

DATE OF MEETING November 20, 2024
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SUBJECT RENT SUPPLEMENT PROGRAM UPDATE

OVERVIEW

Purpose of Report:

To provide the Finance and Audit Committee with a review of City of Nanaimo funded rent supplement programs in 2024.

BACKGROUND

Rent supplements are support payments to renters that bridge the gap between what an individual or family can afford to pay and what the actual cost of housing is. Rent supplements can be provided on an ongoing basis, or as a one-time payment depending on the income and needs of the household. Rent supplements play an important role in the prevention of homelessness, enable stable housing in market rental units, and help to reduce the impacts of poverty for individuals and families.

At the 2023-SEP-11 Regular Council Meeting, Council approved the allocation of \$150,000 from the Online Accommodation Platform (OAP) fund in 2024, to be used to support rent supplement programs in Nanaimo targeting key areas of housing need identified in the Housing Needs Report 2023 (Attachment A), and to distribute the funds to service providers through a Request for Proposal (RFP) or Expression of Interest (EOI) process. Any unspent OAP funds allocated in a given calendar year are returned to the OAP reserve.

Between 2023-NOV-01 and 2023-NOV-27, the City of Nanaimo published a call for EOIs to provide rent supplement programs in Nanaimo. There were five organizations identified as registered plan takers; however, only two organizations submitted formal EOIs. On 2024-FEB-06, the Canadian Mental Health Association Mid Island Branch (CMHA) was awarded \$22,500 and Connective Support Society Nanaimo (Connective) was awarded \$127,500. The following provides an overview of the rent supplement programs distributed by CMHA and Connective.

DISCUSSION

Canadian Mental Health Association – Mid Island Branch

The City-funded rent supplement program is embedded in CMHA's Street Reach Outreach program. The Street Reach Outreach program operates five days a week and works to connect individuals living in encampments to support services, such as housing and mental health and substance use services. Support services include assistance with getting basic identification and completing required documentation to ensure individuals are eligible for housing under the existing BC Housing programs. In addition, Street Reach provides rent supplements to retain and maintain housing and provides ongoing social supports to ensure individuals stay housed.

The Street Reach Outreach program serves low-income renters and people experiencing homelessness; however, they are seeing a significant increase of seniors that are precariously housed and requiring rent supplement supports. The average rent supplement issued through the Street Reach Outreach program is \$545. The following table provides a summary on the overall rent supplements issued by the Street Reach Outreach program, the number of individuals impacted by the rent supplement, and the supports received by individuals between 2024-FEB-06 and 2024-SEP-30.

Canadian Mental Health Association – Mid Island Branch	Total
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

Connective Support Society Nanaimo

The City-funded rent supplement program is used to enhance the existing housing programs offered by Connective. Other Connective housing programs include the Forensics Housing and Outreach program, Housing First program, Community Support Initiative program, Oasis Transitional Housing, Cornerstone Supportive Housing, Lakeside Seniors Independent Living, and the Nanaimo Region Rent Bank (NRRB) program. Rent supplements are used as a flexible tool among the existing housing programs to prevent homelessness or retain housing where individuals may not meet the specific program criteria to receive funding support or a rent bank loan. For example, the implementation of the rent supplements, in conjunction with the NRRB, allows Connective staff to be responsive to the needs of clients allowing them to have lower loan repayments or to utilize the rent supplements if they are ineligible for a loan, but still at risk of losing their housing.

The Connective housing programs primarily serve low-income individuals and families, seniors, individuals leaving correctional facilities, and individuals experiencing homelessness. Connective staff have been working to expand their client base by working with partner agencies such as Nanaimo Family Life Association, Nanaimo Brain Injury Society, and Tillicum Lelum to provide rent supplements to populations identified in key housing need as outlined in the Housing Needs Report 2023. The average amount of rent supplements issued is between \$900 and \$1,000, but this amount can vary depending on the individual circumstance. The following table provides a summary on the overall rent supplements issued by Connective, the number of individuals impacted by the rent supplement, and the supports received by individuals between 2024-FEB-06 and 2024-SEP-30.

