



## PURPOSE

The purpose of this report is to update Council on an expedited Victoria Housing Strategy action to explore the development of a non-profit administered rent bank on a pilot basis, in response to the COVID-19 pandemic.

## BACKGROUND

On June 2, 2020, at a Special Committee of the Whole meeting, Council endorsed the following Victoria Housing Strategy priorities in 2020 to improve housing security as part of COVID-19 recovery:

1. Advance and support the rapid supply of affordable and supportive housing with government partners and non-profit housing providers;
2. Bring forward an expanded Rental Property Standards of Maintenance Bylaw for consideration;
3. Develop a Rental Property Licensing Bylaw to prevent renovictions and demovictions;
4. Explore the creation of a non-profit administered rent bank on a pilot basis.

Before the COVID 19 pandemic hit, 44% of renter households in Greater Victoria were housing insecure – spending more than 30% of their income on shelter costs (rent and utilities). One in five were spending more than 50% of their income on shelter costs. The pandemic has put many of these households at greater risk and many have been unable to pay their rent.

Since the beginning of the pandemic, the provincial government has provided supports for renters in the form of a moratorium on evictions for non-payment of rent that lasted from March 18 to September 1, 2020, a temporary rental supplement that lasted from April to August 2020 and a rent increase freeze that has been extended until July 2021. As well, renters in arrears for rent due between March 18 and August 17, 2020 will have until at least July 2021 to pay any rent owed. This support has helped low-to-moderate-income renters who experienced immediate financial crisis because of the pandemic. However, when the temporary rental supplement and moratorium on evictions programs ended in August and September 2020, there was a gap in access to temporary financial crisis support.

With the continued loss of job security, layoffs, decreased hours of work and the end of BC's Rental Eviction Ban, many individuals and families are struggling more than ever to remain in their current housing.

Similar to other rent banks across the province, the CSPC received *Reaching Home* funding from the Capital Regional District (CRD) to provide non-repayable grants to people who may not be eligible for a rent bank loan but are struggling to maintain their housing due to the impacts of the COVID-19 pandemic. Along with grants, this funding will also support the Greater Victoria Housing Security Fund and rent bank operations from February to April 30, 2021. See Attachment A for a letter from CSPC addressed to Mayor and Council.

One of the goals of the Greater Victoria Rent Bank Pilot Program is to align as closely as possible with the removal of the provincial eviction moratorium to prevent potential displacement of tenants. Since receiving Council direction to explore a regional rent bank, staff have participated on an Advisory Committee along with the CSPC, CRD and other interested municipalities, including the Township of Esquimalt and the City of Colwood to determine the feasibility of creating a new regional rent bank program and remaining informed of its progress.

## **ISSUES & ANALYSIS**

### **Rent Banks in BC**

Rent banks have been in operation in BC throughout the past decade and have been initiated by not-for-profit agencies which have seen the need for this service in their communities (see Attachment B). There are approximately 16 other rent banks in operation in BC, including the Comox Valley, Prince George, Surrey/White Rock/Delta, Vancouver, Kamloops, Richmond, New Westminster and North Vancouver. Currently, there are no operating rent banks in the Greater Victoria area.

Rent banks are an important homelessness prevention tool, targeting low-to-moderate income renters, to reduce or prevent the risk of evictions due to financial crisis, most commonly through the form of repayable loans. These loans can be used to cover rental arrears (past due rent), next month's rent, payment for overdue utilities, security/damage/pet deposits, first month's rent to help people gain access to housing and moving costs to help support people moving to more sustainable and safer housing. Rent banks also offer a unique opportunity to connect with individuals and families who are struggling with financial instability and offer resources and support to work towards financial stability and independence over the long term. Rent bank loans are not intended to duplicate provincial rental supplement programs but are serving a temporary need. Rent bank programs are generally a short-term solution and may not be an option for renters who do not have any income source or capacity to pay rent in the future.

### **COVID-19 Response**

The COVID-19 pandemic has exacerbated the existing housing crisis and increased precarity for renters, particularly those in core housing need. Many residents may be at an increased risk of losing their existing housing, due to impacts such as temporary job loss, underemployment, and the end of BC's Rental Eviction Ban, as well as a reduction in federal and provincial rent subsidy programs. The CSPC housing research indicates a very rough average of .78% of households in rental arrears, average arrears of \$2,122 per household and 20% of those in arrears making no payments.

### **Greater Victoria Housing Relief Fund and Rent Bank Pilot Program**

The Greater Victoria Housing Relief Fund and Rent Bank Pilot (Greater Victoria Rent Bank Pilot) launched in early February 2021 and will be administered by the CSPC. See Attachments C and D for answers to frequently asked questions and a summary of the Greater Victoria Rent Bank pilot program. This pilot is a housing stabilization program that will offer low or no-fee repayable loans and non-repayable grants to eligible low-income (as defined by CSPC) residents of Greater Victoria. It will be targeted to those who are experiencing a temporary financial crisis and are at risk of eviction or essential utility disconnection. Specifically, the pilot program offers two services:

- Interest-free loans or grants (while funds last) to low-income people in temporary financial crisis; and
- Advocacy and referral services.

