

DATE OF MEETING November 20, 2024

AUTHORED BY CHRISTY WOOD, MANAGER, SOCIAL PLANNING

**SUBJECT NANAIMO REGION RENT BANK UPDATE**

## **OVERVIEW**

### **Purpose of Report:**

To provide the Finance and Audit Committee a review of the Nanaimo Region Rent Bank in 2024.

## **BACKGROUND**

The Nanaimo Region Rent Bank (NRRB) program, administered by Connective Support Society Nanaimo (Connective), is an eviction prevention and housing stability service that provides interest free loans to low-to-moderate income renter households facing eviction or in need of assistance to pay essential utilities, because of a short-term financial crisis. In addition to financial services, rent banks provide valuable connections to government benefits, debt consolidation, financial literacy, employment resources, and other community-based services that are focused on supporting a renter beyond their immediate crisis.

In 2020, City of Nanaimo Staff and the Nanaimo Homeless Coalition worked to establish a local rent bank. The Nanaimo Homeless Coalition selected the Nanaimo Region John Howard Society, now known as Connective, as the lead applicant to operate the local rent bank. The John Howard Society and the City submitted a successful application to BC Rent Bank (BCRB) and the NRRB began providing rent bank loans in January 2021.

In January 2021, Council directed that \$90,000 from the Online Accommodation Platform (OAP) funds be allocated to the NRRB as loan capital for City of Nanaimo residents. At the 2023-SEP-11 Regular Council Meeting, Council approved a further \$75,000 from the 2023 OAP revenue as bridge funding until 2024-MAR-31, where a review of the NRRB could be conducted with BCRB. At the 2023-NOV-20 Regular Council Meeting, Council allocated \$200,000 of 2024 OAP revenue for continued support to rent bank and rent supplement programs. Any unspent OAP funds allocated in a given calendar year are returned to the OAP reserve. Between January 2021 and November 2024, the City contributed \$202,000 to the NRRB program.

BCRB is a provincially funded agency that provides financial and infrastructure supports to rent banks in BC. There are 19 rent banks in BC. Between January 2021 and March 2024, BCRB provided Connective Society with \$318,517 for operating expenses and \$100,000 for rent bank loan capital. Connective renewed its contract with BCRB to administer the NRRB program from 2024-APR-01 to 2025-MAR-31. For the existing contract, Connective Society will receive \$142,279.54 for operating expenses and up to \$75,000 (if needed) for rent bank loan capital from BCRB. BCRB encourages locally sourced funding for loan capital wherever possible.

BCRB continues to see unprecedented demand for rent bank services across the province. Comparing the second quarter in 2023 with the second quarter 2024, there is a 53% increase in the number of people applying for assistance, and in turn, a 61% increase in times financial assistance has been provided to prevent an eviction or stabilize housing. BCRB reports that the NRRB has one of the highest approval rates (34%), the lowest decline rate (7%), the lowest number of loans written off as “bad debt”, and one of the strongest repayment rates (74%) in the province. The following provides an overview of the NRRB and the Nanaimo residents that are receiving support from the rent bank. |

## **DISCUSSION**

### *Nanaimo Region Rent Bank Program*

Connective operates the NRRB, which serves residents living in the City of Nanaimo and the greater Nanaimo Regional District. Financial assistance is provided to residents by providing an interest free loan and a flexible plan for payback. Often the payback is planned over a 24- to 36-month period. The maximum amount loaned is \$500 for utilities, \$2,000 for rent for single-family households, and \$3,500 for family households.

Individuals submit a pre-assessment form online through the BCRB portal. These forms are reviewed by Connective staff to ensure individuals meet the basic eligibility. In order to receive a rent bank loan, applicants must meet the following requirements:

- Be at least 19 years of age,
- Be a current resident of BC or be moving to BC,
- Not owing more than two months in rent,
- Provide proof of a regular source of income that is sufficient to cover monthly living expenses,
- Illustrate that the household is low to moderate income (using BC Housing Household Income Limits),
- Evidence that the financial assistance will stabilize housing beyond the immediate crisis, and,
- Must not have undischarged bankruptcy.

