

MEMORANDUM

To: Directors of Housing York Inc. Board
From: Kathy Milsom, General Manager
Date: August 19, 2020
Re: Housing York Inc. Activity Update

Wearing face masks in all Housing York Inc. residential common areas is now mandatory

At a special York Regional Council meeting held on [July 30, 2020](#), Council endorsed the Medical Officer of Health issuing an instruction requiring the use of non-medical face coverings in common areas of condominium buildings, apartment buildings and other multi-residential buildings. The requirement came into effect on August 7, 2020. Residents and visitors must now wear masks or face coverings in enclosed public spaces at all Housing York Inc. (HYI) apartment buildings or townhouse sites, including laundry rooms, common rooms, elevators, hallways and lobbies. Previously, HYI had already directed employees and contractors to wear face coverings while working in the buildings.

Prior to the face mask requirement coming into effect, HYI delivered a door-to-door letter to every unit including instructions on how to properly wear a face mask. Additionally, residents were informed on how to obtain a face mask from York Region, reminded face masks and coverings are not a replacement for physical distancing and the importance of hand washing and monitoring their health. Residents were asked to show kindness to those not wearing masks, as some individuals may be exempt, such as children under the age of five, individuals with certain medical conditions and those who require accommodation under the Ontario Human Rights Code.

Notices have been posted in all common areas informing residents, guests and visitors that face masks or face coverings are required in all enclosed public spaces.

Arrears during COVID-19 remain higher than normal but have stabilized

As of July 31, 2020, residents owed \$181,176 in rent arrears, more than double the average amount owed in 2019. Rent arrears increased beginning in March but have stabilized at approximately 8% of monthly rental revenue.

The average number of HYI households with rental arrears increased from an average of 137 in 2019, to a high of just over 200 throughout the second quarter of 2020. With the partial resumption of the use of Landlord and Tenant Board notices beginning in June, the total number of households with arrears in July dropped below 200 for the first time since April to 178 households. Management continues to work with residents with arrears to arrange workable payment plans to help preserve tenancies.

Market tenancies are a key driver of the increase in arrears

COVID-19 has primarily impacted market rent arrears in HYI's working-age households. Seniors with stable pension income and subsidized households eligible for income-loss related rent reductions have largely continued to pay their rent. As shown in Table 1, the current number of market residents with rental arrears is more than 150% higher than it was this time last year. The number of subsidized households with rental arrears has increased by 30%. As of July 31, 2020, 13.3% of market tenancies and 4.5% of subsidized tenancies were in arrears.

Table 1
Year-over-year Comparison of Residents in Arrears in July

Number of residents in arrears	Market		Subsidized		Combined	
	July 2019	July 2020	July 2019	July 2020	July 2019	July 2020
Less than 30 days rent	21	28	22	10	43	38
More than 30 days rent	6	28	23	41	29	69
More than 60 days rent	1	13	8	16	9	29
More than 90 days rent	1	4	8	10	9	14
More than 90 days rent	2	5	16	23	18	28
Total residents in arrears	31	78	77	100	108	178

Most market rent households in arrears continue to work with Housing York Inc. to manage outstanding rent

HYI has engaged with most residents who have arrears to discuss their financial situations and establish repayment plans. Of the 78 market residents currently in arrears, most owe less than two months' rent and have worked with HYI to make payments as money becomes available. There are currently 26 market tenancies that either owe more than two months' rent, have not honoured their payment plans, expressed an inability or unwillingness to pay, or who have not communicated with HYI staff.

