
TO: CITY MANAGER **DATE:** 2020 April 15

FROM: DIRECTOR FINANCE **FILE:** 16000 20
DIRECTOR PLANNING AND BUILDING

SUBJECT: GRANT TO SUPPORT TEMPORARY BURNABY RENT BANK

PURPOSE: To seek Council approval on providing a grant to support a temporary rent bank for Burnaby renters during the COVID-19 pandemic.

RECOMMENDATION:

1. **THAT** Council approve a grant of \$30,000 from Operating Contingency funds for the Lower Mainland Purpose Society to operate a temporary rent bank for Burnaby renters.

REPORT**1.0 INTRODUCTION**

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

Staff have been in discussions with BC Rent Bank to explore the creation of a permanent rent bank for Burnaby renters. With \$10 million in provincial funding, BC Rent Bank supports existing rent banks and establishes new rent banks in new communities. However, in an email from BC Rent Bank dated 2020 March 26, BC Rent Bank announced that all applications for new rent banks will be temporarily suspended during the COVID-19 pandemic. Instead, only funding for existing rent banks will be available during this period to sustain existing services and to extend services to unserved communities, if possible.

Recently, BC Rent Bank contacted City staff to explore the potential of extending rent bank services, on a temporary basis, from an existing rent bank to Burnaby residents. Currently, the cities of Burnaby, Maple Ridge, and Pitt Meadows are the only municipalities in Metro Vancouver without a rent bank.

To facilitate the temporary program, BC Rent Bank has offered to provide funding of approximately \$30,000 to the Lower Mainland Purpose Society (Purpose Society), who currently operates the New Westminster Rent Bank, to scale up its operations to support Burnaby renters. The temporary Burnaby Rent Bank would provide low-fee, no interest, short-term loans to lower income individuals and families that live in Burnaby who require rental/utility payment assistance due to temporary and unexpected financial crises. The temporary Burnaby Rent Bank is now available to qualifying renters, and information about this program can be found on the Purpose Society [website](#).

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To sustain the temporary Burnaby Rent Bank for a three-month period, BC Rent Bank has asked that the City also contribute funding to the Purpose Society. To support this partnership, this report seeks Council direction to provide a grant of \$30,000 to the temporary Burnaby Rent Bank to assist vulnerable renters during the COVID-19 pandemic.

2.0 POLICY CONTEXT

As noted above, the *Mayor's Task Force on Community Housing Final Report* specifically recommends that the City "establish a Rent Bank using Housing Fund monies" (Quick Start #4).

In addition, there are several City policies that support the provision of affordable housing and social services for renters and other vulnerable populations, including:

- Burnaby's *Official Community Plan* (1997) contains goals within its residential and social policy frameworks to help ensure that the needs of people with special and affordable housing requirements are met. In addition, the *Official Community Plan* commits the City to monitoring social needs in Burnaby on an ongoing basis and, as appropriate, develop appropriate policies in response.
- The *Burnaby Economic Development Strategy* (2007) sets a goal of building a strong, liveable, and healthy community, which includes developing a diverse and affordable housing stock which is appropriate to residents' needs and maintaining the social services networks on which the community is built.
- The *Burnaby Social Sustainability Strategy* (2011) notes the serious issue of poverty faced by some Burnaby residents and contains several actions in the area of affordable and suitable housing and creating a caring, inclusive, and vibrant community.

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

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

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3.0 BACKGROUND

3.1 Senior Government COVID-19 Supports for Renters

The COVID-19 pandemic has brought about significant uncertainty to Burnaby residents, as many individuals have lost their jobs or have had to stay home for extended periods of time. Renters are particularly vulnerable, with many renters experiencing challenges with affordability and the availability of rental housing prior to the pandemic. In response, both the federal and provincial governments have announced financial and regulatory measures for renters, including emergency income programs, such as the Canadian Emergency Response Benefit and the BC Emergency Benefit for Workers.

The provincial government has further outlined direct measures to keep renters housed during this current state of emergency, including:

- new temporary rent supplement of \$500 per month, up to four months, paid directly to landlords;
- moratorium on evictions, unless in exceptional cases (e.g. landlords may apply for hearing at Residential Tenancy Branch to protect health and safety or to prevent undue damage to the property);
- enforcement of existing eviction notices halted, except in extreme cases where there are safety concerns (court-ordered evictions will still be processed);
- freeze on new annual rent increases during the state of emergency;
- landlords are not permitted to access rental units without the consent of the tenant (e.g. for showings or routine maintenance), except in exceptional cases needed to protect health and safety or to prevent undue damage to the unit;
- methods that renters and landlords can use to serve notices are changed to reduce potential transmission of COVID-19 (e.g. no personal service, and emails now allowed);
- landlords permitted to restrict use of common areas by tenants or guests;
- no evictions for non-payment of rent in BC Housing units; and,
- payment deferrals and/or crisis funding programs from BC Hydro and Fortis BC.

