

ISSUES NOTE

BC Housing

Date: Aug. 31, 2023

Housing Minister: Ravi Kahlon

Change in operator for Patricia Hotel (403 East Hastings, Vancouver) from Atira**ISSUE SUMMARY:**

Atira Women's Resource Society made public their notice to end its contract with BC Housing to operate the Patricia Hotel at 403 E. Hastings in Vancouver effective November 2023. This news was released publicly by Atira without advance notice to BC Housing. BC Housing has begun work to secure a new provider and transition operations.

KEY MESSAGES:

- We understand the stress and concern that a change in operator can cause for residents and staff.
- BC Housing's focus is on ensuring that a change in operator has no negative impacts for residents of the Patricia Hotel.
- No one will lose their housing or access to supports because of the change in operator.
- BC Housing is working to select a new operator for the Patricia Hotel. We will be working with Atira and the new operator to ensure a smooth transition.

If asked about building conditions at the Patricia Hotel:

- BC Housing is committed to the safety and well-being of the people we serve. This commitment extends to the contracts we have signed with our non-profit housing providers that oversee day-to-day management and maintenance of social housing buildings owned by the Province.
- BC Housing works closely with non-profit operators to ensure the overall condition of and life-safety features within buildings are in suitable condition. When the need arises, and if requested by the operator, we provide additional funding to secure these systems e.g., elevators, door locks, etc.
- Some BC Housing properties are as much as or more than 100 years old. These sites have unique challenges around maintenance and building design. Some concerns can be addressed immediately, while others require more time due to availability of parts, supplies and contractors.

If asked about previous fire violations at the Patricia Hotel:

- BC Housing is committed to providing safe and secure housing and takes any fire violations seriously.
- BC Housing has worked with Atira Women's Resource Society to address and resolve the fire safety violations, as ordered during a Vancouver Fire Rescue Services Inspection on Oct 4, 2022, at the Patricia Hotel in a timely manner.
- We will continue working with Atira, the future non-profit operator of the Patricia Hotel, the City of Vancouver, and the Vancouver Fire Department to ensure the hotel meets all fire standards.

If asked about Atira and the EY report findings published earlier in 2023:

- BC Housing is taking action in response to the 20 recommendations made in the March 2023 forensic investigation report.
- BC Housing is undertaking a review of Atira focused on governance structures, operational capacity, and compliance with BC Housing policies and agreements.

BACKGROUND FOR MINISTRY:

General Building Background

- BC Housing received Atira's 90-day notice of contract termination on Aug. 11, 2023. BC Housing has convened a working group and is developing a transition plan for the site.
- The Patricia Hotel is included among those projects that BC Housing had already been planning to end its contract with Atira as part of its response to the EY forensic investigation conducted earlier in 2023.
- BC Housing purchased the 195-unit Patricia Hotel at 403 E. Hastings in Vancouver to support rapid, emergency decampment of Strathcona Park in June 2021. As nearly all residents were arriving from an encampment, the building's clients have particularly complex, high-support needs.
- Atira Women's Resource Society was selected to operate the Patricia Hotel through direct award.
- At the time of project opening, the majority of incoming residents signed program agreements rather than tenancy agreements to more efficiently transition former encampment members into indoor supportive housing. As a result, there has been difficulty in appropriately enforcing building rules for those residents.
- Many residents are not signed up for direct rent through the Ministry of Social Development and Poverty Reduction (SDPR). As a result, many units have overdue rent which is not being paid by residents or through government subsidy.
- s.21
- Of the 189 units available for housing at the Patricia Hotel, most recent count indicates a total of 124 currently tenanted units and 65 vacant units which have been held from tenanting while BC Housing and Atira have been working on an operational review and issues resolutions. BC Housing believes the actual count of individuals living in the building may be higher than the official tenant count due to extended guest stays and other operational circumstances. The remaining 6 units are being used for non-housing purposes (i.e., office space, storage, etc.).
- There are 18 Patricia Hotel residents who were relocated from the London Hotel when it ceased operations in fall 2021 for building repairs and renovations. These individuals will be offered first right of return to the London Hotel once it reopens.

- The Patricia Hotel has also been the site of several incidents involving residents and/or staff since opening, including two circumstances involving violence which were covered extensively in media:
 - [Man who fell from DTES hotel during attempted arrest dies from injuries | Vancouver Sun](#)
 - [Man dead after police-involved shooting at hotel in Vancouver's Downtown Eastside | CBC News](#)

Plans for Transition of Operations

- BC Housing has convened a working group and is developing transition plan for the site.
- s.17
- There is a limited number of non-profit providers in the Lower Mainland with the experience and capacity to operate a project like the Patricia Hotel, given its size and support complexities.
- An operator transition plan draft is currently in progress. Once completed, this document will outline the critical pathway during operator changeover including roles and responsibilities of BC Housing and Atira (as defined in original operating agreement), regulatory requirements and end-of-contract requirements. It is likely that operational costs will increase after the operational transition is complete. Costs for which will be determined during procurement process and in discussion with new incoming operator.
- BC Housing has requested that Atira continue to operate the Patricia Hotel until Dec. 31, 2023 to allow more time for transition. This request has been verbally denied by Atira leadership.

Building Condition, Repairs

- BC Housing has committed to several major capital repairs at the Patricia Hotel, including elevator modernization, climate control improvements including heating upgrade and cooling and ventilation addition, fire escape repair and replacement, and window and roof replacement.
- As of August 2023, work on these projects is in various stages of design planning.
- An engineering report of the building, dated March 17, 2023, confirmed the fire escape system to be in need of repair or replacement. BC Housing is working in consultation with the City of Vancouver and Vancouver Fire Rescue Services (VFRS) to address this issue as quickly as possible; however, it is anticipated that work will take at least six months to a year to complete as it will be tied to a larger overall repair and replacement project and timing will depend highly on design and permitting processes.
- In the interim, BC Housing is working on a temporary scaffolding fire escape to satisfy VFRS concerns until a permanent solution can be completed.

- As a result of these fire safety concerns, the building has been on firewatch since spring 2023 with BC Housing providing approximately \$40,000/month for third-party contracting of this service.

Additional Background

- IN: Atira Women's Resource Society Summons – May 31, 2023



- IN: Forensic Investigation Building Analysis – May 19, 2023



- IN: The London Hotel – July 15, 2021