

COUNCIL MEMBER'S MOTION ON NOTICE

4. Cultural Spaces Rent Bank

Submitted by Councillor Fry

WHEREAS

1. Vancouver has over 400 cultural spaces totalling over 3.4 million square feet, that are home to everything from artist-run centres, to galleries, to rehearsal spaces and shared studios.
2. Vancouver's recent Culture|Shift and Making Space for Arts and Culture reports identify cultural spaces as extremely vulnerable, with one third of all spaces in leases of one year or less, and most of those are month-to-month.
3. Rent banks utilize a pool of capital to provide short term loans to applicants that encounter an unforeseen inability to meet financial obligations arising from rent, rent increases or rent-related expenditures.
4. Rent banks are designed to prevent evictions and stabilize housing for working people living on low incomes. Ultimately, the goal is to prevent a short-term financial crisis from turning into homelessness.
5. A typical rent bank provides loans to renter households who have regular income but an inability to secure a conventional loan and are facing eviction as a result of a short-term financial crisis like illness, job loss, unexpected expenses, relationship breakdown or eviction. The loans are low- or no-cost and have generous repayment terms – usually up to 24 months.
6. Rent banks exist throughout Canada, including Toronto, across the Lower Mainland and notably here in Vancouver. The Vancouver Rent Bank is supported in part by the City of Vancouver and leverages multi-sectoral partnerships (including foundations, banks, post-secondary institutions, and not for profit service providers) for capital and operating funding, expertise and other services.
7. The Vancouver Rent Bank receives funding from the City and other partner organizations including Vancouver Foundation, VanCity and Street to Home. Applicants can apply for up to two months' worth of rental arrears (past-due rent), damage deposits, and basic utilities. According to internal audit figures The rate of loan repayment to Vancouver Rent Bank is 67%.
8. The Province of British Columbia recently invested \$10 million toward the creation of a province-wide rent bank as part of TogetherBC the provincial poverty reduction strategy (June 2019).
9. Many cultural spaces face the same factors of precariousness as working tenants with low incomes including month-to-month cash flow, inability to secure conventional loan, or unexpected disruptions like illness.

10. Few cultural spaces are afforded the protections enshrined in the Residential Tenancy Act, and can be faced with unexpected rent hikes, taxes, insurance, or maintenance fees.
11. Vancouver's Culture|Shift and Making Space for Arts and Culture recommendations commit to no net loss of Cultural Spaces.
12. The City of Vancouver provides a limited number of operating and capital cultural grants based on a rigorous and peer-reviewed process, but by design the City cannot furnish grants to all applicants nor on a quick turnaround.
13. Rent bank loans improve security for renters. Currently, there is limited or no ability for Non Profit Organizations or individual artists to gain loans of this kind, and a rent bank would fill a demonstrated need.

THEREFORE BE IT RESOLVED

- A. THAT Council supports the diverse ecosystem of Vancouver's cultural spaces, and recognizes the breadth of challenges to operating Cultural Spaces in our city including unexpected expenses and cash flow issues.
- B. THAT Council direct staff to explore the creation of a Cultural Spaces Rent Bank, modeled after the Vancouver Rent Bank, in order to protect precarious cultural spaces by making short term or bridge-funding loans available to qualified applicants, with the following considerations:
 - i) How to screen applicants and operationalize loan repayments;
 - ii) Lending criteria and limits;
 - iii) Legal Considerations;
 - iv) Terms and Conditions of loans, repayments and surety as applicable;
 - v) Seed capital for lending pool, including but not limited to remainder from 2019 Innovation Fund;
 - vi) Potential partnerships for capital and operations; and
 - vii) Value for money.
- C. THAT Council direct staff to report back before end of Q4 2020 with recommendations for a cultural spaces rent bank and in the context of other work related to implementing Making Space for Arts and Culture.