Individuals that meet the basic requirements are invited to meet with Connective staff where they discuss the reason the loan is needed, provide additional documents, such as bank statements, proof of tenancy, confirmation of income source, employment information, and if applicable, provide an eviction notice or a notice of utility service termination. All completed applications are reviewed and approved by a loan committee made up of five Connective staff members. Once approved by the loan committee, rent bank staff make arrangements to directly pay landlords and utility companies. In addition to providing rent bank services, Connective staff provide navigation services, such as referrals to other social service agencies or support with getting access to other government benefits and services. Staff also assist with filling out paperwork and provide advocacy when communicating with landlords or utility corporations. Connective staff, where appropriate, can provide rent supplements to support rent bank clients by reducing their loan payments. Individuals who do not meet the basic requirements to get a rent bank loan may be given a rent supplement or referred to another appropriate housing program within Connective.

### Rent Bank Loans in Nanaimo

The table below provides a summary of the number of pre-assessments received through the BCRB portal, the number of loans issued, and the number of households that were provided with supplemental supports between September 2023 and September 2024.

<b>Rent Bank Loans in Nanaimo</b>	<b>Total</b>
Pre-assessments received	376
Loans issued	96
Number of households provided with supplemental supports	71

Between September 2023 and September 2024, the NRRB issued \$143,326.91 in loan funds and received \$49,209.31 in loan repayments.

### Nanaimo Region Rent Bank Budget

The table below provides a summary of funds contributed to the NRRB between January 2021 and March 2024.

<b>Funding Partner</b>	<b>Loan Capital</b>	<b>Operating</b>	<b>Total</b>
City of Nanaimo	\$165,000	NA	\$165,000
BC Rent Bank	\$100,000	\$318,517	\$418,517
Regional District of Nanaimo	\$25,000	NA	\$25,000
United Way	NA	\$2,500	\$2,500
Alberni-Clayoquot Regional District	\$10,000	NA	\$10,000
<b>Total</b>	<b>\$300,000</b>	<b>\$321,017</b>	<b>\$621,017</b>

### Key Areas of Housing Need

As part of the review of the NRRB program, and to find ways to ensure that rent bank loans are being directed to population groups identified as having key housing need, BCRB started collecting demographic data on 2024-APR-01, through the BCRB online portal. The 2023 *Housing Needs Report* identifies the key areas of housing need for Nanaimo, and Staff will be able to assess how populations are being served by reviewing the demographic data collected. A summary of populations in key housing need can be found in Attachment A.

Demographic data typology collected through the BCRB portal includes disabilities and type, ethnic background, gender, person with lived experiences, sexuality, living situation, housing type, residency status, fleeing violence, and whether they require literacy support. The online portal also now collects information on the source of referral to the rent bank. The demographic data is collected on a voluntary basis. 45 applicants have submitted demographic data between April 2024 and October 2024. A larger data set is required to conduct analysis; however, early trend data illustrates that 46% of applicants applying for a rent bank loan identify as having a disability, 84% are Canadian citizens, 46% identify as women, 71% are under the age of 39, and 44% of applicants are supporting families. Staff will provide a more comprehensive update on demographic trends identified at the next Nanaimo Region Rent Bank Update in fall 2025.

Connective reports that in 2024 they improved processes to provide better access to the NRRB for populations with the most barriers. This includes revising the rent bank application forms to be more user friendly and less onerous to fill out. Connective has also created communication

materials and has shared them with other community agencies. Finally, Connective staff have been presenting information sessions at various community events to share information about the NRRB and other related housing services. |

## **CONCLUSION**

The NRRB plays a critical role in keeping people housed, reducing the social and economic impacts of evictions and housing loss, and supporting the overall wellbeing of individuals and families in Nanaimo.

*City Plan* policy supports the use of OAP revenue for the NRRB, and the *Integrated Action Plan* includes an action for the City to continue to fund the NRRB. |

## **SUMMARY POINTS**

- The Nanaimo Region Rent Bank program is an eviction prevention and housing stability service that provides interest free loans to low-to-moderate income renter households facing eviction or in need of assistance to pay essential utilities because of a short-term financial crisis.
- From January 2021 to November 2024, the City of Nanaimo has contributed \$202,000 of Online Accommodation Platform revenue to the Nanaimo Region Rent Bank.
- Early demographic trend data from the BC Rent Bank online portal indicates that 46% of applicants applying for a rent bank loan in Nanaimo identify as having a disability, 84% are Canadian citizens, 46% identify as women, 71% are under the age of 39, and 44% of applicants are supporting families.

