

Developing a Successful Canadian Rent Bank Model for Eviction Prevention: international lessons in promising practices

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UNIVERSITY OF TORONTO



Ontario-based Service Provider, summer 2023 (Photo by Hannah Brais)

OVERVIEW

- Context
- Eviction prevention and rent banks
- Typology of rent banks
- Political context
- Methods
- Case studies: Toronto, New York City, Wales
- Effectiveness & promising practices

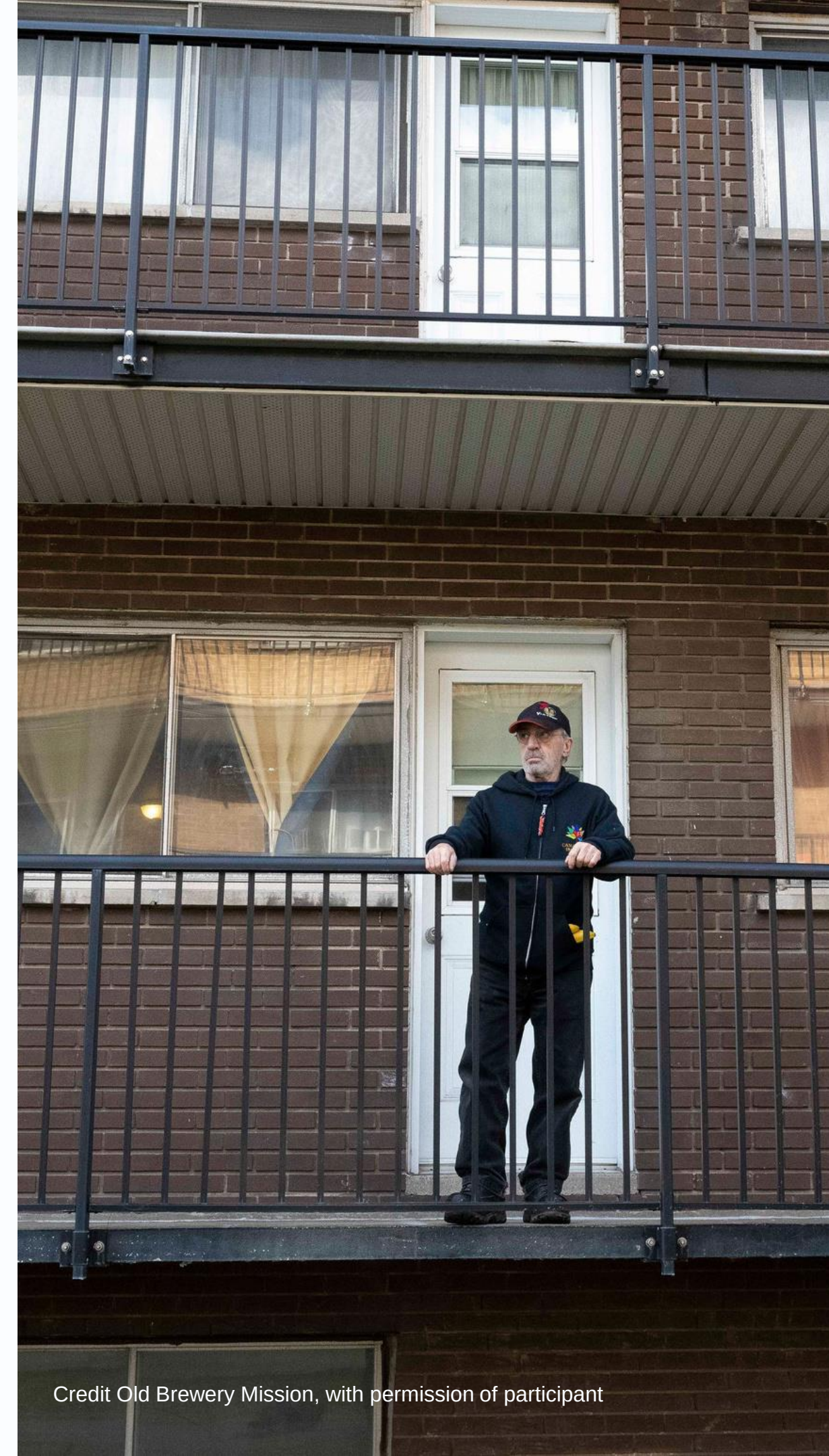


CONTEXT

- Prevention in Quebec and at the Old Brewery Mission
- Research at the Old Brewery Mission
- Developing a pilot project for a Quebec rent bank model
- Promising practices of international rent bank models: community-university research partnership