Housing York Inc. continues to work with residents to address their arrears

With the Province of Ontario's March 16 closure of the Landlord and Tenant Board, HYI suspended the normal practice of issuing a "Form N4-Notice to End a Tenancy Early for Non-payment of Rent" (N4 Notice) to all households who had not paid their rent as required. Most households bring their rental accounts into good standing after receiving an N4 Notice. The N4 Notice is the first of many steps in the eviction process. The household can stop the eviction process at any time by paying their arrears. Most households work with HYI to establish a payment plan immediately after receiving an N4 Notice. If they do not voluntarily establish a payment plan, HYI is often successful in obtaining an enforceable payment plan through a hearing at the Landlord and Tenant Board. Prompt implementation of payment plans helps households bring their rental accounts up to date in a timely way. As HYI works with residents to ensure that payment plans are manageable, in today's environment, longer repayment terms are expected for many of the households currently in arrears.

As noted in the Activity Update received by the Board on [June 3, 2020](#), HYI began sending N4 Notices in June to households that failed to communicate with HYI, defaulted on payment plans or that made no rent payments on high rental arrears. In June and July, HYI sent N4 Notices to 64 households.

Table 2 shows the 2020 monthly rent arrears, number of households in arrears and N4 Notices issued. Also included is the year-over-year, seven month averages for comparison.

Table 2
Monthly Rent Arrears Comparison

Period	Arrears as a Percentage of Rent Revenues	Households with Rental Arrears	N4* Forms Issued Monthly
2020 - January actuals	4.70%	137	87
2020 - February actuals	5.90%	154	76
2020 - March actuals	5.60%	161	38
2020 - April actuals	7.90%	201	0
2020 - May actuals	8.00%	207	0
2020 - June actuals	8.20%	200	20
2020 - July actuals	8.00%	178	44
2020 - January to July Average	6.90%	176	37
2019 - January to July Average	4.20%	137	71

* N4 Notices were suspended from mid-March until early June, reducing the monthly average of N4 Notices issued. HYI continues to work with residents to connect them to income supports and related resources to implement manageable payment plans.

Housing York Inc. will begin scheduling Landlord Tenant Board hearings to reduce the numbers further

Subsidized and market tenants will continue to be supported if their ability to pay rent is negatively impacted by COVID-19, and if they are willing to work and engage with HYI. This month, HYI will continue resumption of the pre-COVID-19 [Tenancy Management Policy](#). N4 Notices will be issued to all residents in arrears and applications will be filed for hearings at the Landlord and Tenant Board. In mid-August, hearings for non-urgent evictions began for those residents who can pay their rent but refused to do so, and residents who have entered into payment agreements but breached the agreement.

Bill 184 complements Housing York Inc.'s current tenancy management practices

Bill 184, the *Protecting Tenants and Strengthening Community Housing Act*, 2020 amends several pieces of legislation including the *Residential Tenancies Act*, 2006. At its meeting in September, Regional Council will be provided with an overview of the Bill's amendments to several pieces of legislation and its impact on Housing Services.

Highlights of the changes to the *Residential Tenancies Act*, 2006 include:

- At Landlord and Tenant Board eviction hearings, tenants must provide advance written notice of any new issues, such as unresolved maintenance issues, or explain why advance notice could not be provided
- Landlords and tenants are able to reach agreements, unmediated, prior to a Landlord and Tenant Board hearing and file the agreement at the Landlord and Tenant Board for enforcement. If the tenant does not meet the terms of the agreement (that is, repayment plan or change to behaviour issue), the landlord could apply for an eviction order without notice to the tenant
- The Landlord and Tenant Board will consider whether a landlord attempted to negotiate a repayment agreement between March 17, 2020, and a date to be set out in the regulation, before deciding on an eviction for non-payment of rent to mitigate the number of COVID-19 rent arrears evictions
- Landlords may now apply to the Landlord and Tenant Board for compensation for rental arrears, unit damage, and utility costs from tenants who have moved out within one year of the date the tenant left the unit. Previously, compensation from former tenants had to be pursued through Small Claims Court after a tenant moved out

As a responsible and caring landlord, HYI will continue to work with residents to prevent evictions and connect them to supports early in the process, as outlined in HYI's [Tenancy Management Policy](#). These efforts are generally successful. There were only three HYI evictions in 2019, in comparison to more than 850 N4 Notices issued. Throughout COVID-19, HYI continues to support residents by providing market and subsidized households information

on income support programs and help with completing associated applications. HYI continues to contact households with rent arrears to establish a sustainable payment plan and to emphasize the importance of paying before it become too difficult to catch up. The legislative amendments provides HYI with greater enforcement tools when breaches to agreements occur, and streamlines lengthy Landlord and Tenant Board processes which leaves tenants with increased arrears and at greater risk of eviction.