## **ATTACHMENTS**

ATTACHMENT A: Key Ares of Housing Need (Housing Needs Report 2023) |

### **Submitted by:**

Christy Wood  
Manager, Social Planning |

### **Concurrence by:**

Wendy Fulla  
Director, Finance

Dave LaBerge  
Director, Community Safety

Richard Harding  
General Manager, Community Services/  
Deputy CAO

Laura Mercer  
General Manager, Corporate Services |

## **ATTACHMENT A**

### **KEY AREAS OF HOUSING NEED**

The 2023 *Housing Needs Report* (HNR) identifies the population groups with the greatest barriers in accessing stable housing, and who struggle to access and retain affordable housing. These population groups include renters with low or moderate incomes, individuals with special needs, seniors, families, youth, Indigenous People, and people experiencing homelessness. City funds provided to the Nanaimo Region Rent Bank program (administered by Connective Support Society Nanaimo) are for rent bank loan capital aimed at the following key areas of housing need:

- *Renters* – the HNR shows that rental households grew from 10,955 in 2011 to 14,385 in 2021. According to the HNR, 24.2% of renter households are in core housing need, paying more than 30% of their income on housing costs. Renters in core housing need are more susceptible to housing loss due to personal or financial crisis. Recent engagement from the HNR revealed that renters are increasingly challenged to retain or find available and affordable units. In 2023, Nanaimo’s vacancy rate was 2.6% well below a healthy level of 3% to 5%. When there is a shortage of supply, rental costs often increase in price. Nanaimo’s median rent increased by 86% from \$725 to \$1,350 between 2011 and 2021.
- *Individuals with Special Needs* – for people living with a disability, it can be challenging to acquire, afford, and/or retain housing that meets their needs. People living with disabilities often receive provincial disability assistance and these funds are often entirely spent on housing leaving little room for other essential costs of living. For instance, a single person on disability assistance may receive up to a maximum amount of \$1,483.50 monthly. In addition, people with disabilities are often ineligible for provincially funded rent supplements because they are already receiving government benefits.
- *Seniors* – seniors on low and fixed incomes are vulnerable to rising rent rates. Seniors comprise the largest proportion of households on BC Housing’s Affordable Housing Registry. In 2023, 343 seniors in Nanaimo are on the registry waiting for affordable housing placements.
- *Families* – there is a shortage of affordable family-friendly units with three or more bedrooms. Units that are adequate for larger families have some of the highest rental costs. In 2021, median rents for two bedroom units was \$1,600. Families with low or moderate incomes in need of three or more bedrooms often struggle to find anything affordable or adequate.
- *Youth* – housing affordability is a primary concern for low-income youth, youth transitioning out of foster care, and youth living on their own for the first time. With lower incomes and no references, youth struggle to find and retain affordable housing.
- *Indigenous People* – there is a lack of housing for Snuneymuxw People on reserve and very limited affordable housing options off reserve. With lower incomes and systemic discrimination it can be very challenging for Indigenous community members to find culturally appropriate affordable housing.
- *People Experiencing Homelessness* – the number of people experiencing homelessness in the city continues to increase. In 2023, 515 individuals were reported to be unsheltered in the Homeless Point in Time Count. Frontline service providers estimate between 800 to 1000 individuals are experiencing homelessness in Nanaimo. Due to the complexities and trauma involved with many individuals experiencing homelessness, there are many barriers for people to get stable housing. Intensive support services often need to accompany financial assistance to secure and retain housing for many people experiencing homelessness.

CITY OF NANAIMO  
THE HARBOUR CITY

# Nanaimo Rent Supplement and Rent Bank Review


2024-NOV-20

1

CITY OF NANAIMO  
THE HARBOUR CITY



## Rent Supplement Programs

- ✓ Prevent homelessness
- ✓ Enable stable housing in market rental units
- ✓ Reduce impacts of poverty



2

## Rent Supplement Programs

-  Rental housing
-  Special Needs Housing
-  Housing for seniors
-  Housing for families
-  Housing for youth
-  Housing for Indigenous people
-  Housing and shelter for people experiencing homelessness

