



BC Rent Bank Toolkit

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Credits

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How to use the Toolkit

This Toolkit has been designed to meet the needs of organizations on the rent bank development and delivery continuum, from the advocates who first question, “would a rent bank be helpful in our community” and “should our organization start a rent bank?” through “how can we set up a rent bank?” and even to established rent banks asking, “how can we be more efficient?” or “how can we be more sustainable?”

Based on that continuum, the content has been designed so you can dip into it where it can be most helpful to you and your community in the moment.

Additionally, a Workbook has been designed to complement each section of the Toolkit. As a planning team is formed, the Workbook can help in recording information gathered, which will help in the design of a rent bank, but also in any proposals you may want to write for funding.

A reader may be struck by the omission of a list of “best practices” in this Toolkit. This is by design, not omission. The authors believe that we adapt and change how we work continuously, and what seemed “best” today may not be best tomorrow. We prefer to use the idea of “promising” practices to identify those ideas which stand out as worthy of consideration and perhaps duplication, but always with a view to local adaptation to your community context.

Who contributed to the Toolkit

The authors of this Toolkit owe great appreciation to the existing rent bank staff and volunteers who all took time from their busy schedules to keep people in housing, to help us produce this Toolkit that shares their promising practices and ideas about what would have helped them back when they were just starting out, and what they would find useful as established rent banks.

- Kamloops Elizabeth Fry Society (Kamloops Rent Bank), and in particular, Janet Bakke
- Mennonite Central Committee (Fraser Valley Rent Assistance Project), and in particular, Jane Njogu
- Network of Inner City Community Services Society (Vancouver Rent Bank), and in particular, Kellie Carroll
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- Ontario Ministry of Municipal Affairs and Housing, Housing Policy Branch, and in particular, Brent Whitty
- Sources Community Resource Centre (Sources Rent Bank of Surrey), and in particular, Sereya VanBusKirk and Nikki DeSousa

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Part 1: Background and commonly asked questions

1. What is a rent bank?

Rent banks are one homelessness prevention tool, targeting 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 non-payment of utilities. Rent banks can also provide assistance for individuals moving between housing, who might need to borrow the funds for a damage deposit to make the move.

According to Jada Basi, author of the presentation “**Municipal Housing Tools for Small and Rural Communities**”,¹ which was given at the Union of BC Municipalities conference in September 2017, on the spectrum of homelessness prevention tools, rent banks sit at the very high-end of community impact and are moderate with respect to ease of implementation.

The short answer is that rent banks are a strategy to prevent homelessness. And, as a strategy, a rent bank can be established to achieve its goal in many ways.

Just as a home might be a one-bedroom suite in a high-rise or a 2,000 square-foot single family dwelling, there’s great diversity in the way rent banks are operated and who they serve. But at their core, just as a home provides shelter, regardless of the size or contents, a rent bank is a program or service that provides small, one-time emergency loans to people who are in financial crisis to help them pay their rent and/or utilities bills and avoid eviction.

In addition to what someone needs to qualify for a rent bank loan (which is quite different from what a traditional lender might review), rent banks do not typically provide the loan to the borrower. Instead, they typically pay the loaned amount directly to the landlord or the utility company that is owed arrears or requires a down-payment.

Here are some frequently asked questions about how rent banks are structured. You’ll notice that there is diversity and no “one right way” in any of the answers.

2. What is the history of rent banks in Canada?

The history of rent banks in Canada is important to understand in the context of establishing promising practices and being an advocate for stable housing for individuals and families living on low income.

Ontario

Canada’s first rent bank opened in Toronto in 1998 and then, based on the success and wider need for the services, the provincial government established a province-wide “Rent Bank Program” in 2004 as a means to help low-income residents avoid eviction.

In 2013, the province launched their Community Homelessness Prevention Initiative (CHPI) which

¹ https://www.ubcm.ca/assets/Convention/2017/Presentations/Monday-Sept-25/Basi-Dissecting_Affordability_revised.pdf



combined funding from four, formerly separate housing and homelessness programs (including the Rent Bank Program) into a single flexible program overseen by Municipal Service Managers (one for each of 47 municipalities in Ontario) that allow the on-the-ground service agencies that deliver CHPI-funded services to allocate their municipality's funds in the ways that best meet their community's needs.

All 47 of the municipalities offer services of a rent bank – but not all call their services “rent banks.” For instance, in several of Ontario's 47 regions the Salvation Army operates what it calls The Housing Stability Bank, which is by any definitions, a rent bank. In 2017-18, Ontario invested \$323.7 million in funding for CHPI.

Alberta

Calgary – The Calgary Rent Bank was operated by the charity Momentum starting in 2005 and over its 10 years provided over 1200 loans totaling almost \$750,000 with a repayment rate of 74%. In 2015, they changed their focus to one of supporting people living on low income improve their financial literacy, save money, build job skills and start small businesses. The rent bank ceased operation at this time.

British Columbia (BC)

Rent banks have played a vital role over the past decade in addressing a housing crisis in BC. The establishment of rent banks has occurred through not-for-profit agencies who have seen a need for this service within their

communities and responded. Rent bank forums have occurred several times in the province (most recently February 2019) and these provided an opportunity for service providers to gather together to discuss promising practices, commonly faced challenges, and share resources. What follows is a listing of each rent bank and its origin.

Comox Valley – rent bank launched in 2008 and distributes loans that range between \$100 and \$300. Since the program began there have only been two loans not repaid in full. The loan fund is just under \$5000. A flat-rate fee is charged, but no interest. This program is operated for the members of Eureka Support Society.

Prince George – launched a rent bank in 2009 with \$35,000 in operating capital, provided by partners such as the Vancouver Foundation, Vancity Community Foundation, and the Urban Aboriginal Working Group. The rent bank is operated by Aboriginal Business and Community Development Center.

Surrey/White Rock/Delta – rent bank was launched in 2010 and is 100% supported by donations or fundraising. In recent years, all funds raised through Coldest Night of the Year Walk are dedicated to providing Rent Bank services. In February 2017, the event raised \$85,400. The Sources Rent Bank is operated by Sources Community Resources Society.

Fraser Valley – rent bank launched in August 2010 by the Mennonite Central Committee BC and was funded by local government, donations and grants from the private sector, credit unions, and charitable foundations. Today, MCC BC relies 100% on private donations to support their rent bank. The Fraser Valley Rental Assistance Project (FVRAP) serves the communities of Abbotsford, Mission, Chilliwack, Hope and Agassiz.

Vancouver – rent bank was originally launched as an emergency program in 2008 called iRent. In 2012, Steetohome provided \$340, 000 of financial support to be used as loan capital. The City of Vancouver and the Vancouver Foundation provided the initial 3-year operation funds for the pilot program. Since then, Vancouver rent bank has been supported by the City of Vancouver and for the last 3 years by Hollyburn Properties Limited. The rent bank is operated by the Network of Inner City Community Services Society (NICCSS).

Kamloops – rent bank launched in January 2013 with an initial (start-up) endowment fund of just under \$42,000. In 2016, the Kamloops Rent Bank received \$15,000 from the City of Kamloops to cover administrative costs. It is operated by the Elizabeth Fry Society.

Richmond – the Richmond Seniors Rent Bank launched in April 2016 with a \$5,000 grant from Dream Auction and donations from other donors. These loans are interest-free, can be applied for by home-owners as well as renters, and have the shortest repayment window – six months. It is operated by Chimo Community Services and now serves a broader demographic of the community.

New Westminster – this rent bank had its member of the provincial Legislative Assembly advocating for its creation for two years, and securing contributions of \$35,000 from six credit unions. New Westminster city council is contributing \$35,000 annually to cover administrative costs and the New West Homelessness Coalition Society is contributing \$4,000 a year for three years. The rent bank launched in July 2017 and is operated by the Purpose Society.

North Vancouver – rent bank launched in early 2019 with an initial (start-up) fund of \$15,000. The rent bank is operated by Harvest Project within its existing holistic-support Client Care Program, which also provides client coaching, food and clothing.

3. Who do rent banks serve?

Rent banks are created to serve specific populations with a known need for short-term financial assistance to keep them housed. The majority of individuals who receive a rent bank loan do not qualify for traditional loans from banks, due to a poor credit score, unstable work, and/or not having collateral (meaning, something to guarantee the loan).

At the time that this Toolkit was developed, all the existing rent banks in BC served populations based on geography – residents of specific communities. While each rent bank determines their own policies and procedures there are commonly shared criteria. This includes low income, legal status in Canada, proof of tenancy, two pieces of valid ID, evidence of repayment capacity.

4. What does a rent bank's loan pay for?

Rent banks make this determination based on the findings of their community needs assessment which looks at both the local context (wide community need for a service like a rent bank) and more specific needs of the types of individuals and families most likely to make use of the rent bank's services. Some options that other rent banks have chosen to pay for include:

- Rent arrears (by far the most common)
- First month's (and sometimes last month's) rent to help a person get into housing

- Moving costs associated with an individual moving into more affordable housing (least common)
- Essential utilities back payment, or "arrears" (such as power company and gas supplier)

5. How do people apply for a rent bank loan?

In all cases, there is a pre-application process that screens eligible people based on basic criteria that ranges from where the person lives, to their level of income, and some assessment of their ability to repay the loan. Interested applicants should contact the rent bank operating in their municipality to find out specifics. A directory of rent bank service providers can be found at www.bcrentbank.ca.

In British Columbia, currently people can either be referred to a rent bank by other agencies or they can approach a rent bank directly.

6. How is eligibility assessed?

Typically, an individual submits a pre-assessment form online. This form is reviewed by rent bank staff to ensure the individual meets the basic eligibility requirements. For individuals that do meet the basic requirements, they typically meet in-person with the rent bank staff to discuss why they need the rent bank loan, complete next step paperwork, and provide information such as their last three bank statements and, if applicable, an eviction notice from the landlord.

With all the documents in-hand, some rent bank staff make a decision of providing a loan or not on their own, others make a recommendation to a more senior staff person (such the Executive Director or a program manager), and others take the application to their loan advisory committee for review and recommendations.

7. How many loans a year do rent banks issue?

This answer of course varies from site to site and depends on several factors. The most influential factor would be how much loan capital the rent bank has access to on an annual basis. The other factors to consider would be staff capacity, awareness/promotion of the program, and the clarity on policy and procedures.