While the federal and provincial measures will help most renters remain in their housing during the COVID-19 pandemic, especially with the moratorium on evictions, renters are still responsible for paying rent. A temporary rent bank for Burnaby renters can provide a potential resource for accessing low-fee, no interest loans for rent and/or utilities, particularly for renters who may not qualify for federal and/or provincial funding. In addition, a rent bank can provide supports and information referrals to help renters access available resources, including applying for federal and provincial funding opportunities. Should the provincial state of emergency end in the near future, the temporary Burnaby Rent Bank can further assist renters in transitioning out of the crisis period, once the moratorium on evictions is lifted and renters are particularly at-risk.

3.2 Temporary Burnaby Rent Bank

The temporary Burnaby Rent Bank started operations on 2020 April 06 to support lower income individuals and families during the COVID-19 pandemic. The non-profit operator, Purpose Society, has significant experience in delivering rent bank services for the New Westminster Rent Bank, which has been in operation since 2017.

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The temporary Burnaby Rent Bank operates as follows:

- available to Burnaby renters on a temporary basis during the COVID-19 pandemic;
- loans may be used to pay for rental arrears, next month's rent, essential utility arrears, security deposits, and first months' rent;
- maximum loan of \$1,400 for individuals or \$1,700 for families (2 or more people living in a family relationship) for rent arrears;
- maximum loan of \$500 for essential utility arrears;
- loan committee consisting of the Rent Bank Coordinator, City staff, and other stakeholders will review Burnaby Rent Bank applications based on established loan criteria;
- approved funds will be issued by cheque, payable directly to the creditor;
- loans will be repaid in monthly installments, with repayment terms ranging between six and 24 months (loans are interest free, but subject to a \$1.00 monthly administrative fee); and,
- Purpose Society staff will continue to operate from the New Westminster Rent Bank location (close to New Westminster SkyTrain station), but will provide limited face-to-face meetings with clients without computer access at a City facility or other location in Burnaby accessible to clients (e.g. meeting room at Purpose Society-operated child care in Burnaby, etc.).

4.0 GRANT TO SUPPORT TEMPORARY RENT BANK

To partner with BC Rent Bank and provide additional supports to renters during the COVID-19 pandemic, staff recommend providing a grant of \$30,000 from Operating Contingency funds to Purpose Society to operate the temporary Burnaby Rent Bank. The funding requested matches the amount provided by the BC Rent Bank and helps to ensure the program can operate for a three-month period. Operating Contingency funds are allocated from prior years surplus and available for unplanned, extraordinary operating expenditures that occur during the year. Of the \$500,000 in Operating Contingency funds set aside for 2020, currently \$30,000 has been allocated for initiatives therefore sufficient funds are available to fund the grant as outlined in this report.

As a new rent bank, the majority of the funding will be used as loan capital to provide loans to individuals and families who qualify for a rent bank loan. The \$30,000 grant from the City will help bolster the loan capital available to Purpose Society to grant loans to lower income renters in the community, in addition to ensuring the successful administration of the temporary program.

5.0 NEXT STEPS

With the temporary Burnaby Rent Bank already in operation, the City will work with Purpose Society and BC Rent Bank to communicate the new program to a variety of stakeholders, particularly Burnaby renters. This includes having information about the temporary Burnaby Rent Bank on the City's website, as well as communicating this new program to other social service agencies who work with lower income renters who may benefit from this support.

In addition, City staff will work closely with Purpose Society and other stakeholders to review applications based on established criteria as part of the Loan Committee, in addition to monitoring this temporary program to ensure support to Burnaby renters during the COVID-19 pandemic.

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The temporary Burnaby Rent Bank will assist tenants in the short term. Staff will continue to work with BC Rent Bank to establish the operator and funding sources for a permanent Rent Bank for Burnaby renters beyond the three-month temporary period, and will report back to Council in due course.

6.0 CONCLUSION

Quick Start #4 of the *Mayor's Task Force on Community Housing Final Report* specifically recommends the creation of a rent bank program to help support renters, particularly vulnerable renters with lower incomes, in maintaining their current housing, preventing homelessness, and maintaining community connections. With funding for new rent banks currently not available from BC Rent Bank, the City can capitalize on provincial funding by partnering with BC Rent Bank and jointly funding a temporary Burnaby Rent Bank, operated by Purpose Society, to provide compassionate support to renters during a particularly challenging period.

The temporary Burnaby Rent Bank will provide a new resource for lower income renters in accessing low-fee, no interest loans for rent and/or utilities, particularly for renters who may not qualify for federal and/or provincial funding. Another important component of this new program are supports and information referrals to help renters access available resources, including applying for federal and provincial funding opportunities. As such, staff recommends that Council grant \$30,000 from Operating Contingency funds to Purpose Society to operate a temporary Burnaby Rent Bank for a three-month period.



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