As permitted under the new legislation, through the Landlord and Tenant Board process, HYI will review internal procedures over the next few months and amend as necessary. These changes provide an opportunity to reduce bad debt write-offs. In 2019, bad debt right-offs totaled \$16,449.

Unit inspections support resident and unit safety

HYI continues to undertake a number of measures to contain the spread of COVID-19. Non-essential in-suite repairs continue to be deferred. When essential suite work is required, team members and contractors are screened, and wear personal protective equipment, as established by the Region's Employee Health and Public Health experts.

Each year, HYI enters each unit to conduct annual inspections to check on the operating condition of appliances, heating, plumbing, safety devices including window restrictors and smoke alarms, and to assess the general condition of unit. This year, due to the COVID-19 pandemic, HYI suspended annual unit inspections. HYI is now resuming the annual unit inspections; however, they are being conducted differently to ensure maintenance and safety standards are maintained, while limiting the amount of contact between team members and residents. Approximately two weeks before the inspection, residents receive a notice describing the inspection along with a COVID-19 screening questionnaire outlining the steps to take if a resident has symptoms or has been in contact with someone with COVID-19. A second notice provides a legal notice of entry and reminds residents of the screening requirements.

These measures allow HYI to fulfill the mandatory requirements ensuring residents' safety in their units during COVID-19, while still protecting residents, employees and vendors.

360°kids Program – Every Bite Matters

At the Richmond Hill Hub, 360°kids provides many programs for their clients including Every Bite Matters, a 16-week paid employment program for youth who face barriers to employment and have interest in culinary skill development. Participants are provided with certification opportunities for Smart Serve, Workplace Hazardous Materials Information System, Food Handlers and First Aid/CPR, as well as pre-employment workshops focused on job readiness and life skill development.

Every Bite Matters is a meal program where senior residents can gather and eat together. Pre-COVID-19, the program was held at the Richmond Hill Hub and Rose Town, both located in the City of Richmond Hill. Unfortunately these gatherings had to be suspended due to the

COVID-19 pandemic and, as a result, senior residents may be experiencing increased social isolation through their efforts to stay safe at home.

In response to COVID-19, program participants are delivering treat bags to senior residents, as a way of letting them know they are not forgotten by HYI and 360°kids' team members. In July, Every Bite Matters team members put together "Thinking of You" treat bags, filled with homemade cookies, jam and puzzles, which were delivered to residents' doorsteps.

Woodbridge Lane, in the City of Vaughan, continuing rent up process

After a slower than anticipated start to the rental process, leasing activities are progressing well. As of July 31, 2020, occupancy was 87% with 90 (82%) of the 110 subsidized apartments and 51 (98%) of the 52 market apartments leased. Most of the remaining subsidized apartments are modified for people with physical disabilities. Leasing these specialized units can take some time, as the number of units required under the Ontario Building Code, exceeds the number of eligible households on the Region's subsidized housing waiting list. Once the waiting list is exhausted, HYI works with community agencies who provide support services to lease the units to households who need the modifications.

The projected revenue shortfall for the current fiscal year for the Woodbridge Lane property is \$487,000. The shortfall is expected to be offset by higher rental revenue generated in the other portfolios. Rental revenues needed to sustain the building will be achieved over the long term.