Just for planning purposes, here are a few examples of rent banks and how many loans were issues in 2018-2019.

Loans issued:

Vancouver	81
Fraser Valley	29
New Westminster	26
Prince George	22
Surrey	18
Kamloops	21
Sunshine Coast	9

8. Do rent banks charge interest?

Some rent banks provide interest-free loans, some charge a percentage like a standard bank loan, and others charge a monthly flat administration fee. There is no right or wrong way to approach interest and fees, if the rent bank has made its decision based on a sound strategy and sustainable financial model, and if the charges are made clear and transparent to the person borrowing the money. Rent bank providers have recognized that the fee (interest or flat rate) is designed for accountability but should not be yet another barrier to already financially stressed individuals.



9. Do rent banks give loans to people more than once?

Some will, others will not. For those that do, they require either 50% or greater repayment on the first loan or complete repayment of the first loan before a second one is issued. As well, some rent banks have a policy that states the maximum number of loans an individual is allowed in their lifetime, as rent banks were never created to sustain an ongoing crisis.

10. Do rent banks allow people to skip or postpone payments?

It is common practice among rent banks to allow an individual who has taken a loan to postpone or defer their loan payment as long as they contact the rent bank in advance of the loan payment being due and being taken from their bank account.

This is important because the automation of loan payments means if the loan system tries to withdraw the payment from the account when there is not enough money there, the payment will be rejected (known as “bounce”) and will then attract a charge to the individual of anywhere between \$25 and \$50 which is called non-sufficient fund (NSF) charges.

NSF charges are sometimes more than the actual loan repayment amount.

If your rent bank allows individuals to postpone payments, make sure the individuals understand the need to contact you at least three working days before the loan payment is due since it will require you to contact their financial institution to put a hold on the payment.

11. Do rent banks give loans to people who have addictions?

The answer again is, it varies.

One rent bank has a policy to not lend to anyone who shows spending at liquor stores or casinos in the three months of bank statements they must provide when applying for a loan.

Other rent banks do not limit eligibility based on addictions. The Vancouver Rent Bank, for example, has a specific policy statement and procedure for how it will handle clients who disclose substance abuse and compulsive behaviours. This policy states that these borrowers will not be discriminated against and will be held to regular eligibility requirements.

12. How are rent banks funded?

Historically, BC rent banks have relied on four main sources of funding:

1. Municipal governments
2. Private sector, including credit unions
3. Fundraised money
4. In-kind contributions, especially of time and administrative support

As of February 2019, the Province of BC announced \$10 million to support the development of a province-wide rent bank system. See BC Rent bank under section 18 for more details.



13. What is the problem that rent banks address?

More and more low- to moderate-income earning individuals and families live paycheck-to-paycheck with little to no savings. One emergency bout of ill-health, or an unexpected car expense can mean the difference between being able to pay rent or facing eviction. But this is simply a symptom of a larger problem.

The core problem that rent banks address is the growing divide between actual wages and living wages in many communities across the province of British Columbia and Canada. In British Columbia, the Rental Housing Index indicates that province-wide, 21% of British Columbian renters are spending more than 50% of their monthly income on rent and utilities.² This figure is far too high and leads to what is known as housing instability. It is generally believed by housing advocates, housing agencies, and governments that no one should be spending more than 30% of their monthly income on rent and utilities.

But looking at the data, we see that 66% of individuals who live in the lowest income group spend more than 50% of their monthly income on rent and utilities.

Unfortunately, though spending more than 50% of income on rent is not sustainable for most people, rent banks are not intended to address the chronic poverty that lies at the heart of the issue.

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.

² <http://rentalhousingindex.ca/en/#intro>

14. Who benefits from the rent bank services?

The impact of homelessness is, of course, felt by the individuals and families who experience it. But the breadth of the impacts may not be apparent to people who've never lived with insecure housing. Homelessness makes people more vulnerable to physical violence. It tears families apart since shelters don't always, or even often, accommodate children. Children in daycare sometimes lose access to this safe space because they miss attending when their parents couch-surf or are otherwise between homes. The emotional impact on both adults and children from being homeless includes higher rates of depression, anxiety disorders and even PTSD than housed peers. Being homeless makes it difficult to maintain employment and virtually impossible to get a job. This list is not exhaustive.

Beyond the individuals who receive rent bank loans, many people and organizations benefit from keeping people housed:

- **Landlords** – not having to absorb the cost of the missing rent payment and, if the tenant is evicted, incur the expenses of finding new tenants.
- **Other Renters** – each time an individual leaves a rental property the landlord is allowed to increase the rental rate (so while keeping a tenant will not free up a new rental space, reducing rental turn-over helps keep rental prices lower).
- **Social Service Agencies** – fewer individuals seeking support from over-burdened services such as shelters, which in many communities are already at or over-capacity on a regular basis; if one person becomes even temporarily homeless due to eviction, someone else could end up sleeping in an unsafe situation for lack of a bed at a shelter.

15. What services do rent banks provide other than loans?

In some situations, rent banks provide far more services than simply lending money. Acknowledging this range of services has led some organizations to avoid the limiting sounding nature of calling their program a “rent bank.”

The actual services delivered by rent banks vary from organization-to-organization based on the human and financial resources of each rent bank, but in terms of promising practices, rent banks provide the following services to both successful loan applicants and individuals who do not qualify for a rent bank loan:

1. Refer to other agencies where individuals can access food, clothing, transportation support, and so on.
2. Identify government subsidies, programs, and/or benefits that individuals may be eligible for and help complete paperwork for applicants who are not able to complete the forms themselves.
3. Advocate on behalf of individuals to landlord/tenancy boards, utilities corporations, etc.
4. Mediate conversations between individual tenants and their landlords and other parties.
5. Provide lists of available, low-cost rental units to support individuals that need to move to either escape a dangerous situation or would significantly benefit from having a lower rent and/or help with housing searches.
6. In rare cases, provide non-repayable grants to help clients pay for identification.

In British Columbia, some organizations provide these services without having a rent bank. For instance, the Together Against Poverty Society (TAPS) in Victoria provides advocacy and landlord mediation to keep people housed, but does not offer a rent bank. And Ready to Rent BC provides education and support to

both tenants and landlords with the goal of achieving housing stability, preventing homelessness, and building strong communities.

16. Do all applicants to rent banks receive financial assistance?

The short answer is no.

Many people at a very early stage are referred to other community resources if they do not meet basic eligibility requirements, or if their needs can be met elsewhere (such as through a Crisis Grant from BC Hydro or the Crisis Supplement provided by the Ministry of Social Development and Poverty Reduction). Of all the individuals who complete the application process, approval rates vary widely from one community to another. For instance:

- Surrey (2016), 116 people applied for a loan and 29 were approved (25%)
- Kamloops (2016), 41 applications were made of which 25 renters received a loan (61%)
- New Westminster (2018), 59 individuals completed the pre-assessment, and 27 of the 39 that proceeded with an application were approved (69%)

Promising practices demonstrate that having clearly articulated eligibility criteria helps both referral agencies in sending those most likely to qualify for the rent bank loan, and for individuals in understanding whether the rent bank is a service that can help them during their crisis.



17. Do rent banks provide grants?

The most common practice is that rent banks do not provide grants (which are not repayable). Some rent banks have provided grants in the past but it is tough for rent banks to continue to find sources of grant funding to keep refilling their grant account. Most rent banks have found it is easier to find funding to initially set up a repayable loan account healthy enough to serve clients-in-need.

However, in BC there is some grant money available specifically to help offset the cost of rent. These grants are available to individuals who meet certain criteria:

- The **Rental Assistance Program**³ is for working people with low- to moderate-income.
- **Shelter Aid for Elderly Renters**⁴ (SAFER) is designed for people who are over 60 years of age who are living on low-incomes in BC.
- The **Crisis Supplement**⁵ is for individuals who are on income assistance, disability assistance or hardship assistance.

18. What other housing support options exist?

In part, this depends on the community in which the rent bank is operating. Some communities have shelter beds for people who are experiencing homelessness, and a variety of resources for people who are living on extremely low-income such as free or low-cost furniture, housewares and/or clothing through social enterprise thrift stores, financial budgeting help, etc.

Provincially, in addition to Income Assistance (IA, also known as “welfare”) and Disability Assistance (PWD), there are a variety of services related specifically to supporting individuals and families with ongoing financial support to ensure they remain housed.

The provincial government’s Ministry of Social Development and Poverty Reduction’s **Crisis Supplement** program is available to qualified applicants who receive IA, PWD, and hardship assistance. Examples of help includes situations such as a roommate moving out with no warning and the client being held responsible for the full rent, unseasonably cold weather which results in an unusually high heating bill, a power outage that results in the food in a fridge to spoil and need to be replaced, a sudden illness that results in a need to purchase over-the-counter medications instead of paying a hydro bill.

BC Hydro also has support on this continuum, having established a **Customer Crisis Fund**,⁶ for residential customers experiencing a temporary financial crisis, such as a loss of employment or benefit income, unanticipated medical expenses, or a death in the family that leave the customer behind on their BC Hydro bill. Customers complete an application that determines if they are eligible for a grant payment to avoid disconnection of their service.

19. What are rent banks NOT intended to create?

The primary goal of all rent banks is to prevent eviction or the loss of essential utilities for individuals who experience a financial crisis that leaves them short of rent money, or enough money to pay their heat and electricity bills.

Rent banks are not intended to create a dependence on the service or to become a critical part of people’s day-to-day well-being.

One way to think about the financial service provided by rent banks is like a loan, similar to what a financial institution would provide, but that has been designed for people who would not be eligible to receive a traditional loan.



3 <https://www.bchousing.org/housing-assistance/rental-assistance-financial-aid-for-home-modifications/rental-assistance-program>

4 <https://www.bchousing.org/housing-assistance/rental-assistance-financial-aid-for-home-modifications/shelter-aid-for-elderly-renters>

5 <https://www2.gov.bc.ca/gov/content/governments/policies-for-government/bcea-policy-and-procedure-manual/general-supplements-and-programs/crisis-supplement>

6 <https://app.bchydro.com/accounts-billing/bill-payment/ways-to-pay/customer-crisis-fund.html>

20. What is BC Rent Bank?

In December 2018, the Provincial Rental Housing Task Force, led by the premier's advisor on residential tenancy, MLA Spencer Chandra Herbert, along with MLAs Adam Olsen and Ronna-Rae Leonard, released 23 recommendations to the premier, including recommendation #4, provincial funding for rent banks.