Connective Support Society Nanaimo	Total
Number of rent supplements issued	43
Number of unique individuals impacted by rent supplements	73
Number of other services and supports provided to individuals who received a rent supplement payment	281
Number of individuals referred to another agency for other supports and services	20

CONCLUSION

Rent supplements play a key role in the housing continuum by providing stability, affordability, and inclusivity, supporting individuals and families in various stages of housing need.

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

SUMMARY POINTS

- Rent supplements play an important role in the prevention of homelessness, enable stable housing in market rental units, and help to reduce the impacts of poverty for individuals and families.
- In September 2023, Council approved the allocation of \$150,000 from the Online Accommodation Platform fund in 2024 to be used to support rent supplement programs in Nanaimo, and to distribute these funds through a Request for Proposal (RFP) or Expression of Interest (EOI) process.
- The Canadian Mental Health Association – Mid Island Branch and Connective Support Society Nanaimo were successful proponents of the EOI process and distributed a total of 63 rent supplements to individuals and families in 2024.

ATTACHMENTS

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

Submitted by:

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Concurrence by:

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ATTACHMENT A

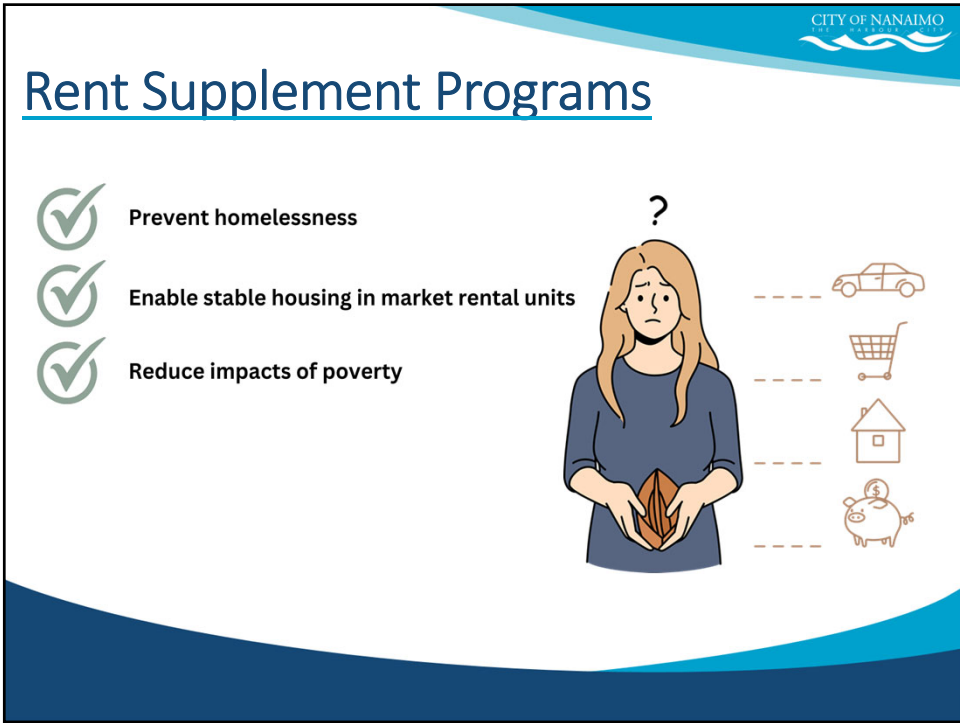
KEY AREAS OF HOUSING NEED

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-funded rent supplement programs distributed in 2024 are 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 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.



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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

