

## Hayes, Dana GCPE:EX

---

**From:** Leslie, Lisa GCPE:EX  
**Sent:** Tuesday, September 11, 2012 12:40 PM  
**To:** Whittier, Joanne GCPE:EX; Ash, Christine GCPE:EX  
**Cc:** Mader, Susan GCPE:EX; Fillion, Corinna GCPE:EX  
**Subject:** RE: Atira

Thanks Joanne. We'll look into CFD's current dealings with Atira. Chris, do you need anything?

---

**From:** Whittier, Joanne GCPE:EX  
**Sent:** Tuesday, September 11, 2012 12:17 PM  
**To:** Ash, Christine GCPE:EX; Leslie, Lisa GCPE:EX  
**Cc:** Mader, Susan GCPE:EX  
**Subject:** Atira

Hi there ... just in case,,, looping in MCFD as there is a connection with Atira Women's Resource Society.

Lisa ... attached is an IN from the Ministry resp for Housing re: media coverage running on BC Housing properties in the downtown eastside managed by Atira Property Management.

Flagging that SD provided \$440,333 to Atira Women's Resource Society in 2011/12. This society launched Atira Property Management in 2002 as a for-profit social enterprise (profits generated by the property management company used to support the not-for-profit activities of the Atira Women's Resource Society).

The majority of SD \$ for 1/12 were related to Child Care Expenses incurred by SD on behalf of the MCFD. These expenditures are charged back to MCFD on a monthly basis. The bulk of the remaining expenses were for User Fees for Alcohol and Drug Programs and Residential Care Facility costs incurred by SD clients.

---

CBU (CBC Vancouver)  
CBC Early Edition  
11-Sep-2012 07:12

Copyright

Page 2 to/à Page 4

Withheld pursuant to/removed as

Copyright

## ISSUES NOTE

Ministry of Energy and Mines  
Minister Responsible for Housing

Date: September 13, 2012

Minister: Hon. Rich Coleman

# Atira: Response to CBC report

### KEY FACTS:

- On September 10 and 11, 2012, CBC reported on the conditions at three provincially owned Single Room Occupancy Hotels that Atira manages in the City of Vancouver.
- Today, Atira published an open letter on their website in response to the report.  
<http://atira.bc.ca/sites/default/files/Atira%20-%20Media%20Reports.pdf>
- Overall, the letter is an attempt to thank those who have shown their support – and to let the public know that there is more to the story than what was reported by the CBC.



Atira - Media  
Reports.pdf

### ADVICE AND RECOMMENDED RESPONSE:

- **I am aware of the letter. I would imagine it is an attempt to let people know that there is more to the story than what was originally reported and that the intention is – and always has been to have these building undergo extensive renovations.**
- **We work closely with our providers to ensure fair, appropriate and equitable funding for each of the provincially-owned SROs.**
- **In this particular case, we are reviewing the issues in question and will address them as soon as possible.**
- **When we purchased the hotels, it was clear that this was a longer-term project given the various conditions of this older stock.**
- **Since 2007, we've invested \$65 million:**
  - **We could not renovate all the hotels within that budget; however, all health and life safety issues were addressed and several hotels were fully remodeled.**
  - **We are now in the next phase, investing \$116 million to renovate 13 more SROs.**

### Secondary

- **When a provider brings funding issues to our attention, BC Housing works closely with that provider to review and assess the needs – and that is what is happening in this case.**

**CONFIDENTIAL  
ISSUES NOTE**

**Ministry of Energy and Mines and Minister  
Responsible for Housing**

**Date: September 10, 2012**

**Minister Responsible: Hon. Rich Coleman**

# **Media Request: SRO Management/Funding /Operating Policies**

## **KEY FACTS REGARDING THE ISSUE:**

- A national media outlet has begun a series of segments on the management and condition of DTES SROs managed by Atira Property Management Inc. The reporter has visited several SROs and has interviewed/spoken with Atira Management; current and former Atira employees (under anonymity); Vancouver Police Department (VPD) (under anonymity); WorkSafe BC; CoV; and other NP Operators. The reporter spoke with the Minister on Thursday, September 6<sup>th</sup>.
- A radio interview was conducted on Thursday September 13, 2012 with the Executive Director of a organization that previously offered an SRO Managers Training Program in the DTES under the auspices of the Vancouver Agreement.
- The media story references City of Vancouver Building Inspection reports that outline a number of deficiencies. The City of Vancouver confirms there are no imminent health or life safety issues identified in any of the deficiencies. When the hotels were purchased all the health and life safety issues were addressed. As also noted by the City, most of the violations are typical for that type of housing stock.
- The stories also address the appearance of a personal Conflict of Interest as a result of the relationship between the CEO of Atira and the CEO of BC Housing. BC Housing has a Conflict of Interest Policy, as is required for all Provincial Crown Corporations. The policy is public information: [www.bchousing.org/resources/HPK/governance/GovernanceGuide\\_final.pdf](http://www.bchousing.org/resources/HPK/governance/GovernanceGuide_final.pdf)  
In addition, further specific Standards of Conduct were agreed to that remove BC Housing CEO from any dealings or decisions' concerning Atira and a copy of that document was shared with the media outlet.