Housing development updates

Oxford Village, Town of East Gwillimbury – gas emergency generator installation

Oxford Village consists of 36 seniors apartments and is located in Holland Landing. In September, installation of a new back-up generator will begin. The generator will provide power to the facility during power interruptions. Once complete, the new generator will provide power to the entire building including all resident units. Exterior work will continue until late fall 2020, weather permitting. Interior mechanical and electrical work will continue, with remaining exterior work to resume in the spring of 2021, including commissioning and testing of the new generator. Safety fencing will be installed to prevent unauthorized persons from entering the construction area. Resident meetings were held to provide an overview of the project and advance notice will be provided prior to any power interruptions at the time the final generator connections and commissioning are completed.

Maplewood Place, City of Richmond Hill – roof replacement and make-up air unit replacement

Construction to replace the flat roof system at Maplewood Place began in August 2020, and is scheduled to be completed in October 2020. The existing modified bitumen roof was installed in 2000. With a life expectancy of 20 years, replacement is required. The work includes removal of the existing roof system consisting of insulation boards, membrane, flashing and roof drains.

The new installation is a two-ply modified bitumen roof system which will include new membrane, insulation, flashing and roof drains.

Construction to replace the makeup air units at Maplewood Place will begin in September 2020 and is scheduled to be completed in November 2020. The existing units were installed in 1997. With a life expectancy of 20 years, they are in need of replacement. The new make-up air units will include both heating and cooling, and service all of the common areas.

There will be minimal impact to the residents. Notices providing project information and schedules for the work will be delivered to residents and posted in advance of the construction activity.

Springbrook Gardens, City of Richmond Hill – front entrance, rear patio and landscape upgrades

Springbrook Gardens is a family complex with a total of 93 townhouses. The work will include new porches, stairs, and a back patio area and new privacy fences at each townhouse. Construction will be completed in two phases. The first phase of construction of rear patio and privacy fencing work will start in the fall of 2020. The second phase of construction of front porch and stair concrete work will start in the spring of 2021. A notice has been sent to all residents to provide project information and schedules.

Fairy Lake Gardens, Town of Newmarket – exterior building enhancements

Fairy Lake Gardens is a thirteen storey building, consisting of 97 seniors' apartments, located at 468 Eagle Street in the heart of the Town of Newmarket, overlooking Fairy Lake. Construction of the building was completed in 1971.

Construction work to enhance the exterior of the building began in July 2019 and has been progressing towards planned construction completion by the end of November, with final landscaping to be completed next spring.

The status of the project includes:

Balcony repairs

- Railing and concrete removal, where necessary, has been completed
- Concrete repairs and weatherproof coatings are complete
- Installation of new railings and glass partitions are underway and are scheduled to be completed by September 30, 2020

Cladding enhancements

- New colour coating of the exterior insulation and finish system is underway and is scheduled to be completed in September

Window and door replacement

- Work has started and is scheduled to be completed by November 30, 2020

Landscaping

- New patio, planters and plantings are targeted to be completed this year; however, depending on the weather, might be completed in the spring of 2021

Resident notices are provided in advance of construction activities to ensure residents are aware of impacts and schedules. Overall, feedback from residents had indicated that they are looking forward to enjoying the improvements at their building.

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

Martinway, the general contractor for this project, continues work on the underground parking area, including building foundation work, excavation of soil, and moving of building materials with the main crane now erected on site. COVID-19 precautions remain in place. Shared site servicing through the Unionville Home Society is mostly finished, with minor works being completed by the contractor this fall.

In late July, the Ministry of Housing formally announced the approximately \$12 million in Social Infrastructure Fund dollars committed to this project. Several dignitaries at the provincial, regional and city level attended the event. The event highlighted the significance of collaboration between the three levels of government, as well as the commitment from the Region's various project partners, including Unionville Home Society, Martinway and Minto.

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

The site plan application approval process is nearing completion with the town's planning staff. A virtual Community Liaison meeting was held in July, and a virtual Public Information Centre will be hosted in September. Approval of the application is anticipated in the fall. Demolition of the existing commercial structures and corresponding site works are continuing throughout the summer, and will conclude in early fall.

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