

TO: CHAIR AND MEMBERS
PLANNING AND DEVELOPMENT COMMITTEE

DATE: 2020 June 17

FROM: DIRECTOR PLANNING AND BUILDING
DIRECTOR FINANCE

FILE: 16000 20

SUBJECT: EXTENSION TO TEMPORARY BURNABY RENT BANK

PURPOSE: To propose an extension to the temporary Burnaby Rent Bank to 2020 October 31, and to provide an update on a potential opportunity to establish a permanent Burnaby Rent Bank.

RECOMMENDATION:

1. **THAT** the Committee request Council approve an extension to the temporary Burnaby Rent Bank, operated by the Lower Mainland Purpose Society, to 2020 October 31.

REPORT

1.0 INTRODUCTION

On 2019 July 29, Council unanimously adopted the *Mayor's Task Force on Community Housing Final Report*, which recommends 18 actions and 10 "Quick Starts" to increase the supply, diversity, and affordability of housing in Burnaby. Quick Start #4 – Establish a Rent Bank using Housing Fund Monies – is specifically recommended to support renters, particularly vulnerable renters with lower incomes, in maintaining their current housing and preventing homelessness.

Prior to the current state of emergency declared for the COVID-19 pandemic, staff were in discussions with BC Rent Bank to explore the creation of a rent bank for Burnaby renters. With \$10 million in provincial funding, BC Rent Bank supports existing rent banks and establishes new rent banks in new communities. However, on 2020 March 26, BC Rent Bank announced that all applications for new rent banks would be temporarily suspended during the COVID-19 pandemic. Instead, only funding for existing rent banks would be available during this period to sustain existing services and to extend services to unserved communities, if possible.

To ensure Burnaby renters had access to this financial service, BC Rent Bank agreed to provide funding of approximately \$30,000 to the Lower Mainland Purpose Society (Purpose Society), operator of the New Westminster Rent Bank, to extend services to Burnaby renters on a temporary three-month period (2020 April 06 to 2020 July 06). To support this initiative, Council approved a grant of \$30,000 from Operating Contingency funds at its 2020 April 20 meeting to further assist

To: Planning and Development Committee
From: Director Planning and Building
Director Finance
Re: Extension to Temporary Burnaby Rent Bank
2020 June 17..... Page 2

vulnerable renters during the COVID-19 pandemic. The \$30,000 grant from the City has helped to bolster the program to allow the Purpose Society to grant loans to lower income renters in the community, in addition to ensuring the successful administration of the temporary program, and expansion for Burnaby residents in need.

On 2020 June 08, BC Rent Bank announced a new Expression of Interest (EOI) to establish four new rent banks in British Columbia – two in large communities and two in small communities. The EOI is eligible to not-for-profit organizations and closes on 2020 July 03. If successful, the selected not-for-profit organizations are anticipated to commence operations of these new rent banks on 2020 October 01.

2.0 POLICY CONTEXT

Assisting vulnerable renters in Burnaby through a rent bank aligns with the following goals and sub-goals of the *Corporate Strategic Plan*:

- ***A Connected Community***
 - Partnership – Work collaboratively with businesses, educational institutions, associations, other communities, and governments
- ***An Inclusive Community***
 - Serve a diverse community – Ensure City services fully meet the needs of our dynamic community
 - Create a sense of community – Provide opportunities that encourage and welcome all community members and create a sense of belonging
- ***A Healthy Community***
 - Healthy life – Encourage opportunities for healthy living and well-being
- ***A Dynamic Community***
 - Community development - Manage change by balancing economic development with environmental protection and maintaining a sense of belonging

3.0 DISCUSSION

3.1 Temporary Burnaby Rent Bank

The COVID-19 pandemic has brought about significant uncertainty to Burnaby residents, as many individuals have lost their jobs or have had to stay home for extended periods of time. Renters are particularly vulnerable, with many renters experiencing challenges with affordability and the availability of rental housing prior to the pandemic. In response, both the federal and provincial governments have announced financial measures for renters, including emergency income programs and a temporary rental supplement, in addition to direct regulatory measures to keep renters in their housing, such as a moratorium on evictions, during the current state of emergency.