### **SRO Managers Training Program;**

- Under the Vancouver Agreement, Watari Research Foundation delivered a 10-week training course for SRO building owners and managers in the downtown eastside. BC Housing supported the training with a \$25,000 annual contribution for several years.
- The program was created specifically for private SRO operators and ran prior to the B.C. government purchasing 24 SRO hotels. The program ended in 2009 when funding was not secured from the City of Vancouver, independent housing operators and BC Housing.
- Following the posting of the media story on Monday, the Executive Director sent an email to the City of Vancouver and BC Housing suggesting that there exists an opportunity to revisit the training program. No formal submission has been made.

## **ADVICE AND RECOMMENDED RESPONSE (GENERAL):**

- **The SRO housing stock in Vancouver's Downtown Eastside is an important source of affordable housing.**
- **In the mid-2000s; this stock began to appear on the market as economic forces began pushing toward redevelopment for these properties.**
- **The province invested close to \$90 million to acquire 24 SROs in Vancouver beginning in 2007, to maintain and improve this crucial source of low-income housing – more than 1,400 units. The alternative would likely have seen these buildings turned into market-rate rentals or redeveloped into condominiums.**

- Our first priority was to address immediate life safety and security upgrades – as an example, some of the buildings did not have fire escapes.
- We invested another \$65 million to improve the health and safety conditions in the buildings.
- In March this year, we announced further improvements, through a \$116 million partnership with the federal government to renovate 13 of the SROs, in addition to the basic renovations we've already done. It's getting underway this fall, with the Marble Arch first on the list.
- The BC government is investing \$87 million, the federal government \$29 million, to do major renovations on these buildings.
- The SRO renewal will improve living conditions for the residents and restore the heritage value of these century old buildings.

#### Funding Chart

Funding for Atira Property Management Inc. for these SROs includes standard property management requirements, plus 24/7 front desk staffing.

Acquisition Announced	Hotel	Address	Units	11/12 funding
April 2007	Marble Arch <sup>1</sup>	518 Richards	142	\$245,777.23
April 2007	St. Helens <sup>2</sup>	1161 – 1163 Granville	86	\$233,957.04
April 2007	Carl Rooms	355 Princess	44	\$348,150.96
April 2007	Hutchinson Block (Park)	429-433 Pender	50	\$337,323.96
April 2007	Savoy	258-260 E. Hastings	25	\$347,958.96
Feb 2008	Gastown <sup>3</sup>	110 Water	93	\$568,589.77
Feb 2008	Arco <sup>4</sup>	81-83 W. Pender	63	\$547,074.41
Jan 2009	Cordova	54 E. Cordova	34	\$163,839.00
Jan 2009	Dominion	210 Abbott	64	\$402,868.92
Jan 2009	Hazelwood	342 E. Hastings	110	\$159,638.04
Jan 2009 (leased)	London	700 Main	73	\$424,261.92
Jan 2009 (leased)	566 Powell	566 Powell	12	\$67,817.04
Sept 2009 (leased)	Dunsmuir	500 Dunsmuir	167	\$365,380.00
Leased from CoV Aug. 2008	Drake <sup>5</sup>	606 Powell	24	\$213,517.56

**Total 2011/12 funding: \$4,426,154.81**

<sup>1</sup> Includes approximately \$22,000 for mattresses

<sup>2</sup> Includes approximately \$3,000 to cover foregone rent revenue - forgone rent revenue is for those units that deemed to be not rentable

<sup>3</sup> Includes approximately \$166,700 to cover foregone rent revenue and \$5,000 for asbestos remediation equipment

<sup>4</sup> Includes approximately \$10,000 for additional security cameras

<sup>5</sup> Includes approximately \$2,600 for tenant moving expenses

In addition, BC Housing contracts with other non-profit societies to provide support services (links and referrals to services such as addiction, mental health and life skills counseling) at these hotels on the list:

- Marble Arch, Carl Rooms and Hutchinson Block – PHS Community Services Society
- Savoy and Hazelwood – Motivation, Power and Achievement Society
- Dunsmuir – RainCity Housing and Support Society (formerly Triage Emergency Services and Care Society)
- St. Helen's – Coast Mental Health Foundation

Atira is also available to provide support services at these six hotels; at all other hotels listed, Atira is the sole provider of the support services.

Note: One 24/7 staff position costs approximately \$275,000 per annum. This equates to 4.2 FTEs necessary to cover three shifts per day, plus weekend and vacation coverage.