The Greater Victoria Rent Bank is an innovative pilot program because it is one of the first regional-level Rent Banks in BC. Beyond providing loans or grants for rental arrears, it provides a service navigation system for increasing renter advocacy and referring low-income renters to services that create greater financial literacy and stability.

### **Pilot Implementation and Operations:**

### **Pilot Phase 1: January-April 2021**

- In response to COVID-19, this phase has been focused on laying the groundwork necessary for an expedited implementation of a housing relief fund and rent bank in Greater Victoria.
- One-time, short term funding to launch the pilot program has been contributed by the Capital Regional District from their allocation of federal *Reaching Home* COVID-19 emergency response funds to prevent homelessness. Just over \$390,000 to support housing security and basic needs grants has been allocated along with additional funding for the CSPC to design, develop, and implement the pilot program and operationalize a regional rent bank.
- An additional \$25,000 has been secured from BC Rent Bank to fund the rent bank loan capital.

### **Pilot Phase 2: April 2021-April 2022**

- This phase is intended to continue the operations, grants, loans and services as established in Phase 1 while building a sustainable service navigator model and establishing partnerships with municipalities in Greater Victoria.
- Long-term sustainable funding has not been secured.
- Operational funding required for Phase 2 of the pilot program is estimated to be approximately \$180,000. Additional loan capital funds are needed (approximately \$75,000).
- The CSPC is exploring opportunities for additional funding from local municipal governments and other public and private sector partners and will be bringing forward specific funding asks for municipal and foundation partners as they arise.

### **City of Victoria's Role and Representation on the Advisory Committee**

City staff have been participating as members on the Rent Bank Advisory Committee since December 2020 and have been attending bi-weekly meetings to stay informed about program development. Going forward, staff will report back to Council to:

1. Support the CSPC as operation lead, on strategic questions around governance and operations.
2. Demonstrate leadership regionally in supporting and promoting the rent bank.
3. Help to secure longer term funding and build the longer-term sustainability of the rent bank.

### **OPTIONS & IMPACTS**

There are no options for Council to consider at this stage, as the CSPC is able to lead the launch of a Greater Victoria Rent Bank Pilot program using already-secured funds from the federal government (via the CRD) as well as BC Rent Bank. Should any external grant opportunities arise that require City of Victoria assistance, or if financial contributions are requested of Victoria to support extension of the program as part of pilot phase 2, staff will report to Council with further information and recommendations for consideration. Staff will also report to Council near completion of the pilot program in 2022, when considering longer-term sustainability of the program.

#### *Accessibility Impact Statement*

There are no accessibility impacts associated with this report.

## *2019 – 2022 Strategic Plan*

This pilot program initiative achieves progress toward the actions in Strategic Objective Three: Affordable Housing. Rent Banks are a homelessness prevention tool that seek to address temporary financial crises caused by unforeseen circumstances, such as the COVID-19 pandemic. This initiative may prevent homelessness across the region.

### *Impacts to Financial Plan*

The Greater Victoria Housing Relief Fund and Rent Bank Pilot Program will not have an impact to the Financial Plan at this time. However, the CSPC is actively seeking funding opportunities for phase 2 of the pilot program and these requests will be brought to Council for consideration as they arise. Staff will alert the CSPC to the City's budget process and its timing, so that any future funding requests align with the 2022 budget process if possible.

### *Official Community Plan Consistency Statement*

The Greater Victoria Rent Bank Pilot program advances housing and homelessness, community development, social equity and community well-being objectives within the Official Community Plan (OCP). In particular, the OCP includes the following relevant policies that:

- encourage the coordination of community and regional efforts to enable stable housing with support services for people who are homeless or at-risk-of homelessness (policy 13.37);
- encourage working with partners to improve the economic and social condition of citizens who are unemployed or living in poverty through support for community services (policy 14.12);
- support efforts of senior government, business and community organizations to reduce poverty through enabling stable housing with support services (policy 15.3.2); and
- encourage collaboration among community service providers and community organizations across the city and at the regional level (policy 15.17).

## **CONCLUSIONS**

This report has provided an update to Council on an expedited Victoria Housing Strategy action to explore the development of a non-profit administered rent bank on a pilot basis. The Greater Victoria Rent Bank Pilot is being developed expeditiously as an emergency response to growing housing insecurity and homelessness in the Capital Region, in great extent due to onset of COVID-19. Staff recommend that Council receive this information and direct staff to continue participating on an Advisory Committee for the Greater Victoria Rent Bank Pilot Program and report back to Council as needed, which enables the City to support the pilot as it develops and to provide guidance as potential long-term sustainability of the program is considered.

Respectfully submitted,

Margot Thomaidis  
Planning Assistant

Karen Hoese, Director  
Sustainable Planning and Community Development

**Report accepted and recommended by the City Manager:**

## **List of Attachments**

Attachment A: Letter to Mayor and Council: CSPC-led Greater Victoria Rent Bank Pilot

Attachment B: Vancity BC Rent Bank Information Toolkit 2019

Attachment C: Frequently Asked Questions - Greater Victoria Housing Security and Rent Bank Pilot

Attachment D: Summary - Greater Victoria Rent Bank