The temporary Burnaby Rent Bank, which began operations on 2020 April 06, was established to support lower income individuals and families during the COVID-19 pandemic. Funded equally

To: *Planning and Development Committee*
From: *Director Planning and Building*
Director Finance
Re: *Extension to Temporary Burnaby Rent Bank*
2020 June 17..... Page 3

between BC Rent Bank and the City of Burnaby, each contributing approximately \$30,000, to ensure adequate funding for the Purpose Society to manage the temporary Burnaby Rent Bank; thus providing renters access to low-fee, no interest loans for rent and/or utilities. The temporary program also provides support and information to interested renters, in addition to connecting them to available resources, including current federal and provincial funding opportunities.

The non-profit operator of the temporary Burnaby Rent Bank, Purpose Society, has experience in delivering rent bank services for the New Westminster Rent Bank since it began operations in 2017, and has provided mentorship to other rent banks in the province. The temporary Burnaby Rent Bank adheres to the best practices established by BC Rent Bank and operates as follows:

- available to Burnaby renters or individuals moving to Burnaby;
- loans may be used to pay for rental arrears, next month's rent, essential utility arrears, security deposits, and first months' rent;
- maximum loan of \$1,400 for individuals or \$1,700 for families (2 or more people living in a family relationship) for rent arrears;
- maximum loan of \$500 for essential utility arrears;
- Loan Committee consisting of the Rent Bank Coordinator, City staff, and other stakeholders review applications based on established loan criteria;
- approved funds will be issued by cheque, payable directly to the creditor;
- loans are to be repaid in monthly installments, with repayment terms ranging between six and 24 months (loans are interest free, but subject to a \$1.00 monthly administrative fee); and,
- Purpose Society staff will continue to operate from the New Westminster Rent Bank location (close to New Westminster SkyTrain station), but will provide limited face-to-face meetings with clients without computer access at a City facility or other location in Burnaby accessible to clients as required (e.g. meeting room at Purpose Society-operated child care in Burnaby, etc.).

To date, the temporary Burnaby Rent Bank has issued one loan, reviewed seven pre-assessment applications, and received 37 inquiries. The relatively low number of applications is not unexpected; the provincial program to assist landlords with unpaid rents, and the current moratorium on evictions has resulted in reduced usage of rent banks across the province. Once these programs end more renters may seek rent bank services to help maintain their housing.

To ensure continued support for Burnaby renters during the COVID-19 pandemic and beyond, staff recommend that Council extend the temporary Burnaby Rent Bank from the current end date of 2020 July 06 to 2020 October 31. This will help to provide renters greater assurance over the next few months, especially if the provincial state of emergency ends and the moratorium on evictions and provincial rent relief program conclude. In addition, by extending the temporary Burnaby Rent Bank to 2020 October 31, it provides additional time for succession planning and information sharing if a new rent bank operator is selected through the BC Rent Bank EOI process. Based on BC Rent Bank's timeline, the new rent banks are anticipated to start operations on 2020 October 01.

To: Planning and Development Committee
From: Director Planning and Building
Director Finance
Re: Extension to Temporary Burnaby Rent Bank
2020 June 17..... Page 4

Based on current usage of the temporary Burnaby Rent Bank, and even with a potential increase in usage upon the end of the state of emergency, the current funding for loan capital and administrative costs is anticipated to be sufficient until the end of October. Purpose Society has agreed to continue operation of the temporary Burnaby Rent Bank for the extended period.

3.2 BC Rent Bank Expression of Interest for Permanent Rent Bank

On 2020 June 08, BC Rent Bank issued a call for Expressions of Interest (EOI) from not-for-profit organizations interested in establishing and operating new BC Rent Bank programs. The EOI seeks to identify and begin operations of four new rent bank programs across the province by March 2021 – two rent banks in communities with populations of 50,000 people or less and two rent banks to serve communities with 50,000 people or more.

BC Rent Bank, a project established by Vancity Community Foundation, received \$10 million in funding from the Province in 2019 to deliver upon the Provincial Rental Housing Task Force recommendation of provincial funding of rent banks. BC Rent Bank anticipates additional phases to the expansion of rent bank services at later dates, but notes the current financial commitment from the provincial government ends 2022 March 31.

