



# City purchases Knights Inn Motel

October 31, 2023

Type(s): Media Releases

## FOR IMMEDIATE RELEASE

Prince George, B.C.- The City of Prince George has entered into an agreement to purchase the Knights Inn Motel located at 650 Dominion Street, Prince George for \$4.15 million. The purchase agreement comes with a completion date of March 14, 2024.

BC Housing currently leases the property and intends to continue to do so after the completion date, with a proposed new two-year lease agreement in place from March 31, 2024 to March 30, 2026. BC Housing will pay \$47,250 per month to lease 44 rooms of supportive housing for people living outside or in emergency shelters.

The decision for the City to purchase this property was made in partnership with BC Housing, who agreed to pay for their 24-month lease fees upfront, contributing a total of \$1,134,000 to the purchase. The remainder of the funds used to purchase this property come from the City's Endowment Reserve Fund.

The collaboration between BC Housing and the City of Prince George on this purchase is inline with the HEART and HEARTH **Memorandum of Understanding** (MOU) signed by the City and the Province in June that formalizes their commitment to work together to better support people in the community who are unhoused.

The MOU clarifies the roles and responsibilities of the Province and the City to respond to the health and safety of people sheltering outdoors, and to create new temporary housing options to transition people who are currently in encampments, indoors.

BC Housing will have the option to extend the Knight Inn lease term for an additional 6-month period beyond March of 2026 and they will be responsible for all capital and operational repairs to the property as well as be responsible for payment of all property taxes and utilities charges. BC Housing has opted to contribute an extra fixed fee of \$450,000 towards potential future demolition costs, subject to future council decision, instead of covering the costly expenses of restoring the building to its original state, as per standard lease conditions.

Mayor Simon Yu said the purchase of this property makes sense for the City given its location, and it has been a positive negotiation with BC Housing.

"This a good asset for the City to own as it is right in our Civic Core and we can consider its future use as part of our Civic Core planning which is currently underway," he said.

**Media contact:**

Claire Thwaites, senior communications advisor

Mobile: 778-349-1386

Email: [media@princegeorge.ca](mailto:media@princegeorge.ca)