EVICTIION PREVENTION AND RENT BANKS

- Canada is slow to take up a real prevention approach to homelessness: eviction prevention being one avenue
- Decreasing availability of affordable housing, with extreme rent increases, makes it more challenging for households to find stable housing when they are evicted, making them more at-risk of homelessness
- Rent banks are generally considered secondary, or crisis, level interventions (Dej, Gaetz, and Schwan 2020, Mackie 2022); ideally support happens BEFORE a rent bank is accessed
- Countries with especially poor systems-level supports for primary interventions are heavily reliant on rent banks (ex. the United States)



International Typology of “Rent Banks”

01 Rent Banks

02 Eviction Diversion/Emergency
Rental Assistance
Funds/Homelessness
Prevention and Housing
Stability Services/Rent Relief

03 Legislative



Political Contexts

Poor systems-level supports

- Ex: United States
- Ideal neoliberal intervention: helps someone without changing the rules to protect them
- Focus on the individual household's inability to pay for rent
- Does not infringe on a landlord's rights under a free market logic
- Often emerges under emergency/crisis circumstances (ex. COVID)

Very strong systems-level supports

- Ex: Poland, Finland
- Extremely stringent tenant protection laws or very strong structural supports
- Little evidence of an emergency rental assistance program because less people would need it

Mixed systems-level supports

- Ex: Canada
- Variable and poorly implemented tenant protections
- Rent banks emerge closer to the 'ground-level': municipality, service provider, maybe province

METHODS

- Literature Review
 - Peer-reviewed literature on emergency rental and mortgage assistance models
 - Grey literature on case studies
 - Internal documents shared and used with the consent of service providers
- Semi-structured interviews
 - Service providers contacted in Canada, US, and UK for in-person meetings
 - Interviews locations chosen based on relevance and accessibility
 - Research questions focused on governance, eligibility, function, and efficiency of program





CASE STUDY: TORONTO

- Funded by the city of Toronto; in existence since late 90s (originally for single mothers)
- Fund provided to cover rent arrears; emergency measure
- Administered through a central organization as well as community partners
- Participants fill out an intake form with a rent bank worker and then their file is assessed
- Began as a loan, during COVID became a grant; program participation exploded
- Funder largely determines eligibility and rules; fair amount of frontline service provider discretion in the application of rules and eligibility criteria



CASE STUDY: NEW YORK CITY

HomeBase Grant

- Part of larger homelessness prevention services program
- Accessed through specific homelessness service providers
- Trickle-down funds through federal, state and city gov.
- Households must be below 2% range of national median income (or have demonstrated experience of “literal homelessness”) and be at imminent risk of eviction
- Covers the entirety of rent arrears (grant)
- Renewable every 45 days, as many times as necessary



CASE STUDY: NEW YORK CITY

Municipal Emergency Rental Loan (“The One-Shot Deal”)

- One time interest-free loan to cover rent arrears
- Anyone at-risk of eviction and homelessness can apply
- Provided by the municipality
- No follow-up for payment of the loan and no impact on credit score
- Meant to precede accessing HomeBase

Discontinued programs: Project Parachute and
Emergency Rental Assistance Program (COVID 19)

CASE STUDY: WALES

Discretionary Housing Payments (DHP)

- Can be accessed by those living in Council housing or private rental market
- Dispersed by local councils
- Short-term, conditions associated (“working” toward stabilizing housing situation)
- For those already accessing the Housing Benefit (Wales)
- Less flexible

Neither exist as loans, as this was seen in their inception as out of line with the Housing Wales Act

Welsh government does not control social assistance, or housing allowance/benefits included in social assistance (Westminster)

