

MEMORANDUM

To: Directors of Housing York Inc. Board
From: Kathy Milsom, General Manager
Date: May 22, 2020
Re: Housing York Inc. Activity Update

COVID-19 Impacts

The rapid spread of the COVID-19 virus has caused hardships for many Canadians, including Housing York Inc. (HYI) residents. Most residents have been confined to their homes since March 15th, following Public Health guidelines as they relate to isolating at home as much as possible and practicing social distancing in common areas.

The HYI team has continued to take all appropriate measures to keep buildings well maintained and sanitized, while deferring all but essential in suite work in order to comply with Public Health's physical distancing guidance. To protect both residents and employees, essential in suite work is conducted using personal protective equipment and safety protocols established in consultation with the Region's Employee Health experts.

A high proportion of HYI residents are seniors. Many have expressed concerns about their health and well-being, and have been referred to the Region's programs for supports. Recognizing the special needs of seniors and that not all seniors would reach out for help, a wellness check program has been introduced for HYI and other community housing providers by Housing Services as an enhancement to the supports offered by the Region overall.

The program involves a proactive outreach process, illustrated in Attachment 1. The program has been favourably received. The overall sentiment is that seniors are doing well and connected to the supports they need. 85% of calls have resulted in respondents indicating they are connected, 15% have been referred to additional supports including social work, medical and food related supports. Seniors have also reported overall feelings of loneliness; they miss the contact of friends and family, and appreciate receiving the wellness check.

As a responsible and caring landlord, Housing York Inc. is connecting residents to income supports and communicating that residents who are able to pay their rent are expected to do so

On March 31st, all HYI residents received a door-to-door notice about the importance of paying their rent on time and the options available if they were struggling financially during COVID-19. The notice included information about income support programs such as Ontario Works, Employment Insurance and the Canada Emergency Response Benefit, and provided contact information for Regional employees who could assist residents in navigating application processes.

The notice informed residents that the Landlord and Tenant Board was not currently handling rent related matters, and HYI was temporarily suspending its practice of issuing Landlord and Tenant Board forms. The notice emphasized that it is important to keep paying rent as residents who stop paying rent have more difficulty catching up and are at greater risk of eviction in the future. Subsidized residents were reminded that their rent could be reduced to reflect income losses and market residents were encouraged to contact HYI to discuss options if they had concerns about paying their rent.

HYI is working with more than ninety residents who called to report income losses, adjusting subsidized rents where appropriate, and assisting market households with referrals to income support programs and manageable rent repayment plans.

HYI is also assisting market households with applications for the Region's temporary rent subsidy program, COVID-19 In-Situ, for market rent households living in community housing. To be eligible, market residents must have experienced an involuntary, short-term COVID-19 related income loss that results in more than half of their income being required to pay the rent. Households approved for COVID-19 In-Situ will receive a rent subsidy that reduces their rent to 30% of their income for up to four months. Residents who apply for the program must also apply for income supports such as the Canada Emergency Response Benefit. Not all households will be eligible for the Regional program, as households with more than one person receiving the Canada Emergency Response Benefit typically have a combined income that exceeds the program's eligibility criteria.

Rental arrears are emerging as an issue for both market rent and subsidized households

Although some households have guaranteed income sources such as disability or Ontario Works benefits, many rely on employment income to pay their rent. Residents who have lost their jobs have no guarantee of when they will return to work or if their jobs will still be there when COVID-19 restrictions are finally lifted. Rent arrears in family and mixed buildings are escalating.

Pensions are HYI seniors' primary income source and these benefits remain stable or have increased. As a result, rent revenues from seniors' buildings, which account for approximately 55% of HYI's units, are relatively stable.

HYI has been telephoning all residents who didn't pay April rent or who made only partial payments to understand their circumstances, clarify HYI's rent payment expectations and to offer assistance to keep their tenancies in good standing. HYI also sent letters to residents who did not respond to HYI's attempts to reach them by telephone.

