</li> <li>• Finalize functional programming for a Community Economic Hub (CEH) at 501/525 Powell, including options for interim and permanent site programming for the DTES Street Market.</li> </ul>
Transportation	<ul style="list-style-type: none"> <li>• Improve the safety, comfort and accessibility of walking, cycling and transit.</li> <li>• Develop a plan for the streets and spaces of Gastown that supports an expansion of public space and enhances walking and cycling connections.</li> <li>• Upgrade safety at rail crossings along the BI Line and mitigate concerns related to future Port and rail expansion plans.</li> <li>• Monitor the pilot project on Prior Street to inform the design of the Prior/Venables underpass, transportation and public realm improvements along the corridor and in the surrounding neighbourhood.</li> <li>• Explore additional safety, transit travel time and reliability improvements along Main St and Hastings St.</li> </ul>
Public Realm	<ul style="list-style-type: none"> <li>• Provide healthy, inclusive and improved public spaces with amenities and basic infrastructure through ongoing community and stakeholder partnerships</li> <li>• Support community stewardship of inclusive programming of public spaces, with temporary installations, street closures and slow streets.</li> <li>• Build in resiliency by considering flexibility and adaptability to allow for variety of uses at different times of day, days of the week, and under various circumstances.</li> </ul>
Parks	<ul style="list-style-type: none"> <li>• Look for opportunities to increase tree canopy cover, increase park or open space, improve in-park amenities (e.g. public washrooms and environmental restoration at CRAB Park, Ray-Cam Community Centre Playground Renewal) and support park activation activities in DTES.</li> </ul>
Arts and Culture	<ul style="list-style-type: none"> <li>• Explore tools, such as commercial linkage fees, density bonusing, cultural districts, and reduce barriers, to secure arts and culture spaces including studios and production space in commercial and industrial spaces.</li> <li>• Support no net loss of cultural space with tools, such as heritage incentives and Heritage Register Upgrade, and policy for preservation of arts and cultural spaces.</li> </ul>



It is important to understand the broader challenges in the area need to be addressed by senior governments. Paradigmatic shifts in income supports, housing, drug policy and health services are needed to achieve the overall goal of the Plan and other city-wide strategies toward health and well-being for all.

### **Implementation Funding**

The Downtown Eastside has a unique, dedicated grant fund for projects that help implement the Plan's vision and strategic directions. Since its initiation in 2014, the DTES Plan Implementation fund has invested over \$6.8 million in various Council approved strategic and matching grants on more than 170 projects. These involve community economic development, building upgrades, neighbourhood improvements and strategic interventions to create jobs and opportunities for local residents and organisations. The annual matching grants strive to continue to meet local needs in community asset management, community economic development and neighbourhood improvements, and the recommended allocation of grants and funding is the subject of the Downtown Eastside (DTES) Plan Implementation Grant Allocation - 2020 report (RTS #13784).

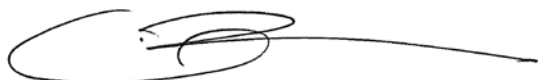
Additional funding is also secured from City of Vancouver Social, Cultural, and Infrastructure grants and partnerships with various foundations including Central City Foundation, Vancity Community Fund, and Vancouver Foundation.

### **Public Benefits Strategy Implementation**

As the DTES has the highest social and supportive housing need of any community in Vancouver, the Public Benefit strategy prioritises the provision of affordable housing. Much of this is to be provided through partnership contributions and/or achieved through rezoning. This approach, while necessary to prioritise social housing, constrains the ability to gain other much needed amenities. The need for non-housing public benefits only intensifies as more housing is delivered and population grows. It is hoped capital funding will be sourced from outside DTES to meet these priorities in future.

### **CONCLUSION**

The overwhelming opioid-related overdose and drug poisoning crisis, along with the Coronavirus pandemic has severely impacted progress, bearing in mind the DTES Plan did not include provisions to address the health conditions of residents, since it was prepared in parallel with the Vancouver Coastal Health Second Generation Strategy. The challenges do not originate solely, or even primarily, in the DTES but rather are a reflection of the larger system's inability to provide all people, regardless of background, an equal opportunity to thrive in society. Nonetheless staff are working with the Recovery Program planning actions to assist non-profit partners, community organisations, social enterprises, small businesses, and community initiatives whenever possible to improve amenities, access to affordable space and various supports, as well as continue to partner and coordinate with senior levels of government and staff across City departments and agencies to implement the Downtown Eastside Plan according to the emerging priorities. The next DTES Plan implementation progress update (2020-2022) will be submitted for Council consideration in 2023.



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