*"While small rent banks operate in some B.C. communities, the Task Force is recommending a B.C.-wide system be implemented to further support tenants through short-term financial crisis. A provincewide system would reduce unnecessary evictions and homelessness, while ensuring rental housing providers receive the rental income they are entitled to under their tenancy agreement."*⁷

As part of the 2019 budget, the Province of British Columbia made a one-time grant of \$10 million to Vancity Community Foundation (VCF), a not-for-profit foundation associated with Vancity credit union, to establish a sustainable, province-wide rent bank system. Current rent bank providers are working in consultation with VCF to help develop this system and are the first recipients of funding in helping to sustain and expand their services. As the project develops, new rent bank sites will be established in underserved areas of the province. This pilot project is funded until March 31, 2022.

A Project Lead has been hired and can be contacted at info@bcrentbank.ca or 604-877-8453.

Updated information on the project is found at www.bcrentbank.ca.



⁷ https://engage.gov.bc.ca/app/uploads/sites/381/2018/12/RHTF-Recommendations-and-WWH-Report_Dec2018_FINAL.pdf



Part 2: Research your community

Each of the steps detailed in this section is considered to be a promising practice and is offered up to planning committees/communities as areas to be considered in the development and planning of a new rent bank.

Note that like most large programs, the steps to plan and launch a rent bank cannot be done in a strictly sequential order, from A to Z. Rather, there will be overlap and circling around and perhaps even a “do what you can, when you can” approach. But each of these steps, regardless of the order you tackle them in, is an important piece of planning a rent bank.

A reminder that a Workbook has been provided to accompany this Toolkit and can be a place where the planning committee/community records information. This information will help in both the design of funding proposals, as well as, in the design of a rent bank program that best fits the community needs.

1. Convene a cross-sector planning group

Rent banks are a little different than most programs since they really are a hybrid program that blends the heart of a social program with the head of a financial institution. Providing a service that respects the individual's challenges and potential vulnerability in a non-judgmental and respectful way is something at which many not-for-profit staff excel. But fewer have the experience that comes from evaluating an individual's personal financial situation, providing

financial literacy guidance, creating legally-binding loan agreements and managing the repayment process.

That's not to say that one organization can't assume the role of a rent bank program, but when speaking of promising practices, it's critical to know where your organization has strengths and where it will need to build new competencies. Truly, the only way to know what you don't know is to work with a diversity of people who bring different skills and experience to the table.

And the best time to involve those people is in the planning stage since it is likely that the work of operating a rent bank program will touch virtually every department in your organization. Having someone with the experience to let you know that your bookkeeper, for example, should expect to add a few hours each week to their workload to manage loan payables, is important to know before a commitment is made to launch.

There are several ways to gather the information that is needed to fully understand the impact that starting a rent bank could have on your organization and whether this would be a good programming fit.

As examples:

- Establish a steering committee to develop the purpose and workplan for undertaking a feasibility study.
- Review literature on rent banks, starting with links in this document and extending out to more current information.
- Interview managers of existing rent banks to gain

a deeper understanding of how rent banks work. Lots of that work has been done in this document, however, it cannot fully replace one-to-one conversations with individuals operating rent banks that serve similar demographics to the service your organization is considering. You may consider offering an honorarium to the organization for the use of their staff time.

- Interview key informants who have expertise with local, affordable housing issues, including other not-for-profits, municipal, provincial and even federal government employees.
- Host focus groups with individuals who fit the profile of potential rent bank users and focus groups with service providers who work with the target demographic, to gain a deeper understanding of the impact a rent bank may have at the grassroots level.

So, who should you include in your planning group?

- you or someone from your staff that works on the front line, directly with individuals in your community
- someone from the local credit union who is familiar with microloans/character-based lending
- an individual who is representative of the rent bank's target demographic



- a representative from your local municipal government, preferably who works in a housing-related department or position
- staff or board members from other not-for-profits that work on poverty and housing issues
- your organization's accountant or bookkeeper
- a well-respected landlord

2. Identify specific resources and gaps in the local context

Undertaking a needs assessment will help you identify populations that are challenged to afford housing in the local market, housing gaps, and other related issues.

Most municipalities will have done some amount of housing needs assessment. This would be a good place to start your search for the information you'll need to develop a rent bank program to meet the specific needs of your municipality. Even if you are not considering creating a rent bank that specifically, or only, serves people of specific postal codes, this is valuable information to understand the depth and breadth of the challenge you'll be addressing through a rent bank.

From your organization's point of view, the key objectives of your needs assessment will be two-fold:

- to develop a program that best meets the needs of your community
- to provide concrete data to support funding proposals

Your needs assessments should identify the priority groups of individuals to serve, gaps in their ability to maintain stable housing, and also evaluate the different tools that would or could be appropriate to help address the challenges. This includes a rent bank option, of course, but as a promising practice, your needs assessment will look beyond the rent bank solution to see if other options are required in addition to the simple service delivery of providing a loan or, perhaps, rather than a loan.

For instance, financial literacy training is one tool that existing rent banks have identified as a critical add-on to a rent bank's activities if long-term change is sought to support an individual's housing stability.

Having municipal support has proven to increase the stability of rent banks. A needs assessment could point to the type and level of support that would be most valuable to a specific rent bank.

We have provided a list of questions that may guide you in your needs assessment. Space has been provided in the Workbook as well for you to record your answers.

Questions for needs assessment

1. What goal/purpose should a rent bank serve in your community (eviction prevention for renters, mortgage support for home owners, helping people who are homeless find housing)?
2. What are the indicators that there is a need for a rent bank in your community?
3. Are there existing services like a rent bank serving this population?
4. What are the needs of the target population?
5. Who should be able to access the loans from this rent bank?
6. How should individuals access the rent bank services (by referral from another organization, self-referral, online, by phone, in-person, combination)?
7. What steps should be involved in the loan assessment process?
8. What kind of fund should be created (one-time grants, loans for rent-arrears, loans for deposit on new housing, loans for overdue utilities, loans to help with moving expenses)?

10. What kind of activities could/should the rent bank provide (referrals to other organizations, individual advocacy, systemic advocacy, financial literacy support, other support such as helping acquire ID or a bank account)?
11. How should the repayment part of the service be handled?
12. Defaults on loans range from 35% to 50%. What can be done to ensure the highest possible repayment rate while still meeting community needs?
13. Like all program funding, funding rent bank activities is challenging. What ideas are there for ensuring the stability of both the staffing and the loan pool?
14. Who would be valuable partners for a rent bank in this community?

3. Do a housing analysis in your community

Where to find quantitative data on the state of rental housing

The Canadian Rental Housing Index

Data collected by the 2016 Statistics Canada Long-Form Census has been compiled into highly detailed reports on the state of renting in virtually every community in Canada on a website called the **Canadian Rental Housing Index**¹ developed by the BC Non-Profit Housing Association (BCNPHA).²

Here, you can find the following data about your community:

The Rental Index³ uses supply and affordability data from the 2016 census to measure the health of rental housing across Canada. Each community has two overall scores – one that illustrates how it compares to other

communities in the same province, and another that illustrates how it compares to all communities in Canada.

Renter Households⁴ measures the number of renter households in cities and regions across Canada. The data is displayed by income quarter (incomes are unique to each city/region, and are divided into quartiles – ranked from lowest to highest income, then grouped into four categories with about 25% of the population in each) and unit size (table results show the number of households of a given income quartile in each unit type, such as a studio or one-bedroom).

Cost⁵ measures the amount renter households paid each month on average in rent plus utilities (such as heat, hot water and electricity).

Affordability⁶ measures the proportion of income that renter households spent on rent and utilities. Housing is typically considered affordable if a household spends less than 30% of its before-tax income on rent plus utilities.

Overspending⁷ measures renter households who spent more than 50% of their before-tax income on rent plus utilities.

Income Gap⁸ measures the additional income a household would need per year to make their current rent affordable (i.e. no more than 30% of before-tax income).

Overcrowding⁹ measures renter households who lived in units that were not suitable for their household size and composition, based on Canada Mortgage and Housing Corporation's National Occupancy Standard.

Bedroom Shortfall¹⁰ measures the minimum number of additional bedrooms a community needed to house all renters suitably, based on Canada Mortgage and Housing Corporation's National Occupancy Standard.



The Comparison Tool¹¹ allows you to graph rents, incomes, overspending and overcrowding for multiple jurisdictions at the same time.

The Community Data Program

The Community Data Program¹² (CDP) is a membership-based community development initiative open to any Canadian public, not-for-profit or community sector organization with a local service delivery or public policy mandate. Created by the Canadian Council on Social Development (CCSD¹³) in the mid-1990s to track poverty at the local level, the CDP now offers data products, analytical tools, and services that are unique in Canada and exclusive to CDP members. The CDP provides both primary data sources and analysis from a variety of sources including Statistics Canada, Canada Mortgage and Housing Corporation.

1 <http://www.rentalhousingindex.ca/en/#intro>

2 <https://bcnpha.ca/>

3 http://www.rentalhousingindex.ca/en/#rhi_csd

4 http://www.rentalhousingindex.ca/en/#renter_csd

5 http://www.rentalhousingindex.ca/en/#cost_csd

6 http://www.rentalhousingindex.ca/en/#affordability_csd

7 http://www.rentalhousingindex.ca/en/#overspending_csd

8 http://www.rentalhousingindex.ca/en/#income_csd

9 http://www.rentalhousingindex.ca/en/#overcrowding_csd

10 http://www.rentalhousingindex.ca/en/#bedroom_csd

11 http://www.rentalhousingindex.ca/en/#comp1_csd

12 <https://communitydata.ca/>

13 <https://www.ccsd.ca/>

2011 National Household Survey, Statistics Canada

The **2011 National Household Survey**¹⁴ (NHS) was a voluntary survey in which approximately 4.5 million households received a questionnaire. The survey provides social and economic information, covering such identifiers as: immigration, citizenship, place of birth, ethnic origin, visible minorities, religion, Indigenous peoples, labour, education, place of work, commuting to work, mobility and migration, language of work, income, earnings, housing and shelter costs.