Rent arrears are expected to increase

Table 1 shows the average monthly rent owed in 2018 and 2019, and the actual rent owed and paid by month in 2020. The table also shows the number of "Form N4 – Notice to End a Tenancy Early for Non-payment of Rent" (N4 Notices) issued.

Table 1: Monthly Rent Comparison
(excluding prior account balances and additional charges)

Period	Monthly Rent Due	Monthly Rent Paid	Rent Arrears	Arrears Rate	N4 Notice* Issued
2018 – Average	\$1,711,529	\$1,707,541	\$3,488	0.23%	83
2019 – Average	\$1,751,019	\$1,746,268	\$4,751	0.27%	71
2020 – January Actuals	\$1,796,331	\$1,790,179	\$6,152	0.34%	87
2020 – February Actuals	\$1,831,943	\$1,818,269	\$13,679	0.75%	76
2020 – March Actuals	\$1,854,091	\$1,832,754	\$21,337	1.15%	38
2020 – April Actuals	\$1,974,876	\$1,923,263	\$51,613	2.60%	0

* N4 Notice is a Landlord and Tenant Board Form that landlords are required to use to start the formal rent collection process. If the rent remains unpaid, an N4 Notice can ultimately lead to eviction.

May rent arrears are trending higher than April, with additional households falling behind. As of May 19, 2020, residents owed over \$76,000 for unpaid May rent. HYI continues to follow up with residents to encourage timely rent payments. The September mid-year financial report to the HYI Board will include analysis of rent arrears and estimates of financial impact.

Suspension of Landlord and Tenant Board hearings has the unintended consequence of increasing the risk of eviction in the longer term

HYI's [Tenancy Management Policy](#) balances arrears management and eviction prevention. In essence, the policy directs HYI to initiate Landlord and Tenant Board processes promptly to encourage residents to pay in full or establish payment plans before the arrears become too high for the tenancy to be saved.

HYI's experience has been that most residents either pay their rental arrears promptly or enter into a sustainable payment plan within one to four months of receiving their first N4 Notice. Timely response also helps HYI identify issues that may be putting the tenancy at risk and offer referrals to support services to assist in preserving the tenancy. The policy has proven highly successful. In 2018, HYI issued more than 1000 N4 Notices but completed only ten evictions. In 2019, HYI issued more than 850 N4 Notices with only three evictions.

Provincial announcements about restrictions on evictions during COVID-19 and media coverage of advocates calling for a renters' strike seems to have led some residents to conclude that they cannot be required to pay rent. The temporary suspension of issuing N4 Forms may have inadvertently reinforced these behaviours.

While intended to prevent evictions in the short-term, the suspension of Landlord and Tenant Board hearings could have the unintended consequence of putting vulnerable tenants at greater risk of eviction in the long term.

Although HYI recognizes that economic uncertainty continues to be a concern, analysis of the April rent collection activity suggests that most residents in arrears should be able to continue to paying rent. As such, HYI will begin issuing N4 Notices in June to residents who are not responding to HYI's efforts to contact them and to those who have stopped paying rent. N4 Notices will not be issued to residents who are working with HYI to bring their accounts into good standing over time.

HYI 2019 resident survey results are in

In 2019, HYI team members along with five students living in HYI communities promoted and assisted residents in completing a resident survey. Residents provided feedback on a range of topics including:

- How HYI can best communicate with residents, considering resident language preferences, comfort with social media and emerging communication technologies
- Respectful and useful communications with employees and external service providers
- Satisfaction with building services, such as janitorial, elevator and laundry services
- The condition of common areas, such as resident lounges and outdoor spaces
- Experience with major capital work and resident-requested maintenance repairs
- How HYI can best support residents with administrative processes, such as rent payments and rent subsidy calculations, and connecting residents to other Regional services

To best meet the communication preferences of residents, the survey was available in English, Cantonese, Russian, Italian and Persian, and in a number of different formats, such as iPad, web link, telephone and paper-based. The survey also provided opportunities for residents to add comments to elaborate on their scored responses to the survey questions.