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Rent Supplement Programs

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Rent Supplement Program

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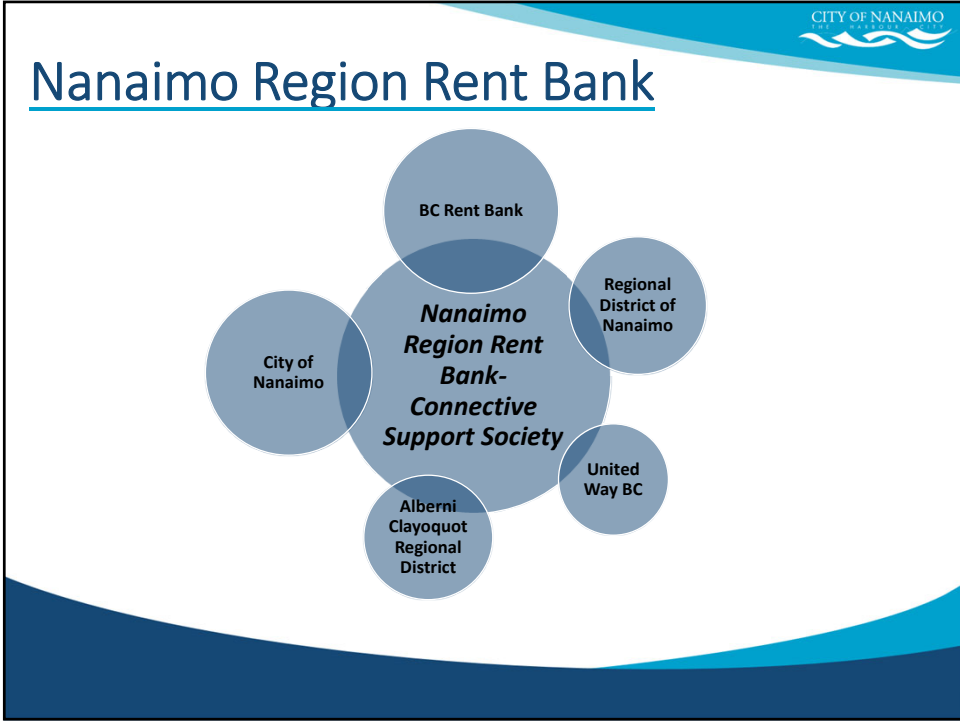
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Nanaimo Region Rent Bank

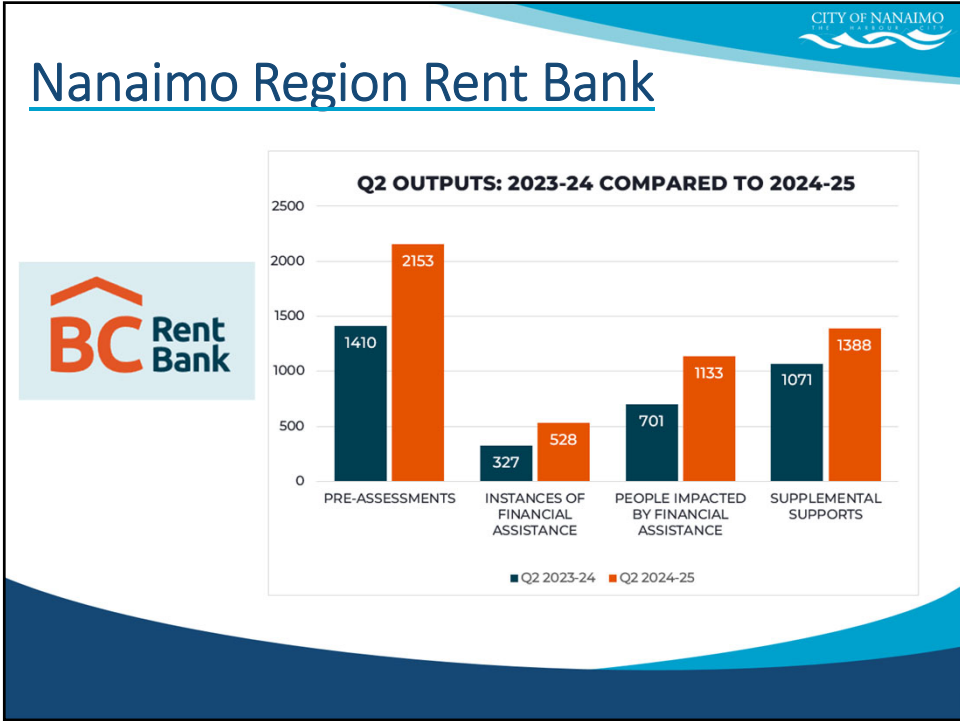
-  **Eviction prevention and housing stability service**
-  **Interest free loans**
-  **Support to renter households facing eviction or help paying utilities**
-  **Connections to government benefits and community-based services**



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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%

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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.

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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%**