Data are provided for selected standard geographic areas including: Canada, provinces and territories, census divisions, census subdivisions, census metropolitan areas and census agglomerations, and federal electoral districts. Although now dated, this survey remains a rich source of data.

2016 Census, Statistics Canada

The 2016 Census evaluated **Core Housing Need Indicator**¹⁵ for all provinces. A household in core housing need is one whose dwelling is considered unsuitable, inadequate or unaffordable and whose income levels are such that they could not afford alternative suitable and adequate housing in their community

T1 Tax Filer Data, Revenue Canada

The **T1 Family File 2016**¹⁶ (TIFF) data, available for low levels of geography (i.e. **by city or region, or by subgroups, such as seniors or youth-at-risk**), can contribute significantly to a comprehensive understanding of regional socioeconomic characteristics. The TIFF data sources includes tables on families, individuals and seniors. These tables are compiled from information obtained through annual personal income tax returns and is updated annually.

For simplicity, this documentation has been divided into four sections:

- The first section deals with the source of the data, its age and accuracy and how the data are presented to maintain confidentiality.
- The second section on data tables includes notes of explanation and describes the format of the data tables.
- The glossary, in the third section, provides the data user with definitions of the terms used in this documentation.
- The fourth section contains an explanation of the geographic levels available.

Rental Market Survey, Canada Housing and Mortgage Corporation

The **Rental Market Survey**¹⁷ tables offer a detailed statistical overview of Canada's urban and rural rental markets, including specifics about seniors housing and condominiums and other secondary rentals. Data is available on availability and vacancy rates, average rents and more, for different types of rental homes across Canada for a variety of dates between 2001 and 2018, depending on the data table.

Some of the tables – which are all downloadable Excel spreadsheets – include:

Rental vacancy rates¹⁸ in Canada, the provinces and all major metropolitan areas (including Kelowna, Abbotsford/Mission, Vancouver and Victoria) from 1992 to the present. This summary compares local and provincial rental markets against national averages.

Seniors rental housing¹⁹ data includes the number, vacancy rates and average rents for seniors' rental housing in Canada, the provinces and major metropolitan areas. Statistics available from 2010 to the present.

Urban rental market²⁰ data presents quartile rents for rental townhomes and apartments in urban centres with at least 10,000 people, organized by community and number of bedrooms. The list of BC communities with data numbers in the dozens.

2017 Affordable Housing Survey, Habitat for Humanity

The **Affordable Housing Survey**²¹ provides an overview of the attitudes about housing and affordability from 500 Canadians, including statistics about where Canadians have to reduce costs in order to afford rent. One finding is that 73% of Canadians have had trouble paying housing costs at some point in their lives.

4. Gather quantitative data from your own community

Undertaking the research to identify specific issues in your own community (either geographic or the demographic your organization serves) can provide you with valuable information about who is most in-need of rent bank loans and the services that will help those individuals and families become more financially secure.

Survey software is available for free online. If your demographic isn't inclined to complete online surveys, it's still easy to create such a research tool, collect the

14 <https://www12.statcan.gc.ca/nhs-enm/2011/dp-pd/prof/index.cfm?Lang=E>

15 <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/chn-biml/index-eng.cfm>

16 <https://www150.statcan.gc.ca/n1/pub/72-212-x/72-212-x2018001-eng.htm>

17 <https://www.cmhc-schl.gc.ca/en/data-and-research/data-tables/rental-market>

18 <https://www.cmhc-schl.gc.ca/en/data-and-research/data-tables/rental-vacancy-rates-canada-provinces-metropolitan-areas>

19 <https://www.cmhc-schl.gc.ca/en/data-and-research/data-tables/seniors-rental-housing-canada-provinces-metropolitan-areas>

20 <https://www.cmhc-schl.gc.ca/en/data-and-research/data-tables/urban-rental-market-survey-data-rent-quartiles>

21 <https://habitat.ca/?p=1366>

information through one-on-one conversations, and then enter the data yourself.

Included in the Workbook are some questions that may help you get started developing your own community-specific survey.

Identify other organizations that are addressing issues that are connected to renters living in low incomes and homelessness prevention.

Having this clarity will help you in two ways:

- It will help you identify partners to sit on your planning committee and/or loan assessment committee (if you choose to have such a body).
- It will provide you with the information you need to best serve clients of your rent bank since one of the key roles played by rent banks, beyond providing loans to pay rental arrears, is connecting clients to other resources in the community that can help them stabilize their situation.

5. Connect with landlords and utilities authorities

In a city it would be an impossible task to develop meaningful relationships with all landlords. But making the effort to connect with landlords that manage several low-income housing units or buildings can be extremely helpful. Experience of existing rent banks indicates that there is an amount of tenant-landlord mediation required in the job, working to help tenants who have received eviction notices to remain in their housing, for instance.

By developing positive working relationships with landlords, those landlords can refer their tenants to the rent bank before they've reached the place of facing eviction. Experience from Ontario rent banks has shown that there are great benefits to having a well-respected

landlord representative on your planning committee, as they share information with peers who then contact the rent bank before a tenant's financial situation becomes so tenuous that a rent bank loan may be too little, too late.

6. Develop relationships with local financial institutions

There are many good reasons to develop a good working relationship with your local credit union or other financial institution, and there may be several ways they can assist with the success of your rent bank.

1. Understanding of housing issues

The credit union likely has a very good understanding of housing issues and pressures in your community, as they will be supporting both individuals struggling with home ownership, property management companies, and local not-for-profits and co-ops offering housing and services for folks experiencing homelessness. Their work with all these actors should be informing their understanding of what is happening in your community.

2. Understanding of working with individuals needing services

They also will have worked with lots of individuals who need access to small loans (often called microloans) for a broad range of needs, from filling gaps between paycheques to emergency loans for household challenges or health issues. Someone from the local credit union can provide that head muscle described elsewhere in this guide about how to make appropriate loans to folks in vulnerable situations, and like you, the lens through which the credit union will be looking will be “first, do no harm.” They will be skillful in working with individuals in tough situations and doing so in a compassionate and reasoned way.

3. Serve on loan review committee

It is a promising practice for rent banks to establish a loan review committee (details provided in further detail later on in the Toolkit) that help review applications and make decisions on loans. Staff from a credit union can help teach others on the loan review committee how to determine the “borrowing capacity” of individuals who approach the rent bank, so any lending decisions you make are not encumbering individuals beyond their capacity to pay.

4. Advocate for financial support

Someone from the credit union can be your champion to advocate for a possible start-up grant to help you capitalize your rent bank, and can also advocate to other business leaders in your community for support. In the case of one rent bank in the Lower Mainland, one credit union issued a challenge to all the other credit unions in that community to commit start-up funding to capitalize a new rent bank.

5. Help tell the story

Finally, the credit union can help tell the story about the need for the rent bank in your community and because it is probably working on housing policy or issues at a system level. It can be reinforcing the need for systemic changes to bring more affordable housing into your community and better social programs to help individuals and families in need. Rent banks are an important stop-gap measure, we all agree, but what would be much better would be better public policy on fair wages, rent control, and consumer protection. Having your local credit union involved in your rent bank will help them do a better job of articulating these needs, reinforced by seeing the lived experience of people dealing with housing insecurity.



Part 3: Develop your model

Here is that friendly reminder to consult your Workbook for space to record answers.

1. Develop a program model based on promising practices

One might be tempted to develop a program model based on the existing skills, abilities and interests of staff in the organization that is considering launching a rent bank. We highly recommend not taking this approach since operating a rent bank requires certain non-negotiable skills and areas of competence. Certainly, skills and competence can be developed, which is why it would be better to develop a model based on known and promising practices and then train or hire the people to deliver to the highest possible standard.

In 2017, the City of New Westminster issued a request for Proposals for a “Rent Bank Operator.” This RFP is attached in the Appendices since it provides some valuable information about promising practices as determined by the research undertaken by the staff of the City of New Westminster.

2. Develop a program model based on local community context

In addition to promising practices, it's important to consider your local community context. In this case “community” may refer to your geographic area or the community of people you intend to serve with a rent bank (for instance, seniors) or both.

Areas where this becomes more important than a promising practice can be found in many steps, including how paperwork is completed. It is certainly a good practice to have all paperwork completed by applicants online. However, some groups of people may not have literacy levels that match the needs of the forms or may not have access to a computer in private place. In that situation, your organization's practice might be an adaptation, with the information entered into an online form by the rent bank front-line worker during a meeting with the applicant.

An alternate scenario for this same situation, with an individual who is unable to complete their pre-assessment application form, could be to partner with another agency in the community that already serves individuals who will be most in need of rent bank loans and train one person in that organization in how to gather the data to support individuals at this early stage of the application process.

The point is that promising practices are not always 100% transferable, but, with some creative thinking and planning – which is the important part – you can achieve the results of a great practice via a different “promising practice for our community” route.

3. Choose host agency/agencies

It's likely that if you are reading this document, you're a member of an agency that is considering launching a rent bank and it could be that your organization is the best to host the service. Or, once you've undertaken

the steps in planning, you may find that the work involved in maintaining a healthy rent bank will require more administrative support than is available to your organization. In a situation like that, it may make sense to share duties of operating the rent bank.

For instance, have one agency handle the intake process (which is very high touch and requires the sensitivity of a social worker) while having another agency (which is great at project management look after the financial aspect of the operations – tracking loans, contracts, repayments, funding, reporting) may lead to great sharing.

4. Why not-for-profits are preferred over local financial institutions as rent bank lenders

There is an assumption made in this document that in setting up your rent bank, you'll also be deciding to raise your own loan capital (money to lend) and not to partner with a local lender such as your credit union or the community branch of your local bank. Certainly, it might seem easier (and smarter) to use their loan capital, so you can focus on raising money for operating costs. And, as discussed elsewhere, you'll definitely want to partner with them to help with the loan review committee that makes lending decisions. But, for rent banks, and other types of lending to individuals who are in vulnerable or precarious situations, common wisdom is that it is better **not** to partner with a financial institution to use their loan capital.

Why not? Well, financial institutions are regulated and are required to expect a certain standard of performance of their loans. That is, they have expectations about repayment that have little tolerance for loan defaults. Even if they want to take a more generous approach, it will take navigation of internal policies and procedures with their Risk and Treasury

departments to ring-fence an amount of capital that they could take a different kind of risk with, such as with a rent bank. Also, financial institutions report their loans (and payback of same) to credit reporting agencies such as Equifax and TransUnion. In most cases, this is very useful, as the steady repayment of a loan from a regulated financial institution can improve an individual's credit rating (sometimes called a report or a bureau).

