



Governance & Services Committee

TO: Governance and Services Committee

FROM: Todd Cashin
Director of Community Services

DATE: July 9, 2020

SUBJECT: BC Rent Bank (6430-40)

Purpose: To provide an update on the BC Rent Bank program.

Executive Summary:

In December 2018, the Provincial Rental Housing Task Force released 23 recommendations to the premier, including Recommendation #4: provincial funding for rent banks. Rent banks are an established practice in BC for assisting households facing a financial crisis that threatens their housing security and have proven to be an effective homelessness prevention strategy for some populations. The Province has made funding available through a one-time grant to Vancity Community Foundation (VCF), a not-for-profit foundation associated with Vancity Credit Union, to establish local, sustainable, rent banks in BC.

To assist low - to moderate income Central Okanagan renters, there is potential that a rent bank could be established in the Central Okanagan with the funding that has been made available. BC Rent Bank has recently amended the process and approach to the establishment of new rent bank sites.

As part of the recent changes, the Regional District will not be involved in the development of a Central Okanagan Rent Bank.

RECOMMENDATION:

THAT the Governance and Services Committee receive for information the July 9, 2020 BC Rent Bank report from the Director of Community Services.

Respectfully Submitted:


Todd Cashin
Director of Community Services

Approved for Committee's Consideration


Brian Reardon, CAO

Prepared by: Danika Dudzik, Senior Planner

Implications of Recommendation:

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| Strategic Plan: | Receiving the report for information achieves the Regional Board Strategic Priorities 2019-2022 with respect to “Sustainable Communities”. |
| Policy: | Receiving the report for information complies with the Regional Growth Strategy: Our Housing, Our Health, Our Governance. |

Background:Regional Board Strategic Priorities 2019-2022

RDCO’s strategic priorities, developed by the Regional Board, speak to important goals, services and needs on which the Board wishes to focus the organization’s attention and resources. Sustainable Communities has been identified as a priority:

- We will initiate and support efforts to create a healthy built environment in which all people throughout the region enjoy a high quality of life with access to safe neighbourhoods including a diverse range of housing options.

Regional Growth Strategy

The Regional Growth Strategy, adopted June 23, 2014, is a long-range planning tool that assists the Regional District and member municipalities to plan a coordinated future for their communities, while dealing with regional issues and decisions that cross local political boundaries. Ten regional issues were identified in the RGS, some of these include:

- Our Health
 - Goal: To contribute to the improvement of community health, safety and social wellbeing
- Our Housing
 - Goal: To improve the range of housing types and tenures to meet the social and economic needs of the region
- Our Governance
 - Goal: To respond to the needs of the region with an effective and efficient governance service model

Regional Housing Needs Assessment

Housing is one of the key social determinants of health. People facing barriers to accessing healthy housing are more likely to also struggle with other determinants of health, such as accessing health care services, income, and food security. When housing is improved, the burden of the other determinants is reduced. Project No. 3 of the RGS Priority Projects Plan, the Regional Housing Needs Assessment was completed in 2019.

The Assessment outlines that the Central Okanagan is experiencing unintended consequences of growth – a lack of suitable affordable housing, notably for workforce, family, seniors, and low-income households. Since 2013, the average rental rate in the Central Okanagan has increased by 37% for both one-bedroom and two-bedroom units and by 26% for three-bedroom units.

In the Central Okanagan, couple households earning the median income are able to afford the average rent, while lone parent and single person households experience the greatest challenges in the rental market, often unable to afford the average rent in the RDCO (based on 30% of their gross income). Most single person households would need to spend between 30 to 50% of their monthly income to afford average rental prices in the RDCO, and lone parent families and single persons under the age of 25 do not appear to be able to afford average rental prices even with 50% of their gross income spent on rent. In 2016, Statistics Canada observed 21,700 households, or 27% of private households as renters within the region.

Rent Banks

Rent banks are a homelessness prevention tool that is focused on providing housing stability for low- to moderate-income renters. Rent banks provide financial assistance in the form of repayable loans, to households at risk of eviction for reasons such as non-payment of rent or utilities. Rent banks are intended to support people who are usually able to afford their rent but due to unusual circumstances are put into a position of not having adequate funds for a month. The main goal is to keep housed people from becoming homeless due to an unforeseen life event. Rent banks can also aid with individuals moving between housing, who might need to borrow the funds for a damage deposit to make the move.

As a strategy, a rent bank can be established to achieve its goal in many ways. Other services that may be offered by the host agency include supplemental supports such as referral to a community agency for support, identification of government subsidies, program or benefits, mediation, advocacy, and financial literacy.

BC Rent Bank

Rent banks have played a vital role over the past decade in addressing a housing crisis in BC and operate in Prince George, Kamloops, Abbotsford, Surrey, New Westminster, Richmond, Vancouver, North Vancouver, Sechelt, and Coquitlam. Currently, there are ten rent banks programs operated by organizations in BC. The majority of rent banks in BC are operated by non-profit organizations. While different in their approaches, all are designed to help individuals who are facing challenges paying for their rental housing due to a temporary financial crisis. The establishment of rent banks has occurred through agencies who have seen a need for this service within their communities and responded.

