



Report to Council

From the Office of Councillor Amy Lubik

Date: February 13, 2021

Subject: Requesting ongoing support for SHARE rent bank from Port Moody Council and support for delegation to organize ongoing support of the Tri-Cities for the rent bank

Purpose

To request Port Moody Council provide, in principle, ongoing support for the SHARE Tri-Cities Rent Bank Staffing and support for delegation to Coquitlam and Port Coquitlam to request 1) all three cities provide future support for the SHARE rent bank staffing through the Simon Fraser formula and that 2) Port Moody and Port Coquitlam share the current funding gap for the 2021-2022.

Recommendation

THAT Port Moody declare support in principle for sharing ongoing support for the SHARE rent bank in the form of covering the cost of staffing;

AND THAT Port Moody Council appoint Councillor _____ to appear as delegations to the Councils of Port Coquitlam and Coquitlam to request shared ongoing support for the SHARE rent bank staffing through the Simon Fraser Formula, for at least a pilot period of four years following the 2021-2022 fiscal year;

AND THAT Councillor _____ propose to the City of Port Coquitlam Council that the City of Port Moody and the City of Port Coquitlam share in covering the cost of up to \$10,000.00 for the potential 2021-2022 funding needs of the SHARE rent bank staffing.

Background

The Tri-Cities Rent bank is extremely timely, important and will definitely make a huge difference for struggling families in our community. Sadly, the region an extremely expensive place to live and unaffordability is increasing, putting more people at risk of losing their homes¹. The community members who know about the fledgling Rent Bank so appreciate the support they have received so far, which range from no interest loans to, more often, connection to services and financial literacy helped. One could argue that the financial literacy assistance and

¹ <https://www.tricitynews.com/news/port-moody-sustains-city-of-the-arts-title-in-best-communities-ranking-1.23926321>

² <http://www.metrovancouver.org/services/regional-planning/homelessness/homelessness-taskforce/crisis/Pages/default.aspx>

attachment to services is just as if not more critical to keeping people in their homes in the Tri-Cities.

When a family experiences short-term financial troubles and can't pay their rent or utilities, the snowballing effect can be enormous. When they are evicted this could mean trying to find a new place at a much higher rent than they were paying previously or a smaller place that isn't appropriate for their family, or far away from their original community where they and/or their families grew but that they can actually afford. It also means that we are losing people from our communities as they move farther away to find something they can afford; this can fragment families, friends, and social support structures and compounds the already escalating crisis of social isolation and loneliness. The turmoil families and individuals can face sometimes lead to homelessness and addiction issues. At the same time, a recent report from Toronto rent bank showed that housing stabilization happen very quickly for 88% of people who received support (**Attachment 1**).

The success of rent banks are well founded. The cost of families being displaced has a far greater cost to the community than the financing of a rent bank. The key findings from a study of the Toronto Rent Bank found that having access to a Rent Bank loan to deal with arrears helped the majority of clients (approximately 2/3) to remain in their housing. In total, 71% of clients' housing situations were improved six months after the loans had been provided and participants did not have to enter the City's shelter system.³ At the same time, many people who have not qualified for a loan have received helpful resource support.

Further, in BC, a researcher at Thompson River University has been studying Rent Banks and has found they have a high rate of payback, though we understand some people will not be able to pay. Just as importantly, clients of the Rent Banks in BC appear to have more stable housing a year after their original loans.⁴

As a City we have seen firsthand the need, and it has been a recommendation of the Affordable Housing Task Force that we change of terms of reference for the Affordable Housing Reserve to allow us to use funds to support the rent bank. So far the Tri-Cities rent bank has successfully started the rent bank with a 0.6 FTE and a small amount of start-up funding for loans. This was initiated with a small loan from the Provincial Rent Bank; the BC Rent Bank has been established to help start new rent banks and support existing ones, which is so important and appreciated. However, in view of the BC rent Bank, it is their role is to help but not for continuing support and it is important that rent banks secure ongoing community support for funding.

Most if not all BC rent banks are attached to a city which is not the case for this critical service in the Tri-Cities. Therefore it is important that we as a community establish some continuing support. Because funding for the grants is difficult to predict, it has been suggested the Tri-Cities establish cost sharing for staffing on an ongoing basis. There is already a precedent for sharing funding for staff assisting people in danger of homelessness and those who are

³<http://publications.gc.ca/site/eng/9.615239/publication.html>

⁴https://www.kamloopsbcnow.com/watercooler/news/news/Kamloops/15/07/08/TRU_Professor_links_low_interest_loans_to_lower_homelessness_rates#fs_79806 (research available from Professor)

experiencing homelessness in the coordinator for the Homelessness and Housing Task Force. To manage this support equitably, the Simon Fraser Formula would be recommended; however, Coquitlam has already donated for this fiscal year, so Port Moody and Port Coquitlam could share the operating cost shortfalls for the 2021-2022 fiscal year.

Discussion

Rent banks are meant to support people in time of crisis, those times when unforeseen consequences put our residents in precarious and anguished situations. Though we do not have current Tri-Cities data, we do know from the Vancouver rent bank many people come into crisis for various reasons, be they job loss, child care, fleeing abuse, or often family crisis or illness (**Attachment 2**). Applications to the rent bank are screened to make sure they usually have the ability to pay back the loan should they receive it; however, everyone who applies, as shown above, gets help, which is equally important.