But, for individuals borrowing from a rent bank, there is the possibility they may miss a payment or not be able to make the loan altogether. We see otherwise in the Toolkit that the default rate is anywhere from 35% to 50%. That's the nature of the loans rent bank makes and there is no judgment inferred here. It is also important to note that the vast majority of rent bank borrowers pay back most of their loans. One missed payment makes a loan look defaulted on but the truth is, most loans are repaid in the 85% to 95% range. However, it's not fair to individuals in these situations to possibly make their own lives worse by having a slip in payments earn them a black mark on their credit rating. As we've said elsewhere, "first, do no harm." Rent banks and their users are better off managing loans "off-book" from a financial institution and not reporting slips or defaults to a credit agency.



5. Develop decision-making protocols

The details in the following sections have been drawn from practices of existing rent banks. They are not meant to be prescriptive since your rent bank may have different needs, but they should provide a focus for conversations about how the decision-making protocols for your rent bank could work.

Overall process

We recommend that a flow chart or diagram is designed that shows the overall process someone will undergo when engaging with a rent bank. We suggest starting from the first point of inquiry and mapping out the journey a person will take through each stage of the application process, to the point of receiving a loan and what happens after that. Look under the Resource section online for an example of how Sunshine Coast rent bank (Keeping People Housed) has done this.

Loan eligibility criteria

All rent banks base eligibility on a foundation of objective criteria and some include subjective criteria, such as the rent bank staff's judgment and/or knowledge of an applicant. One of the most subjective judgments relates to the applicant's apparent willingness to repay the loan. The most commonly used objective criteria include:

- Proof of residency
- Over the age of 19
- Low income level
- Not in the process of bankruptcy
- Are not eligible for other forms of government assistance (e.g. RAP, SAFER, Crisis Supplement)
- Ability to repay – based on reviewing three months of bank statements

Process from first contact with an individual

Step 1: Pre-assessment

Applying for a rent bank loan is a multi-step process and the first contact with a potential individual borrower may be through an online pre-assessment form, in-person, or over the phone. It's important to keep in mind that a person applying for a rent bank loan is likely in a highly vulnerable and potentially charged emotional state since they may very well be facing eviction.

Based on data from existing rents banks in British Columbia, the number of people who actually “pass” the pre-qualification test is quite low – typically less than one-in-five people.

If the goal of your rent bank is in some way related to helping people maintain housing, it's important to provide alternatives or next step information to the individuals who are not eligible to move on to Step 2 in the application process.

For instance, referrals to other services in the community that could help them in some way – the food bank, for instance. Also, directing them to provincial programs that they may be eligible for but not know about such as RAP, SAFER (for seniors), the Crisis Supplement, and the BC Hydro Customer Crisis Fund (which, if they are a customer of BC Hydro, they may be able to access and defer that payment to allow them cover their rent).



In the Workbook, Part 3, there is space provided for your planning committee to record eligibility criteria and a chosen method of pre-assessment your rent bank will use.

For guidance on how you might set-up an online pre-assessment form, the **Vancouver Rent Bank's online pre-assessment form**¹ is a good example. Also, New Westminster's pre-assessment as administered through The Lower Mainland Purpose Society can be found **here**.

Step 2: Application & in-person interview

If the individual meets the basic criteria of the rent bank, based on the information they provide at the pre-assessment stage, a promising practice is to arrange an in-person interview with the individual to determine if they meet all the criteria to take on a loan.

At this stage, you are seeking more detailed and personal information from the individual which should include questions related to their spending habits, budgeting practices, and income sources.

These interviews should take place as soon as the individual can pull together the required documents. This is typically an in-depth conversation and paperwork review that can take 90-minutes.

One of the reasons this is done in-person is to allow for some subjective analysis of the individual's situation and character.

Although the primary purpose of this interview is to determine eligibility for a rent bank loan, it is likely that up to half of the people who make it to this step will not be invited to apply for a loan, so it is critical that you set aside enough time to provide helpful information to the individual about next steps available to them if they are determined to be not eligible at this time a loan.

Step 3: Review required paperwork

The following list of documents are considered promising practice documents to review. Your organization may require different documents based on the specific eligibility criteria of your rent bank.

Note that for income-related statements, if the income is direct deposited and can be identified on the bank statements, it is not typically necessary to also provide the proof of income below.

Mandatory documents



Check out the Workbook, Part 3, for more examples of what qualifies for the following list of mandatory documents.

- Two pieces of Canadian identification
- Most recent three months of all bank and credit card statements
- Most recent household utility bills
- Proof of tenancy
- Proof of income

Step 4: Make the loan decision

As a good practice, the person interviewing the client will not make an immediate decision about whether they will get a loan or not; they will submit a summary and recommendation to either a Loan Review Committee or someone senior in the organization who will review the application and give the final approval.

Having a loan review process is a promising practice as it ensures transparency and accountability on the part of the organization in how loans are administered. It prevents suspicion that there is bias on behalf of the staff member. Additionally, this practice provides a level of safety for staff members, who could possibly face upset and even hostile applicants, that their role is to advocate and it is the role of the committee to decide on the approval of the loan

¹ <http://www.niccss.ca/pre-assessment-form>

Financial literacy support

It should be noted that not all applicants of rent banks need financial literacy support. Some individuals are excellent money managers, but finances are so tight, that an unexpected expense can suddenly put their housing stability at risk. As well, not all rent banks offer financial literacy support due to limited staff skills, staff time and/or community resources. However, providing financial literacy support, regardless of how far an applicant makes it through the assessment and application process, is certainly a promising practice and can help address some of the issues that low-income renters do have within their control.

Financial literacy support is intended to empower individuals, not shame or blame them for having spending and/or saving habits that may be judged poor by others. The fact is that people living on low income often have significant financial knowledge and skills since they have had no choice but to develop strict spending habits. People who find themselves at a rent bank are typically in the crisis situation due to an unforeseen expense or loss of income. It is critical that this be the starting assumption when providing financial literacy advice to loan applicants and recipients.

On a practical level, the delivery model for financial literacy support can be undertaken one-on-one or delivered to groups in the community.



The range of topics that could be covered is also quite broad. Family Services of Greater Vancouver provides multi-week and full-day financial literacy workshops for vulnerable and low-income populations that cover a range of topics including budget-setting, identifying needs versus wants, how to avoid fraud, why to avoid payday lenders, and so on.

Vancity credit union and one hundred other credit unions across Canada offer a variety of short (60 – 90 minute) financial literacy workshops in a series called Each One, Teach One, through community partners. They may be quite interested in becoming a training partner to your rent bank.

It is entirely up to your rent bank as to whether you make participation in some form of financial literacy training a requirement of receiving a loan. Some do, others do not even offer the service.

Process when a loan is approved

Once a loan is approved, the individual must attend another in-person meeting to sign legal and bank documents. The three documents that will be required are:

- Loan contract (typically drafted or at least reviewed by a lawyer, at the outset, as a template)
- Promissory note (ditto)
- Direct withdrawal form (ditto)

These documents need to be filed in such a way that the client's confidential information is protected.

Repayment timeframes vary but typically are a minimum of six months and a maximum of twenty-four months. Rent bank providers have a person-centered approach and work with the individual to find a workable solution that fits their current situation.

Process for calculating loan repayment

Each rent bank will have their own policies on what interest, if any, to charge or if they will charge a flat monthly rate for the loan (in one case it is a flat \$1/month).

It is important that the whole cost of borrowing from the rent bank be made transparent and understandable to the individual borrowing the funds. There are several online loan calculators available that can be used by both the individual and the rent bank staff to calculate the loan payments and costs. Vancity has a simple one on their website [here](https://www.vancity.com/Loans/LoanCalculators/).²

Working with the borrower, you simply enter the total amount of the loan, the payment frequency (how often loan payments will be made, typically monthly), how long the individual has to pay the loan back (known as loan term), and the interest rate or service charge that the rent bank is going to charge. The calculator will calculate a monthly payment amount, and show the cost of borrowing (meaning, how much interest will be paid). The individual borrowing and the rent bank staffer can adjust the monthly payment amount up or down, depending on the borrower's situation, by varying the length of the loan payment

Process for following up on housing stability

It is possible that people may measure the success of a rent bank by looking at the repayment rate of loans. However, it is important to remember that the primary goal of rent banks is the prevention of homelessness and a focus on keeping people housed. As such, it is important for a rent bank to look at a process for following up with rent bank clients to assess their housing stability.

² <https://www.vancity.com/Loans/LoanCalculators/>



Though there are varied practices currently with rent banks in BC, with some conducting follow up at three months, six months and twelve months, and others not having the staff capacity to do this step. To truly measure the impact of housing stability, it is suggested that rent banks commit to a six month and twelve month follow up with loan recipients to measure whether or not the loan has in fact helped the applicant maintain their housing stability.

Process when a loan request is denied

Providing concrete direction of alternative ways to help an individual who is struggling to remain housed is a key objective of a rent bank. As such, knowing where to direct individuals who are denied loans is a critical role of the rent bank's operations.

This is why it's so important to have a good understanding of all the local, community resources that are available to individuals living on low income. Additionally, there are provincial and federal tools and resources of which rent bank staff need to be aware.

The government of Canada has made this relatively easy for rent bank staff with their **Federal Benefits Finder**³, which also identifies provincial sources of support.

This online **Benefits Finder** tool can be completed with the loan applicant during your intake meeting

if it appears that they may be eligible for benefits that they're not currently receiving. The tool has eleven simple questions that will provide a customized list of provincial and federal benefits, tax credits, and assistance programs that the person may be eligible for.

Process when a loan is not being paid

The repayment rate for rent banks varies. The range may be, at least in part, related to how each rent bank approaches loans that are in default, and also what the operating premise behind how much default and risk the rent bank will take.

There are many good reasons to pursue and encourage payment of loans, beyond helping maintain stability in the actual rent bank, which is certainly important.