In December 2018, the Provincial Rental Housing Task Force, released 23 recommendations to the premier, including Recommendation #4: provincial funding for rent banks. In response to the recommendation, the Province has made funding available through a one-time grant to Vancity Community Foundation (VCF), a not-for-profit foundation associated with Vancity credit union. The funding is to be used to support existing rent banks and to help establish a province-wide rent bank system. The goal being that regardless of where you live in the province you can be supported to help maintain your housing.

Historically, BC rent banks have relied on sources of funding from municipal governments, private sector (including credit unions), fundraised money, and in-kind contributions, especially of time and administrative support. Currently the Province has made funding available to support the development of a province-wide rent bank system. Administered by Vancity Community Foundation, this pilot project is funded until March 31, 2022.

BC Rent Bank has recently amended the process and approach to the establishment of new rent bank sites. Prior to April 1, 2020, one of the requirements to establish a rent bank was that a lead organization had to be identified. Further, in order for a lead organization to apply to host a rent bank service, a letter of support from local government was required. As part of the recent changes, the Regional District will no longer be involved in the development of a Central Okanagan Rent Bank.

Central Okanagan Rent Bank History

The opportunity to consider a Central Okanagan Rent Bank was identified as a result of City of Kelowna staff researching rent banks. Given the regional nature of the housing market and high-level of integration among Central Okanagan communities, exploring the opportunity at a regional level was brought forward.

In working towards solutions for rents in the province we need local government and stakeholders working together to bring greater understanding to the local housing realities. Local government and First Nation's involvement is critical to the success and sustainability of a rent bank. Some of the most successful rent bank models involve leadership and involvement by local leaders as they provide resources, expertise and leadership to the project.

On December 5, 2019, RDCO and City of Kelowna hosted a BC Rent Bank 101 Workshop for planners from around the Central Okanagan who deal daily with the growing housing concerns in our communities. Rent Bank BC provided a presentation on rent banks, the BC Rent Bank project, and offered tools and resources to help communities start down the path to exploring whether a rent bank would be suitable for the Central Okanagan.

On December 11, 2019, Rent Bank BC provided a presentation to the Regional Growth Strategy Steering Committee. The Committee supported the concept of further exploring a regional approach.

On March 3, 2020, a BC Rent Bank Information Session was collaboratively hosted by the RDCO, EDC and City of Kelowna at the Coast Capri. The workshop provided an overview of rent banks, explored the local need and discussed next steps for establishing a rent bank in the Central Okanagan.

Non-profit organizations were invited to share local knowledge on the need for a local rent bank and to express interest in operating a rent bank in the region. 29 individuals representing various non-profit agencies in the Central Okanagan registered for the event.

At the end of the workshop, 27 exit surveys were completed with the following results:

- 96% of respondents either agreed or strongly agreed that Central Okanagan residents would benefit from a rent bank.
- 93% of respondents either agreed or strongly agreed that a rent bank should be established in the Central Okanagan.

Ten (10) organizations had expressed potential interest in receiving an expression of interest for hosting a Central Okanagan Rent Bank. As BC Rent Bank has been amending the program, staff have been providing updates to these organizations over the last several months.

On March 12, 2020, Melissa Giles with BC Rent Bank provided an overview of the BC Rent Bank program to the Governance and Services Committee. Regional District staff provided a summary of the opportunity for a rent bank service at a regional level.

Establishing a Rent Bank

BC Rent Bank has learned many valuable lessons during their first year of operation, and specifically, during the COVID pandemic. The information and experiences have been influential to their approach and understanding of the expansion of services that are anticipated will ultimately serve the development of a provincial rent bank system. BC Rent Bank has recently launched the 2020-2021 BC Rent Bank Expansion Process.

As of June 8, 2020, BC Rent Bank announced a call for an Expression of Interest (EOI) from communities across BC interested in joining the BC Rent Bank Network. This EOI is the first phase of a two-phase expansion process that will identify and begin operations of four (4) new rent bank sites across BC by March 2021. Submissions are being accepted by BC Rent Bank until July 3, 2020. Within the amended process, letters of support are not required for an organization to respond to BC Rent Bank's EOI.

Further to the EOI process, four (4) groups will be invited to participate in the second phase which is the Full Proposal submission to assess the Lead Agency's readiness to successfully open and operate a rent bank. The proposal will include more detailed information around the Lead Agency's capacity to open and operate a rent bank, and this will include letters of support from partners.

All rent banks are different in their approaches, supplemental services and models. It will be the responsibility of the organization to develop a model based on promising practices, local community context, partnerships, capacity, funding, and the development of decision-making protocols. There are many resources available to assist an interested organization in with the development a rent bank program including a BC Rent Bank Toolkit and Workbook.

BC Rent Bank requires applicants to demonstrate community investment and support that will work to ensure long-term sustainability and potential partners that are willing to be part of a larger network of rent bank providers in the province.

BC Rent Bank would provide seed funding, ongoing support, mentorship and operational guidance to host agency, quarterly connects, and a professional network. Rent bank forums have occurred several times in BC which provide an opportunity for service providers to gather together to discuss promising practices, commonly faced challenges, and share resources.

Organizational Issues:

Lead Agencies are expected to collaborate with local government, not-for-profits, the development community, the business sector, and other investment partners in helping to create a sustainable rent bank. If a Lead Agency has been selected from the Central Okanagan, local government staff would have limited involvement regarding the implementation of a rent bank.