

### **Attachment 3 Proposed Affordable Housing Options**

#### **Proposed Option 1 - Nanaimo Regional Rent Bank (Recommended)**

A rent bank is a short-term or temporary homelessness prevention tool that helps to provide housing stability for low-to-moderate income renters who are unable to pay rent or utilities due to episodes or emergencies that impact their financial stability. A rent bank provides financial assistance in the form of a no interest repayable loan to households at risk of eviction for reasons such as non-payment of rent or utilities. Rent banks can also aid individuals by providing a damage deposit to make the move to a new home. The most common uses of rent bank funds are to cover money owed for rent, payment of utilities that are overdue, and security deposits or first month's rent to help people gain access to housing.

BC Rent Bank was established by the Vancity Foundation in partnership with the Province of BC to support existing rent banks and the creation of new rent banks throughout the province. BC Rent Bank provides financial support to existing rent banks in BC to assist with operational costs. Other investors are needed to support the ongoing costs of operating rent banks and ensuring their long-term financial sustainability.

The City of Nanaimo, in conjunction with BC Rent Bank and the Nanaimo Homeless Coalition (NHC) recently established the Nanaimo Regional Rent Bank (NRRB). The NHC selected the Nanaimo Region John Howard Society to manage and administer the NRRB with support from a Board of Directors and a Loan Evaluation Committee.

Discussions with the City of Nanaimo and Nanaimo Region John Howard Society indicated strong interest in expanding the NRRB into the Regional District of Nanaimo (RDN) to create a regional service. BC Rent Bank has offered \$25,000 to NRRB to expand into the RDN and are looking for an additional \$25,000 to match their funding. Online Accommodation Platform (OAP) revenues available in previous years from the Oceanside area averaged approximately \$25,000. The OAP revenues would provide funding to the NRRB and be administered to those who qualify in the Oceanside area where the Municipal Regional District Tax (MRDT) is collected from accommodation providers. The \$25,000 of funding from BC Rent Bank could then be administered in the southern region (Electoral Areas A, B and C), creating a region wide affordable housing service. Details of the expansion of the NRRB into the RDN would need to be finalized prior to entering into an agreement with the Nanaimo Region John Howard Society. The Nanaimo Region John Howard Society indicated that additional federal funding could potentially be accessed to support the expansion of the NRRB to provide additional support in the region.

Initial discussions with the Nanaimo Region John Howard Society indicated that administration costs associated with the NRRB would be approximately 40-60% of the funding due to staffing, resources and social work necessary to provide the service.

#### **Proposed Option 2 - Society of Organized Services**

The Society of Organized Services (SOS) is a not-for-profit charity that has been operational and responding to the needs of individuals and families in District 69 (Oceanside area) since 1968. SOS provides a number of programs and their existing Emergency Assistance and Advocacy Program (EAAP) was deemed the most viable affordable housing option. The existing EAAP provides a wide variety of emergency essentials including food, medicine, clothing and household items. The program also offers

safety-related repairs on vehicles and advocacy assistance. Clients undergo a needs assessment to determine what kind of assistance or advocacy support is needed and assistance is allocated accordingly.

To meet the parameters for spending on affordable housing outlined within the MRDT program, SOS indicated that a new rent subsidy component of the EAAP funded by OAP revenues could be established. Criteria surrounding eligibility for the new component of the EAAP would target emergency situations where the funding would provide coverage to pay rent due to extenuating circumstances (sickness, car trouble, loss or reduction in employment etc.) that result in temporary financial instability. The money would be distributed in the form of a non-repayable rent subsidy to clients who need assistance. As this component of the EAAP does not exist at present, applicable criteria and parameters would need to be finalized prior to entering into an agreement with SOS.

As the EAAP is well established with existing staff and resources, OAP revenues for the rent subsidy component would be managed and distributed with in-kind work by existing SOS staff, reducing administration costs and leaving more money available to assist those who qualify in the Oceanside area. SOS estimates that administration fees associated with operating the proposed new rent subsidy component of the EAAP would be approximately 10% of the total OAP revenues. Any amounts over and above the 10% would be provided on behalf of SOS as in-kind contribution, estimated to be another 10%.

### **Proposed Option 3 – Reinvest into Tourism Marketing**

The third option proposed is to defer the use of OAP revenues for affordable housing and recommend PQBTA reinvests the available money into tourism marketing for the region to help with the COVID-19 pandemic recovery. OAP revenues would assist in the recovery efforts of the tourism industry in 2022 and affordable housing options could be reconsidered as part of next year's annual submission of PQBTA's One Year Tactical Plan, or as part of the five-year MRDT Provincial renewal process commencing in 2023. An amendment to Board resolution No. 18-455 would be required if OAP revenues are not used for affordable housing.