From a client's point of view, repaying the loan is actually an act of empowerment which can build more confidence, self-worth and self-reliance. On the flip side of that, clients who have set-up automatic withdrawals from their bank account, and default, will typically face having to pay non-sufficient fund (NSF) fees that in many cases will be higher than their monthly loan repayment amount. This situation can drive an individual into a financial situation where they then decide to turn to payday or other predatory loans.

To help support the financial stability of the rent bank and of borrowers, it is absolutely a promising practice to have a detailed process in place for how to handle situations where a borrower is unable to make loan payments. This requires three core commitments by the rent bank.

1. A policy that allows for individuals to put their loan payments on hold without penalty.
2. A policy that defines whether loan payments can be renegotiated.
3. Clarity and non-judgment from rent bank staff for the individual at the time that the loan is being made: that if they run into a month where it appears they cannot make their loan payment, that they can contact the rent bank at least three working days before their payment is to be made, to have their account withdrawals put on hold.

This is another procedure that warrants being included in the policies and procedures manual to ensure consistent application of the rule (see Part 4).

If/when a person can re-apply for a loan

Although rent banks are not intended to provide loans to people who are chronically short of rent, some do allow individuals to receive more than one loan. This does not necessarily contradict the "non-chronic" criteria as people who are living paycheck to paycheck are so close to the edge that missing a week of work due to illness or having to provide care to a family member, is a situation that is likely to happen more than once in a lifetime.

If allowing multiple loans is a policy that your rent bank will adopt, it's important to have clarity about eligibility.

³ <http://www.canadabenefits.gc.ca/f/1.2cw.3zardq.5esti.4ns@.jsp>

For instance, some rent banks state that an individual may only apply once every two years, others state that an individual can re-apply as soon as their outstanding loan has been repaid.

The Vancouver Rent Bank has a specific policy related to re-application. They do allow reapplication for individuals with a current loan in place and not yet paid off. That policy reads:

Reapplication procedure for current loan holders

- The individual must complete the entire application process again
- The Loan Approval Committee and Case Manager must consider the following additional eligibility criteria before approving, or allowing the individual to re-apply:
 1. No more than three missed, non-consecutive payments within a twelve-month period
 2. Crisis must be different.
 3. Must have reached half of repayment term and/or repaid 50% of loan fees and principal
 4. Cap of three loans per lifetime per individual or family.
 5. Must meet regular eligibility criteria.

Reapplication procedure for successfully paid loans, previously approved but not taken loans, and previously denied loans

Successfully paid loans:

- Follow regular application process.

Previously approved but not taken:

- Follow regular application process.

Previously denied:

- Re-application vs. Appeal:
 - a) Appeal: individual does not accept denied status and follows appeal process within two weeks.
 - b) Re-application: after two weeks have elapsed, individual must undergo entire process again as per regular eligibility criteria.
- The reason for the previous denial will be taken into consideration
- If the individual was able to resolve the previous situation, the method will be taken into consideration

Note: reapplication procedures are an important item to include in a Policies and Procedures manual, to ensure all people are treated equally, and following the same rules and guidelines.

Use of a volunteer loan review committee

As a promising practice, a rent bank should have a loan review committee which will review applications on either a regular or as-needed basis. Because a person seeking a loan to pay rent or utilities is typically in need of the loan 'yesterday,' this committee must have some amount of flexibility with respect to when it meets and a quick turn-around of files.

There is no one practice about how formal or how large the advisory committee need be. What is important is that it fulfill the role of a second set of eyes and detached review of the application. In some cases, having the organization's Executive Director review and

sign-off on all loan applications will be adequate (and all that's possible), while organizations that deal with a high volume of applications from diverse populations may well benefit from having several people available to meet or discuss applications virtually, via email or an online video software.

6. Secure funding

As noted earlier, there are typically four sources of funding for rent banks, but with the recent Province of BC announcements about funding, a fifth option has been introduced.

Government funding

Your planning should include meeting with both municipal leaders, your provincial MLA and your federal MP to discuss the issue and determine if or how your organization could help facilitate moving this solution ahead with more speed.

More and more municipalities in British Columbia are mentioning rent banks as a possible tool to consider in their efforts to reduce homelessness. That said, only a few have made the step to support the creation of a local rent bank.

These communities are not unique; many more municipalities are including rent banks in their strategic plans or are noting rent banks as a promising practice to address affordability issues, but have yet to act on implementing same.

A not-for-profit with answers to the questions that the municipality has about rent banks may well be able to speed up that process and possibly, to secure seed funding to cover administration costs to launch a pilot project.



Grants from foundations and other philanthropic sources

In most cases for rent banks in British Columbia, there was an initial infusion of grant money from either a credit union or a charitable foundation to establish their initial loan fund. Most, if not all, grant funders who may be interested in supporting a rent bank are most likely to help with the start-up of the rent bank; perhaps, to provide initial loan capitalization.

Funders are most interested in projects at an early stage that test an idea or bring it to scale, and with rent banks, funders will also want to see a systems approach; that is, while the rent bank is akin to a bandaid on a problem, what is actually needed is more housing stock, rent controls, provincial poverty reduction measures, and other tools to improve housing stability (to fix the underlying problems).

Most funders will have little appetite to fund a rent bank year-over-year-over-year to replenish lost loan funds, and many want to fund at first with challenge money or to bring in other potential donors, including both members of the community who can afford to give back and eventually, rent bank users who may be in a situation to “pay it forward.”

Special events

One rent bank relies 100% on the proceeds of an annual special event to support both the administrative costs and loan pool fund. While no funding source is without work, organizing a special event can be a time-intensive undertaking with high risks, depending on the type of event. If your organization has this kind of experience it may be worth looking into, but if special

event organization is not an area of skill for your staff and volunteers, funding a rent bank – which will likely require raising at least \$75,000 to cover staff salaries and the loan fund – is not the project to try to develop those skills.

Donors

As with most special projects, soliciting support from individual donors is the least used funding source for rent banks, even though individual donors are typically the most reliable and ultimately most-cost effective way to establish and maintain ongoing funding for focused projects with clear outcomes – like a rent bank. Donor cultivation should be considered a promising practice for any rent bank starting out.

BC Rent Bank

With funds provided by the BC government, and partnership with Vancity Community Foundation, the BC Rent Bank has seed funding available to help support rent banks in the province. There is an application process that includes a project proposal. To find out current information about the proposal process please consult the website, www.bcrentbank.ca, or get in touch with the Project Lead at info@bcrentbank.ca, 604-877-8453.

All interested parties should recognize that the BC Rent Bank is looking at long-term sustainability of rent banks in the province, and as such, should not plan on 100% of their funding coming from the BC Rent Bank project. Proposals will need to clearly demonstrate that partnerships have been established which may include gift-in-kind and funding partners.



Developers

Though rare, there are rent banks that have secured building developer funds to support their rent bank. This positive investment in community is a unique business opportunity for developers and an opportunity to speak publicly about their investment in helping to keep people housed.

7. Begin thinking through an evaluation plan

Evaluation is an important part of any project and a rent bank is no exception. The only way to ensure you're achieving benchmarks is first to set them and then to evaluate progress. In order to do effective evaluation, determining what data will be evaluated must be done in advance of launching your rent bank so that it can be tracked.

Some areas that fall within promising practices to evaluate include the following quantitative data points:

People being served by the rent bank

- Number of pre-assessments completed
- Number of people who “passed” the pre-assessment stage and went on to have a one-to-one meeting with rent bank staff
- Number of people who were eligible for a loan
- Number of people who took a loan
- Demographics of the previous four data points
- Reason for loan/financial crisis that lead to needing a loan
- Number of applicants who had received an eviction notice at the time of application
- Number of contacts who were referred to other services
- Where referrals are coming from specifically
- Number of individuals impacted by loans that ensured housing stability
- Number of children who remained housed
- Number of seniors, men, women, singles, etc. (as is important to your organization's mandate)
- Type of housing of rent loan applicants
- Neighbourhood of loan applicants
- Main income source of loan applicants
- Employment sector of loan applicants

Financial analysis

- Average loan size
- Dollar amount made in loans to pay rental arrears
- Dollar amount made in loans to pay first month rent
- Dollar amount made in loans to pay moving expenses
- Dollar amount made in loans to pay for utilities arrears
- Repayment rate
- Average length of loan terms
- Loan terms compared to repayment rates
- Dollar amount to cover managing the rent bank loans (administration)

Rent bank staff activities

- Number of hours of volunteer or in-kind services that supported the rent bank
- Numbers of relationships developed with landlords
- Numbers of advocacy/mediation interventions on behalf of applicants/loan recipients
- Staff time spent communicating with partner agencies about clients
- Staff time in meetings with clients
- Staff time on loan administration/accounting
- Staff time on data entry
- Staff time making referrals to supports
- Time following-up with loan holders
- Time marketing the rent bank
- Time spent on partnership development

It can also be valuable to follow-up with both rent bank loan recipients and those who were either declined a loan or chose not to pursue a loan after starting the process, to ask qualitative questions that can inform directions moving forward. For instance, questions such as:

- What options other than the rent bank did you have when you applied for a loan?
- What made you choose the rent bank loan over other options?
- How important was the rent bank to you?
- How satisfied were you with the services you received from the rent bank?
- What would you change about your experience with the rent bank?

Additionally, an evaluation plan could include contact and follow-up with individuals who work in agencies that both referred individuals to the rent bank and were referred to by the rent bank, as well as landlords who received rental arrears from loans, financial institutions with whom the rent bank has relationships, municipal contacts who collect data related to homelessness and housing; and finally, the staff and volunteers who played a role in any aspect of the delivery of rent bank services.





Part 4: Steps to launch

Please note: an assumption of this Toolkit is that at this step of the process the rent bank has been able to secure funding to initiate the start of a rent bank in their community.

Additionally, BC Rent Bank is able to match new rent banks with existing rent banks as a way to mentor new staff and support them in their development. We ask mentor rent banks to be open-handed with their resources and to share with their mentees relevant documents that will aid in the start up of a rent bank.

What follows are proposed steps, but again, there is not one direct route. We propose that the following areas be established to prepare for the launch of a new rent bank.

Primary steps

1. Hire staff

The perfect rent bank staff person has the heart of a counsellor, the head of a bookkeeper, and the hands of a juggler. When creating a job description for a rent bank program coordinator, it is important to understand how much of their time will be spent on administrative work and – equally important – how much time they will need to set aside to support the smooth operation of a rent bank.