A summary of the BC Rent Bank EOI is as follows:

- **Eligibility** – Not-for-profit organizations/agencies with experience in providing housing services or working with vulnerable populations needing to maintain their housing, including First Nations, Metis, and urban indigenous service providers, are eligible to apply. Community partnerships or coalitions, up to four listed partners, are permitted.
- **Process Overview** – The 2020-2021 expansion process consists of two phases:
 - Phase 1: Expression of Interest (2020 June 08 – 2020 July 03)
 - not-for-profit organizations/agencies must complete the BC Rent Bank Expression of Interest Submission Template and submit by the due date.
 - organizations successful in the EOI process will be invited to Phase 2: Full Proposal Submission.
 - Phase 2: Full Proposal Submission (2020 July 16 – 2020 September 03)
 - BC Rent Bank will assess the lead agency's readiness to open and operate a rent bank, including more detailed information about organization capacity, interviews, and reference checks.

To: Planning and Development Committee
From: Director Planning and Building
Director Finance
Re: Extension to Temporary Burnaby Rent Bank
2020 June 17..... Page 5

- **Funding** – Funding from BC Rent Bank includes both seed funding and operating funds:
 - seed funding is a one-time contribution granted to a rent bank in its first year of operation. Seed funding can be used to cover expenses related to staff salary and benefits, loan capital, and administrative costs, up to 80% of the projected first annual costs to operate the rent bank.
 - operating funds will be awarded based on continued participation in the BC Rent Bank network, ability to provide accurate and timely reporting, demonstration of other funding supports, as well as demonstration of strong policies and procedures to support ongoing work. Operating funds may be directed towards staffing costs, loan capital, and administrative costs associated with operating the project.
 - lead rent bank agency and partners, including other non-profits, municipalities, and other organizations, are expected to contribute 20% of the projected budget in the first year of operations from in-kind contributions. In-kind contributions could include resources to cover staffing costs, loan capital, and administrative costs.
- **Key Dates:**

2020 June 08	Launch of EOI (Phase 1)
2020 July 03	EOI submissions due
2020 July 14	Participating organizations will be informed of outcomes of the EOI evaluation process
2020 July 16	Launch of Full Proposal process (Phase 2)
2020 September 03	Proposal submissions due
2020 September 18	Final decisions made and communicated to organizations
2020 October 01	Proposed start date of new rent bank sites

In light of the short timeframe of the BC Rent Bank EOI, and the potential end of provincial rent bank funding by March 2022, staff will encourage interested local not-for-profit organizations to apply directly to the EOI to capitalize on this funding opportunity. This includes notifying the Burnaby Interagency Council, which includes membership of most non-profit service providers in the community, as well as directly contacting organizations who had previously indicated interest in operating a permanent rent bank in Burnaby. Should BC Rent Bank decide to establish a permanent Burnaby Rent Bank, the City would enter into discussions with the selected not-for-profit organization to determine an appropriate role for the City.

4.0 NEXT STEPS

Should Council support the extension to the temporary Burnaby Rent Bank to 2020 October 31, staff will work with Purpose Society and BC Rent Bank to communicate the extended timeline to renters, non-profit and social service agencies, and other stakeholders who may benefit from this information. City staff will also continue to participate on the Loan Committee to review

To: Planning and Development Committee
From: Director Planning and Building
Director Finance
Re: Extension to Temporary Burnaby Rent Bank
2020 June 17..... Page 6

applications based on established loan criteria, in addition to monitoring this program to ensure its value to Burnaby renters during the COVID-19 pandemic and beyond.

In addition, staff will ensure local not-for-profit organizations are made aware of the current funding opportunity from BC Rent Bank and encourage interested agencies to apply to the EOI. The City will also continue to liaise with and advocate to BC Rent Bank to communicate the need for a permanent rent bank program in Burnaby.

Staff will notify Committee and Council on any new information related to the BC Rent Bank EOI process. In the event that BC Rent Bank does not select an operator for a rent bank in Burnaby, staff would return to Council with potential options to deliver and fund a permanent rent bank without provincial funding.

5.0 CONCLUSION

Quick Start #4 of the *Mayor's Task Force on Community Housing Final Report* specifically recommends the creation of a rent bank program to help support renters, particularly vulnerable renters with lower incomes, in maintaining their current housing, preventing homelessness, and maintaining community connections. The temporary Burnaby Rent Bank has been an important resource to City renters during the COVID-19 pandemic, and an extension of the service to 2020 October 31 can provide greater assurance to renters during these uncertain times.



E.W. Kozak, Director
PLANNING AND BUILDING



Noreen Kassam, CPA, CGA
DIRECTOR FINANCE

DS:WT:sa

cc: City Manager
City Clerk