3

## Rent Supplement Programs

<b>Canadian Mental Health Association – Mid Island Branch (2024-FEB-06 to 2024-SEP-30)</b>	<b>Total</b>
Number of rent supplements issued	20
Number of unique individuals impacted by rent supplements	20
Number of other services and supports provided to individuals who received a rent supplement payment	63
Number of individuals referred to another agency for other supports and services	20





4

## Rent Supplement Program

<b>Connective Support Society Nanaimo (2024-FEB-06 to 2024-SEP-30)</b>	<b>Total</b>
Number of rent supplements issued	<b>43</b>
Number of unique individuals impacted by rent supplements	<b>73</b>
Number of other services and supports provided to individuals who received a rent supplement payment	<b>281</b>
Number of individuals referred to another agency for other supports and services	<b>20</b>

5

## Nanaimo Region Rent Bank

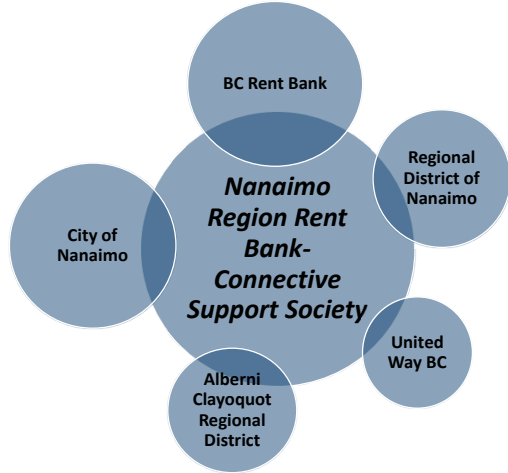
-  **Eviction prevention and housing stability service**
-  **Interest free loans**
-  **Support to renter households facing eviction or help paying utilities**
-  **Connections to government benefits and community-based services**



6

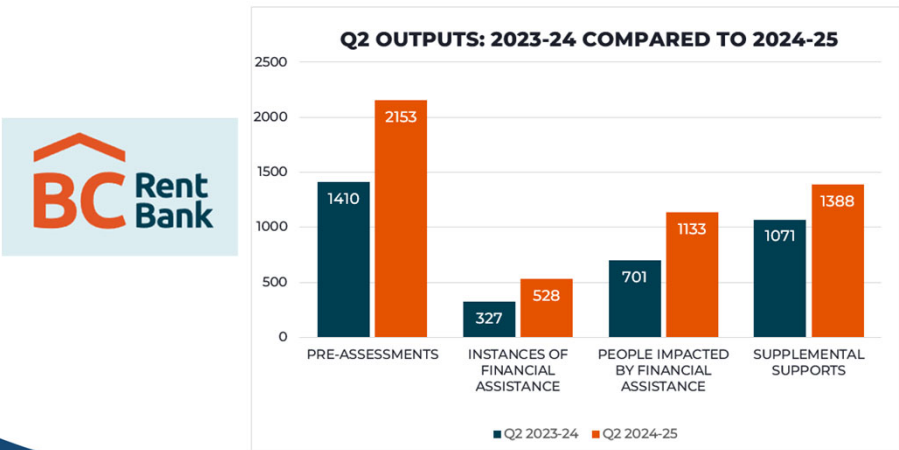


# Nanaimo Region Rent Bank



7

# Nanaimo Region Rent Bank



8

## Nanaimo Region Rent Bank



- ✓ One of the highest approval rates - 34%
- ✓ Lowest decline rate - 7%
- ✓ Lowest number of loans written off as “bad debt”
- ✓ One of the strongest repayment rates - 74%

9

## Nanaimo Region Rent Bank

<i>Rent Bank Loans Distributed in Nanaimo – Connective Support Society Nanaimo (September 2023 to September 2024)</i>	Total
Pre-assessments received	376
Loans issued	96
Number of households provided with supplemental supports	71

*The Nanaimo Region Rent Bank issued \$143,326.91 in loan funds and received \$49,209.31 in loan repayments.*

10

## Nanaimo Region Rent Bank

- ✓ Live with a disability - 46%
- ✓ Identify as a Canadian Citizen - 84%
- ✓ Identify as a woman - 46%
- ✓ Identify between the ages of 19 and 39 - 71%
- ✓ Applicants supporting families - 44%