

# COMPONENTS OF A RENTAL POLICY

The following list is not exhaustive, but it provides general guidance on the components of a rental policy. *Your legal counsel and insurance provider may make specific additions to address the unique nature of your charity or to effectively set how open- or closed-door you want your policy to be.*

A well-written agreement is important for the board to meet its fiduciary duties to make best use of the charity's assets and to properly protect those assets, along with the people using them.

Suggested Rental Agreement content would include, but not be limited to, the following:

- 1) You must clearly set out your charity's Christian nature. This may include:
  - a) A description of your charity's Christian nature, drawn from your constating documents.
  - b) Your charity's interpretation of the key biblical principles that guide your charity; your charity's denominational history, theological creeds, and/or Lifestyle and Morality Code; your organization's specific views on what constitutes marriage from your religious viewpoint (if conducting weddings or wedding receptions). Whichever you choose, they should be attached to the rental policy for the renter's reference.
  - c) Specific reference that no activity carried out can be in violation of the elements that make-up your Christian nature. Any activities that are contrary represent sufficient reason not to enter into a rental agreement or to void it if contrary actions come up subsequent to the agreement being signed.

***Not being abundantly clear about your Christian nature will undermine any defense on religious grounds you may need to take in case of a legal challenge or complaint.***

- 2) Your charity's charitable purposes and objects, as set out in your constating (constitution) documents, should be reproduced, to bolster point 1.
- 3) Note that priority for your charity's activities takes precedent over any time available for rental to third parties.
- 4) Though it may appear self-evident, your policy must state that no unsafe or illegal activity will be allowed and, if engaged in contrary to policy, is cause for immediate revocation of the Rental Agreement.
- 5) If desired, you may want to include a priority listing of who you will rent to first (e.g., qualified organizations/ persons with charitable purposes consistent with your own) and who you won't rent to (e.g., commercial businesses).
- 6) Set out specific rules that might be consistent with your theological outlook (e.g. no smoking, drinking, or dancing).
- 7) Be clear that in any areas of disagreement, the final determination on any issue in a dispute rests with a person, or persons, in authority with the church (e.g., the pastor, the board).
- 8) Clearly state insurance, waiver of legal liability, and indemnity (i.e., a declaration that the renter indemnifies your church for any legal liability arising out of bodily injury or property damage caused by the renter's negligence) requirements.
- 9) A disclaimer stating that the church denies responsibility for liability in the circumstances listed. Your disclaimer may also include statements that deny endorsement of rental activity.

10) Note that all other requirements and restrictions will be guided by the specifics set out in the Rental Agreement with the renter.

11) State that the assigned person of authority representing the church at a rental event will have exclusive rights to determine if the charity's Rental Policy and Rental Agreement are being adhered to and may take appropriate corrective action, up to and including the immediate cessation of the event.

12) Clearly set out the application process.

13) A declaration that the renter has been provided with a copy of the Facility Rental Policy and agrees to abide by it.

14) Particulars of the rental arrangement:

- Name and contact information of person (tenant) in charge at the event.
- Name and contact information of the church representative/contact person.
- Specific details of what areas of the property are rented and what is not.
- Start and end times of the rental period.
- Number of participants, within legal maximums (e.g., to meet Fire Code limits).
- Rental fee(s).
- A list of the personnel that the church will provide (e.g., church representative, custodian, set-up/take-down crew, technical service personnel, musicians) and all associated fees hiring such personnel.
- A requirement that the tenant obtain a certificate of insurance (note: your church should ask for specific coverage, as guided by your insurance provider, with acceptable proof of coverage).
- Declaration that the agreement comes into force only upon the signature of all documentation and the exchange of all signed documents.
- *Other clauses as recommended by your legal advisor and insurance provider.*