Information about current rent banks across the Province is below:

Repayment Rates:

- 2019-2020 – average was 59.1%, but removing one underperforming rent bank and that average is 65.1%
- 2020-2021 – average over three quarters is 71.1%

Loan Amount Averages

- 2019-2020
 - We had 10 rent banks at the time of reporting, 2 of these rent banks operated only a partial year
 - 265 loans were issued for a total of \$247 516.83 = \$934.03/loan
- 2020-2021 -TBD

of Loans/site:

- **2019-2020**
 - Range – is from 10 loans to 74 loans/site
- **2020-2021**
 - TBD
 - Project Lead for BC Rent Bank just compiled this for our latest quarterly report. This is inclusive of 13 reporting rent banks.
 - Note that 7 Metro Vancouver rent banks have access to housing grants through the Reaching Home Project. This is where “Grants Approved” comes from.

LOANS AND GRANTS: Q2 VS. Q3			
# Individuals	Q2: Jul – Sep, 2020	Q3: Oct – Dec, 2020	% Change
Inquiries	812	860	+6%
Pre-Assessments	235	337	+43%
Applications	122	261	+114%
Loans Approved	45	44	-2%

Grants Approved	67	79*	+18%
*This is an estimate. Between October and November 2020, 53 grants were disbursed. December reports are not yet in, but we estimate 50% of the Oct-Nov number would have been disbursed in December.			

SUPPLEMENTAL SERVICES: Q2 VS. Q3			
# Households	Q2: Jul – Sep, 2020	Q3: Oct – Dec, 2020	% Change
Received Services In-House	223	240	+8%
Referred to Other Services	237	430	+45%

The Tri-Cities rent bank was established through a start-up grant through the provincial government; however, ongoing maintenance is adding yet another program to the amazing and wide reaching services that SHARE takes on for all our residents, ranging from the foodbank to family counselling to connections to services, all of which they provide while being mainly reliant on donations. The grant from the Province is part of an overarching homelessness and poverty prevention strategy, of which Port Moody has been a champion. The current rent bank has an approximate operating budget of \$95,000, of which \$45,000 supports a 0.6 FTE worker and the remainder supports the actual loans and operating/administration expenses. The unique thing about the Tri-Cities rent bank is that it is not connected to any one city, which makes it potentially more precarious than other BC rent banks because other cities provide ongoing financial and organizational support. For example, New Westminster and Vancouver increased funding to their rent banks during the pandemic.

While the province provides some funding for the TriCities Rent Bank, it does not cover the entire program budget. As in other municipalities in which Rent Banks operate, SHARE needs additional annual funding in order to continue the service. Coquitlam is contemplating donating \$25K for 2021-22, which if secured, would leave the projected need for 2021-22 at approximately \$20K.

Port Moody and Port Coquitlam should negotiate to cover this shortfall for this fiscal year, while the Simon Fraser Formula is likely the most equitable model for subsequent years. If we were to share the funding based on percentage of combined population (approximately 93, 000), an estimate to work from could be 37% for Port Moody and 63% for Port Coquitlam.

On an ongoing basis, predicting how much will be needed for grants and the percentage of repayment will be difficult; however, the Tri-Cities should share the cost of the staffing, for which community need and funding is predictable (approximately \$45,000 annually).

Using the Simon Fraser Formula, this would be divided to approximately 15% for Port Moody, 25% Port Coquitlam, and 65% for Coquitlam. The Tri-Cities already have precedent for this cost sharing model in funding the Tri-Cities Homelessness and House Task Force Coordinator position.

Because we cannot foresee who in our communities will be going through what in any given year, we will not be able to foresee from year to year what residents for what city will be in most need of the rent bank, or what services they need; however, we can be secure in the knowledge that whoever receives help through the rent bank is likely to stay in their homes or receive the help that they need. Therefore, this cost sharing and initiation of it is suggested at least for the next 5 years, at which point it could be analysed and revisited. We have ample evidence that rent banks work and we are lucky that one has been set in our community.

Other Option

THAT Port Moody Council write to Coquitlam and Port Coquitlam proposing continued support for the SHARE rent bank, including sharing the staff for a pilot of approximately 4 years, with follow up phone call.

Financial Implications

Depending on negotiation, approximately \$7400 for 2021-2022 and \$6750 for subsequent years.

Because the City would not be funding the granting/ loan portion of the service on an ongoing basis, the financial exposure would be limited.

The City has an Affordable Housing Reserve that could be accessed or amended to provide the level of funding required to support the Rent Bank. The nature of the assistance the rent bank provides to the social housing market seems to meet the spirit of the AHR in that it helps make the community more affordable to residents.

Communications and Civic Engagement Initiatives

There are no communication and civic engagement initiatives related to this report.

Council Strategic Plan Objectives

Council's strategic plan objectives are met by demonstrating dedication to:

- The health and wellness needs of residents;
- Access to housing;
- Social inclusion; and
- Courage to lead and embrace new ideas.

Attachments

- 1) City of Toronto RBS Approved Final Report SSHA 2020
- 2) Vancouver Rent Bank - Cumulative Statistical Report 2012-2018