More than 40% of all HYI households responded to the survey. From a statistical perspective, HYI has a high degree of confidence in the representativeness of the results. Attachment 2 highlights survey results for the portfolio as a whole.

Overall, survey respondents were positive about their experiences with HYI; 89% said they would recommend their community if someone they knew was looking for rental housing and residents rated their interactions with HYI very favourably.

The survey was structured to enable HYI to analyze responses within each HYI community. For some questions, there was considerable variation in perceptions between communities. Examples of these variations include:

- Language preferences vary significant across the portfolio. While overall 28% of residents prefer to speak a language other than English, close to 100% of residents in some seniors buildings in northern communities responded that they prefer English while 45% of respondents in a seniors' building in Richmond Hill indicated that they preferred a language other than English.
- Communication preferences vary by community type. Respondents in seniors' buildings rated resident meetings highly as a preferred way to receive information from HYI. Residents in family sites expressed much less interest in meetings, preferring written communications.
- The survey included opportunities for residents to provide feedback on the common areas of their buildings and communities. Overall, most areas scored highly but there was some variation amongst properties. In townhouse properties, where residents and HYI have shared responsibility for outdoor spaces and garbage removal, the scores were generally lower than in apartment buildings where HYI is solely responsible. Elevator service ratings varied significantly and further analysis is needed to determine the relationship between resident responses, elevator service contracts and elevator modernization projects.

HYI's original survey response plan was for the summer student program to further explore individual community responses. The plan included comprehensive site inspections with an accessibility lens and targeted resident consultations at the property level. The student program depends on direct mentorship with HYI staff and team-based work in HYI properties. Given the impracticality of maintaining physical distancing in that context, the 2020 HYI summer student

program had to be cancelled. As part of continued efforts to support physical distancing, HYI suspended resident meetings. When safe to do so, HYI will meet with residents to review the survey results and seek clarification as needed. Over the summer months, HYI will complete a detailed review of the survey results at a property level and develop plans to provide opportunities for further resident input.

Housing development updates

Rose Town, City of Richmond Hill – balcony repairs and railing replacements

Rose Town is a six-storey seniors building. There are a total of 125 senior apartments at this facility. Construction work to repair balconies began in May 2020, and is expected to be completed in November 2020. A total of 107 balconies will be upgraded. Upgrades include the removal and replacement of concrete and reinforcement, coating of balcony surfaces, and the installation of new railings. Balconies are closed and secured during construction. All work is being performed from the exterior and access through the resident units is not required. Resident notices will provide tenants with up-to-date information regarding project schedules and activities. The balcony upgrades will give the building an updated appearance, and provide residents a safe and secure balcony area.

Kingview Court, Township of King – makeup air unit replacement

Kingview Court consists of 66 seniors' apartments. Construction to replace the makeup air unit is expected to be completed by the end of June 2020. The new makeup air unit will incorporate a cooling component that will provide cooling to the common areas of the facility. All work is limited to the roof and mechanical rooms, and can be safely completed with no access to resident units. Resident notices were delivered and posted in advance of the construction activities.

Unionville Seniors Affordable Housing Development, City of Markham – ongoing construction work

Shared site servicing through the Unionville Home Society is almost finished, with the remaining work to be completed over the summer. The general contractor continues work on the foundation, including vertical drilling, shoring, excavation and installation of tie backs.

COVID-19 precautions remain in place on site. This includes limiting site access to necessary workers, daily screening of workers for symptoms, practicing social distancing and enhanced cleaning of work areas.

Stouffville Affordable Housing Development, Town of Whitchurch-Stouffville – site plan application work continues

Site plan application work continues, with a second submission made to the Town of Whitchurch-Stouffville in late May. Architectural drawings are underway, which consider many sustainable features that will follow LEED Gold standards. Demolition of the existing commercial structures on site is scheduled to occur in late summer.

Kathy Milsom
General Manager

Attachments (2)

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