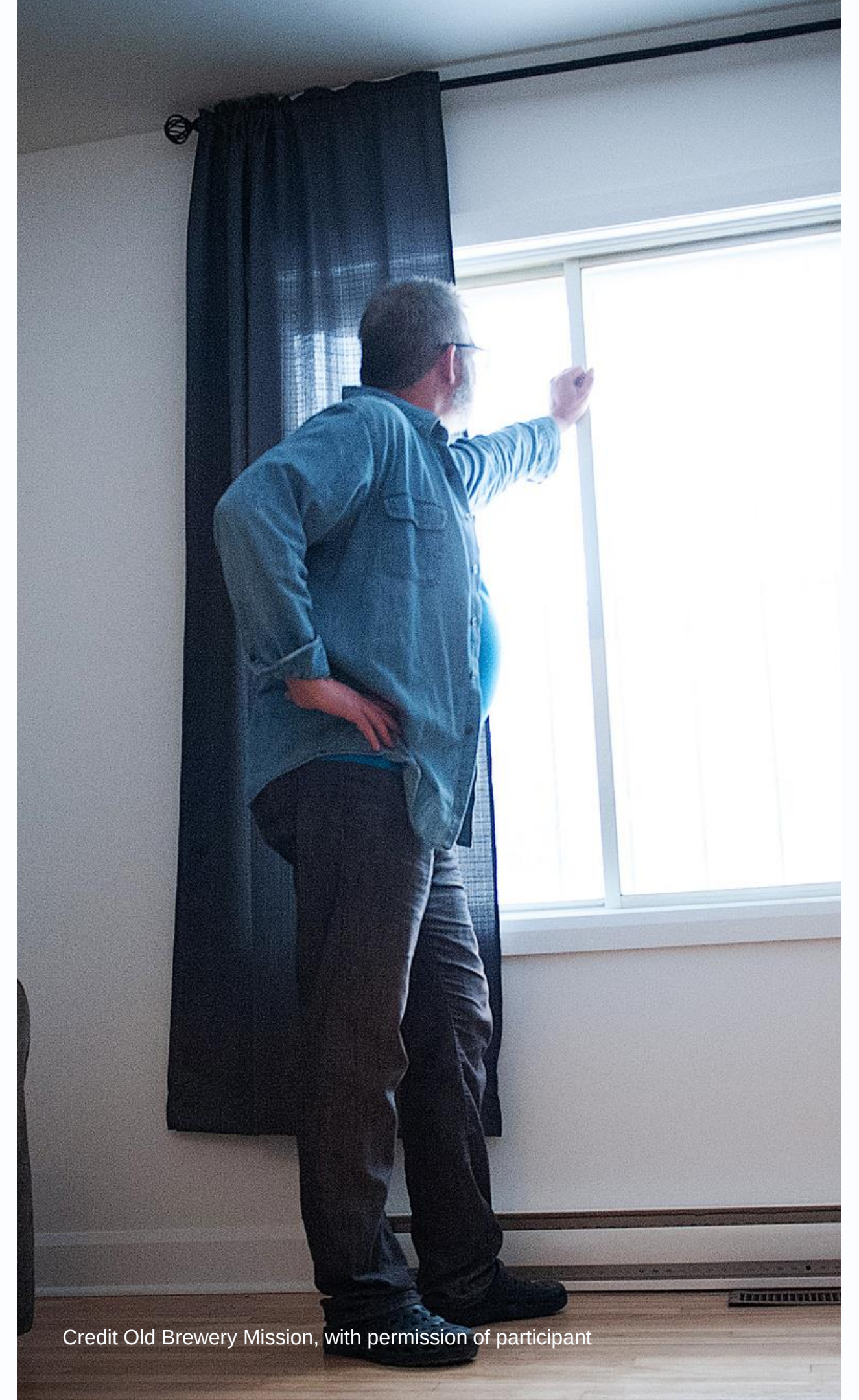
Homeless Prevention Grant (HPG)

- Provided by Welsh government
- Flexibility, within a given year to allocate funds to “prevention,” allowed to be imaginative
- Many components can fall under HPG, but, currently, predominantly used to pay arrears



PROMISING PRACTICES

- Careful consideration of loan versus grant models
- Wrap around services
- Balance between frontline discretion, flexible programming and strong governance structure and eligibility criteria
- Continuous funding, with strong staff funding, and clear application process
- Streamlined and open discussion between funder/governance structure and service provider
- Effective models for keeping people housed: tension between the programming model and the current housing conditions
- Focus on the real issue: cost of housing



Conclusion

- Housing continues to be more expensive + insufficient social housing options= emergency cash programs become the norm
 - Rent bank-type models are increasingly crucial homelessness prevention interventions: more research is needed to assess these programs and support their development (critically)
 - Big picture: rent banks should be a last resort; primary prevention needs to still be at the forefront of our prevention efforts
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