As well, it is highly unlikely that when starting a rent bank most communities will need a full-time position, unless the organization is coupling the rent bank responsibilities with other duties. At the time of writing, most rent banks did not have full time positions to

operate the rent bank. Vancouver may be one of those exceptions, but it processes over 300 loans/year. Most rent banks start with two days/week and then add on hours as the program grows.

2. Train staff

The BC Rent Bank is committed to supporting the start-up of new rent banks in the province. As such, it has developed a Mentorship Project in which funding is provided so that experienced rent bank staff who are matched with new staff will be able to provide resources, practical tips, and job shadowing opportunities.

The goal is that new groups can have lived experience mentors who will help them avoid common pitfalls, and that together rent banks are stronger as a result of supporting one another. Interested in having a mentor for your staff person? Contact BC Rent Bank at info@bcrentbank.ca to start the process.

3. Confirm financial record keeping

Before launching a new rent bank, it will be important for a rent bank to have in place a financial tracking method that will show the initial loan amount, a tracking system for monthly repayment; and, amount still owing. This will need to be developed in consultation with the accounting or finance team within the organization. Staff are encouraged to ask their mentorship partner for an example of their financial tracking sheet and then modify it as needed.

Some important data to consider including:

- Name
- File number
- Date of loan given
- Loan amount
- Monthly tracking of loan repayment amount
- Outstanding amount
- Date of last payment

4. Confirm database management

BC Rent Bank, at the time of writing this Toolkit, is exploring the options for a shared database system to be used by all rent banks. This system would allow each agency to maintain their individual records and privacy of each rent bank loan, but would feed into a larger reporting system that could measure impact of the overall provincial rent bank system.

Until this database has been developed, rent banks are encouraged to look at the system their mentor agency is using and then modify it accordingly to their needs.

It is important and necessary that a rent bank keeps track of data on each rent bank application. This can include demographics of individuals such as age, gender identity, contact information, marital status, number of dependents. Rent banks are also encouraged to track information, such as the cause of crisis, financial capacity of applicant, and purpose behind the use of a rent bank loan (rent, utilities, securing a rental).



5. Ensure key policies and procedures are in place

We suggest the following list of policies and procedures be in place so that those administering and those applying for a loan are clear on the parameters surrounding the rent bank project. We have included in an appendix a copy of the Vancouver rent bank's policies to use as a guide.

- Privacy policy
- Eligibility – loan disqualification criteria
- Eligibility – substance use
- Use of loans – all eligible uses of rent bank loans
- Repayment – method, deferral and renegotiation
- Appeal – process for denied loans
- Reapplication – criteria for current loan holders
- Reapplication – successfully repaid loans, previously approved but not taken, previously denied
- Fraud – policy for fraud against the rent bank or partner organizations

6. Confirm key documents for loan application

Here is a recommended list of documents that should be in place before the launch of a rent bank. Samples can be gathered through working with the mentorship project, or contacting BC Rent Bank.

- Pre-assessment
- Loan application
- Service agreement (legal document providing rent banks staff with the right to access personal information about the applicant from a variety of government and financial institutions)
- Loan agreement (each rent bank must ensure they have sought legal advice on the contract that it will have borrowers sign)

- Promissory note (specific details about the amount of the loan and the repayment schedule)
- Direct withdrawal agreement
- Direct payment from income assistance

7. Start promotion of the program

It is important to consider how you will promote the program. Will you have an online presence? What part will community partners play in helping to support the rent bank program? What print material, if any, will you make available to the community?

These decisions will, of course, be determined by the budget you have available. The key in all of this is clear communication with community partners, municipal leaders, referring agencies and community members as to the process and eligibility criteria for your rent bank.

8. Contact with rent bank users

Though mentorship may be provided by the BC Rent Bank, it is helpful ahead of time to consider the day-to-day/weekly expectations of the frontline staff in a rent bank. This section will be helpful in thinking through the job description and staff you will hire for the position.

An individual's first contact with the rent bank

Someone will generally have their first contact with a rent bank in one of three ways:

- They'll already be using the organization that is operating the rent bank
- They'll be referred to the rent bank by another service agency
- They'll find information about the rent bank online

Regardless of an individual's first contact with the rent bank, the tone and messaging about the services being provided by the rent bank must be consistent and basic eligibility criteria must be clear. Many rent banks have an online form that an individual must complete before they can arrange a meeting (in-person or over the phone) with rent bank staff (a reminder that Vancouver and New Westminster have their pre-assessments available online if you need something with which to refer).

As an ethical practice, anyone who seeks information about the rent bank's services should be supported, but as a management practice, time with individuals who do not meet basic eligibility requirements must be controlled. Achieving this balance requires foresight and planning before the rent bank even launches.

The easiest way to achieve this is to ensure the rent bank has a comprehensive web presence that covers more than simply listing the basic application criteria. Other content that a referral agency and/or an individual seeking a rent loan could benefit from finding, includes information about and/or links to:

- **Shelter Aid For Elderly Renters (SAFER)**
- **Rental Assistance Program (RAP)**
- **Social Assistance Crisis Supplement**
- **BC Hydro Client Crisis Fund**
- A local Crisis Centre for women fleeing domestic violence
- Settlement agency(ies) offering refugee housing supports
- Youth-at-risk agencies
- Credit counselling for debt repayment or relief programs

Rent bank's first contact with a client

When an individual meets the basic eligibility criteria, it is a very promising practice (one that appears to increase loan repayment rates), to meet the potential borrower in-person, rather than over-the-phone, to determine if they meet the next set of eligibility criteria. The more attached the individual feels to an actual person at the rent bank, the more likely they will work hard to repay their loan: they feel they owe it to you, rather than to a faceless institution.

During this meeting, the rent bank staff person is really wearing the hat of an empathetic listener, working to determine both the real reason behind the client's current financial crisis and if there are other community services that they could be taking advantage of but are not. Deciding to make a rent bank loan, or to refer a file to a lending committee, is a decision that requires analysing several criteria, in addition to any organizational criteria:

- Character of the individual (are they likely to pay the loan back)
- Review of the individual's income sources and spending habits
- Review of the housing history of the individual
- Understanding what has happened to get the individuals to their current state
- Assessment of what supports are around the individual on which they can also rely
- Determination if a loan is the appropriate fix for the situation
- Capacity of the individual to repay the loan, under what conditions and over what period of time



First meeting: plan 60 to 90 minutes



Emotional support to highly stressed clients

A person arriving to meet with the rent bank staff for the first time will, in most cases, be in highly stressed state-of-mind given their precarious living situation. They are vulnerable. Above all else they need to be – and feel – heard. It's critical that they are met in an environment that allows them to speak and express their emotions freely. That environment is both physical (the room is private) and welcoming (the person taking their information shows only empathy, no judgment).

Facilitating rent bank intake meetings requires more skills related to counselling than to financial expertise – though having both is certainly valuable.

Support completing the loan application form

Many times, individuals who meet the eligibility criteria to apply for a loan may also need support completing the application. If the client cannot identify a friend or family member who could help, it is common practice for the rent bank staff to assist.

Support getting appropriate identification (if needed)

In some cases, people may not have the identification required to complete the application process. As a promising practice, if rent bank staff feel confident in the individual's authentic need for an emergency loan to cover their rent, the individual may also be supported in getting appropriate identification. Depending on what ID they do have, this can be a time-consuming activity requiring contact with various levels of government.

A rent bank is advised to develop relationships with other organizations that have this service as one of their deliverables. Search online for "ID clinic" in your community.



Support with attaining identification: five minutes (if referral) to 1+ hours (if advocating)

Support creating a bank account (if needed)

Another challenge faced by rent banks that serve certain populations or certain geographies is that the individual may not have a bank account. People have many reasons for not having a bank account, including feeling judged or intimidated by staff in financial institutions, or that the local bank has abandoned the community and left.

A rent bank is advised to develop relationships with local credit unions wherever they do exist – and if possible specific staff people at these credit unions – to facilitate helping clients open new accounts.

Even if a client already has a bank account, it is worth checking with their financial institution to ensure the type of account will not put them in further debt if an automatic debit for a loan payment takes the account into an overdraft position. In situations where a client doesn't have the \$25 to \$50 available when the loan is withdrawn, having to pay an account service charge of at least that amount is heartbreaking.



Support creating a bank account: five minutes (if referral) to 90+ minutes if accompanying the client to the meeting at the financial institution

Basic financial literacy training with clients

It should be acknowledged that not all rent bank clients will need financial literacy support, but for those that would benefit from money management education, there are two options for rent bank staff. The first is to seek out an organization already providing this service and refer rent bank clients there. The second is to provide one-on-one education with the client at the time of reviewing their application. In some cases, such as Kamloops rent bank they offer multiple workshops for clients to attend. Most organizations do not have staff that are trained to deliver financial literacy support, yet this is an area that is acknowledged as a promising practice to provide, not just to people who are successful in getting a loan but to all individuals who approach the rent bank.

In larger communities, it's possible that another organization (including local credit unions) provide financial literacy workshops for the community. Developing

relationships with these organizations, possibly even a partnership, is an important pre-launch step to a rent bank.

In communities where no financial literacy training is available, the task may fall back to the rent bank staff person. This is entirely feasible to deliver in a one-to-one coaching format, and can have a positive impact on the client's future financial health and stability.

Consult the Resource section online for examples of basic topics and tools to use with rent bank clients.



Providing financial literacy training: 30 minutes to 3 hours, if provided by rent bank staff.

Reviewing applications, including all paperwork and bank statements

In term of promising practices, this stage of the process is handed over to an individual or committee that works with the staffer who had first contact with the individual. Much like the Hippocratic Oath that doctors live by – "first do no harm" – making the decision to lend what could be \$1,000 or more to an individual who may already be struggling to meet their monthly financial obligations must be done with an awareness of how loan repayments will impact the individual's overall financial stability.

This is one reason having more than one person review the details about each individual's situation can be helpful. This is where heart and head come together to ensure a loan to remain in existing housing is the best solution for the individual. In some situations, it may be better for the client to move to less expensive housing, or to make the rent payment and default on utilities, or any number of other non-loan solutions.

Having one or more individuals review the facts of the situation without being as invested in the emotions, as

the intake person who has met with the applicant will be, can be of benefit to the individual and to the rent bank's stability.



Review and discussion time
per application: 30 minutes

Meeting with individuals who are approved for a loan to complete legal paperwork

Although none of the rent banks in operation in British Columbia have pursued legal actions to enforce repayment of loans, the contract that the individual is signing with the rent bank is a legally binding document and needs to be fully understood by the individual. It is only ethical and fair that the contract is in plain language, is easily understood and makes the loan terms transparent and clear.



Meeting to complete legal paperwork:
20 to 45 minutes

Contacting individuals who miss payments

Loan payments will come in two forms: either as directed payments for individuals on Income Assistance (IA) or Persons with Disabilities (PWD), where payments will be made directly by the Ministry of Social Development and Poverty Reduction (SDPR) for individuals who receive monthly support; or, as set-up as an automatic withdrawal from the borrower's bank account.

Individuals who miss payments must be followed-up with as quickly as possible.

For individuals getting monthly IA or PWD support, there are several reasons why payments may stop coming from the SDPR:

- The client may have asked to stop having that money directed to the outstanding loan; this is entirely legal.
- The client may have moved out-of-province and is no longer receiving the monthly support from SDPR.
- The client may have started to earn enough income that they no longer qualify for support from SDPR.

Understanding which reason applies provides the rent bank with information that may help resume the payments. It is possible that the individual has simply forgotten that their loan was being paid from their monthly government support and will be happy to set-up a new payment option.

For clients who have set-up automatic debit to pay their loans, non-payment usually means that the client's account is overdrawn and that the funds are just not available. In this situation, chances are high that the client will be charged non-sufficient funds (NSF) fees that with some financial institutions may be more than the actual loan payment and will be charged up to three times as the system tries to withdraw the payment over a series of days! This is why it is so important to explain, when a loan is approved, the policy on loan payment postponement.

The main purpose of contacting these individuals quickly is not to seek a way to have the loan payment made, rather it's to help them to not fall deeper in debt. Most rent banks allow individuals to pause their payments for a defined period of time. Proactively contacting individuals who have not sought this option is an important promising practice and can be particularly well-employed in those months of the year that are extra-stressful for folks, such as year-end.



Following-up on missed payments:
15-20 minutes per client

9. Develop relationship with the Ministry of Social Development and Poverty Reduction

This should be one of the first relationships you develop since working in partnership with the Ministry of SDPR (in BC) will allow you to set-up loan repayments straight from the Ministry to your general rent bank account from individuals who are receiving social assistance in the form of monthly cheques.

Each region in BC has a different MSDPR representative that we encourage you to reach out to and discuss the process for loan repayment. These regions include:

- Vancouver Island
- Vancouver, Burnaby, Richmond, North Vancouver
- Surrey, Tri-Cities, New Westminster, Fraser Valley to Chilliwack
- North and Interior

10. Decision on a volunteer loan review committee

As a promising practice, a rent bank should have a loan advisory committee which will review applications on either a regular or as-needed basis. Because a person seeking a loan to pay rent or utilities is typically in need of the loan 'yesterday,' this advisory board must have some amount of flexibility with respect to when it meets and a quick turn-around of files.

There is no one practice about how formal or how large the advisory committee need be. What is important is that it fulfill the role of a second set of eyes, ensure accountability and transparency, prevent the suspicion of bias, and provide a detached review of the application. It allows the intake worker to remain an advocate (good cop) while the committee makes

the decision (bad cop). In some cases, having the organization's Executive Director review and sign-off on all loan applications will be adequate (and all that's possible), while organizations that deal with a high volume of applications from diverse populations may well benefit from having several people available to meet or discuss applications virtually, via email or an online video software.

Secondary steps

Relationships with community allies

In many, but certainly not all cases, the immediate need that an individual who approaches a rent bank presents – the need for short-term financial support to maintain their housing – is an indication that other needs are either not being met or could be solved if the individual had information about other services available to them.

As such, operating a rent bank that is truly focused on supporting the needs of an individual from a holistic point-of-view, requires the rent bank to have developed relationships and be in regular contact with a wide variety of other organizations and individuals in the community.

In some cases, it will make sense to be referring individuals to other agencies. In other situations, community allies will be the ones referring individuals to the rent bank. As a promising practice, the following community relationships are critical to operating a rent bank that does more than simply making loans.

Other service organizations

Knowing the breadth of other services that are available in your specific community to support individuals

who are facing episodic cashflow challenges or chronic poverty, and being able to connect them with these resources can mean the difference between an individual or family having to choose paying the rent over buying food.

Since service organizations vary from community-to-community, this list is simply a starting place.

- Food bank
- Neighbourhood house or family place or friendship centre
- Crisis centre
- Women's shelter
- Youth at risk agencies
- Seniors' centre
- Thrift store that provides reduced prices for community organization users
- Tax return services – many working individuals living on low-income don't realize that they are eligible for refunds and credits which sometimes mean receiving regular cheques from the provincial or federal government, such as GST cheques.¹

Municipal allies

At the municipal level, it's helpful to have relationships with staff who work on poverty reduction and housing. These individuals have information about the local situation that can inform your initial committee that's establishing the rent bank; provide rich information about local context for evaluation of need, both pre-launch and post; connect you to other possible allies; and, be a source of funding. Start with the social planning staff if your municipal government is large enough to have such a staffer or team; otherwise, ask the City manager who to meet.

Other provincial and federal government allies

Having a supportive relationship with your provincial MLA and your federal MP can be beneficial from a fundraising point of view, as well as advocating for those critical systemic changes. They also may be able to recommend you to committees that address housing and homelessness, which would introduce you to other players who may be beneficial to know.

Landlord BC

Landlord BC is a membership organization that strives to balance landlord's rights with tenants' rights. Having clarity on these rights and responsibilities is important for the rent bank since it will be advocating for tenants and need to know the rules in this playing field. Landlord BC sits on the Vancouver Rent Bank advisory committee, and is also part of the BC Rent Bank Steering Committee.

Key landlords and property managers

In some communities, certain landlords and property managers have multiple units that house people who live on low incomes. Developing a relationship with these individuals serves a variety of needs and is beneficial not just for the client but also the landlord/property owner.

Given the power dynamic between a landlord and a renter who is behind in their rent, the rent bank can act as an interested, but non-emotional third party who has the interests of both the landlord and the renter at heart. Having a relationship with landlords makes this advocacy role easier.

¹ <https://www2.gov.bc.ca/gov/content/taxes/income-taxes/personal/credits/basic>

It's not uncommon to be approached by an individual who is leaving beyond their means and should really be moving to a less expensive home. Having connections with landlords and property managers will allow you to find out what other housing stock may be available and appropriate for your individuals-in-need.

Credit Counselling Society of BC

As a rent bank, you shouldn't be expected to be an expert in credit counselling, but you should be able to analyse, at a high level, when a client could use the support of a credit counsellor to help them understand their debt situation and possible ways to take control of it. Having a relationship with one person at either the Credit Counselling Society of BC or a local agency that does the same work, can support your clients make some important changes in their lives.

That said, sending a client to see a credit counsellor is something to do after they've spoken to their financial institution, assuming this is where they hold their greatest debt. Credit unions, much more so than banks, will often work with their members to try to find solutions to debt challenges that do not involve having to declare bankruptcy or any of the other debt solutions that a credit counselling organization will recommend.

Utilities providers

BC Hydro has a program in place that allow customers to defer payments for gas and electricity that they need to heat their home. The BC Hydro program will not cut off a person's electricity while their application for a grant is under review. This will often give an individual enough time to get their financial situation in order to avoid having power cut.

Fortis Gas does not have this kind of program and will disconnect a client's gas for unpaid bills. They will mail

a disconnection notice which clearly states the date gas service will be disconnected if they do not hear from the client to make payment arrangements.

Conversations with organizations like BC Hydro and Fortis Gas can be difficult for some, as can completing the paperwork required to apply for a grant from BC Hydro. As the rent bank, you can facilitate this process for individuals by developing relationships with the staff of utilities service providers in your region and acting as an advocate for rent bank users.

Local financial institutions

In addition to finding a local champion, probably at your credit union, to participate in your advisory group and your credit committee, you'll also want to reach out to all the other local financial institutions or local branches of the big banks. These are critical relationships to develop.

At this point, you've probably already developed a robust relationship with your own organization's credit union or financial institution (FI). Although FIs have different policies around what happens when a user has non-sufficient funds in their account, there may be room to negotiate different terms on behalf of rent bank users or help those individuals identify more suitable bank accounts, to reduce transaction fees, etc.

It can also be immensely helpful to an individual rent bank user that you, as the rent bank, know one person at each local FI who your individuals will feel comfortable talking to about their financial situation. People who live on low incomes often express feeling judged by bank staff, which leads them to avoid dealing with issues like overdrawn accounts. Being able to confidently refer individuals to a warm-hearted person at their own FI who will be non-judgmental and patient while helping them sort out their current financial situation can be empowering and have a significant positive effect.

Local businesses

Most rent banks rely on some level of contribution from local businesses, be it in the form of cash donations, product or service donations, sponsorships, or sitting on a committee.

Local media

As an advocate for people living in precarious housing situations, the rent bank has an opportunity to use the media to help develop a better understanding in the community about the challenges neighbours may be facing related to housing stability. As an ally, the media can help start conversations in community about affordable housing and how easy it can be to find oneself without rent money with just one "bad luck" situation. Human interest stories about regular people who've faced irregular challenges can help build empathy and understanding and reduce the stigma of finding oneself in the place of needing support from a rent bank.

If someone at the rent bank (or other staff in the host agency) is a strong writer, offering to provide a monthly column on issues related to housing in the community may be of real interest to a local newspaper or radio station. For instance, a Q+A column that addresses rent and utilities-related facts that would help people understand the resources available to them could be valuable.





Final thoughts

We hope that this Toolkit and Workbook will be a great resource to you as you begin your journey of offering rent bank services in your community. We know that a document is not the same as lived experience, and so we look forward to offering you support through the BC Rent Bank project at all stages of the development and operation of your rent bank. We again thank all the existing rent banks and their staff for their knowledge and resources and being so open-handed in sharing with us their expertise. Lastly, we know that thousands of people will benefit through the provision of rent bank services. Thank you for doing your part in helping to keep people housed in the Province of BC!

For more information or support please contact:

BC Rent Bank Project

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