

MEMORANDUM

To: Directors of Housing York Inc. Board
From: Kathy Milsom, General Manager
Date: October 15, 2020
Re: Housing York Inc. Activity Update

Working with partners to provide flu shot clinics for seniors

Getting a flu vaccine during this flu season is more important than ever due to the COVID-19 pandemic. A flu shot can support older adults in staying healthier during the winter season. The Region has partnered with Rexall Pharmacy to host flu shot clinics at five Housing York Inc. (HYI) communities where Community Home Assistance to Seniors is currently providing assisted living services.

Resident safety is top priority and all flu shot clinics will adhere to Public Health guidelines. Precautions will include physical distancing measures, directional signage, staggered appointment times, and enhanced cleaning of high touch points.

Flu shot clinics will be open to residents at Heritage East and Armitage Gardens in the Town of Newmarket, Hadley Grange in the Town of Aurora, Keswick Gardens in the Town of Georgina, and Dunlop Pines, Evergreen Terrace and Maplewood Place in the City of Richmond Hill. Flyers have been distributed to encourage seniors in these communities sign up for a flu shot.

Housing York Inc.'s Newmarket office is moving to 17150 Yonge Street in December 2020

HYI currently has an office at 1091 Gorham Street in the Town of Newmarket. Prior to closing to the public as a COVID-19 precaution, this location was routinely visited by members of the general public and residents accessing HYI services. In response to COVID-19, HYI now offers virtual appointments in lieu of in person interactions. Residents have also been encouraged to use the drop boxes located in their communities instead of bringing documents to the Gorham office.

As Housing Services will be relocating to the new Regional building at 17150 Yonge Street in early December, HYI is working with the Region to achieve a smooth transition and continuity of

service for residents. All Housing Services offices will close Thursday, December 3, 2020 and those employees who require time in the office in addition to remote work will begin settling into the 17150 Yonge Street office on Tuesday, December 8, 2020. The Region is also assisting with a communication plan to ensure residents and vendors are informed of the new office location.

Woodbridge Lane, in the City of Vaughan, leasing is nearing completion, with only barrier free units remaining

HYI's vision is to be a leader in affordable housing, building inclusive communities that everyone would be proud to call home. Consistent with this vision, and in compliance with the Ontario Building Code, new buildings include barrier free units modified for people with physical disabilities. HYI makes best efforts to offer these units to people who will benefit from the accessibility modifications. Woodbridge Lane has 35 barrier free units. Market rent households with accessibility needs had the opportunity to select barrier free units. Units were also offered to all households on the Region's barrier free subsidized housing wait list that had requested housing at Woodbridge Lane. As of October 1st, 19 barrier free units remained available for lease. All other units at Woodbridge Lane have been rented. The remaining units will be leased through two separate processes.

Some people with disabilities need both an affordable home and supports from a community agency to live independently in the community. HYI has supportive housing partnerships with six community agencies in various family and mixed occupancy properties where HYI provides affordable rental units and the agencies provide support services. In these arrangements, the agency selects the residents who will live in the units, based on the residents' need for the agency's support services.

Agencies often have difficulty finding good quality, accessible and affordable rental housing for their clients. In the interest of fairness, HYI distributed a leasing opportunity information package to all existing supportive housing partners, Regionally funded agencies with supportive housing experience, as well as agencies who had contacted the Region to express interest in Woodbridge Lane. HYI received multiple proposals and is currently working with selected agencies to formalize leasing arrangements.

As the subsidized housing wait list for barrier free units at Woodbridge Lane has been exhausted, HYI also informed agencies of the opportunity and encouraged them to assist clients in applying through the Region's housing access centre. HYI expects that the building will be fully leased by the end of the year.

Housing York Inc. has partially resumed normal rent collection processes

HYI's normal rent collection process has multiple steps:

- Step 1: HYI sends a Form N4 – Notice to End a Tenancy Early for Non-Payment of Rent (Form N4) to all households with rent arrears unless a repayment agreement is in place.

Most households respond to a Form N4 by bringing their rental accounts into good standing or contacting HYI to discuss payment plan options and potential income supports.

- Step 2: If a household does not respond to the Form N4, HYI files an L1 – Application to Evict a Tenant for Non-Payment of Rent and to Collect Rent the Tenant Owes (L1 Application). The household is notified that the application has been filed and informed of the hearing date. Households often follow-up with HYI in response to the L1 Application, enabling HYI to cancel the hearing.
- Step 3: At a hearing, the Landlord and Tenant Board can approve an enforceable payment plan or may order an eviction. HYI does not enforce an eviction if the household brings their rental account into good standing.
- Step 4: In very rare instances, HYI might enforce an eviction and require a household to move out. HYI enforced only three evictions in 2019.

Normal rent collection processes were initially suspended in response to COVID-19. HYI stopped issuing Form N4 notices in April. Beginning in June, HYI issued Form N4 notices only to households that were unresponsive to HYI's attempts to contact them to discuss their rent arrears or that were not making reasonable efforts to pay rent. From June through September, 120 households received Form N4 notices and, of those, seven have been receiving a notice every month. These seven households are struggling to pay their rent on time, but they do eventually pay and never fall more than one month behind. Most of the remaining residents have either paid their rent in full, negotiated repayment plans or are providing documentation to support rent adjustments.

The Landlord Tenant Board processes have resumed but are seriously backlogged

Eleven households have either been unresponsive to HYI's communications or have indicated they are unable or unwilling to pay their rent. The Landlord and Tenant Board reopened in August and HYI has filed L1 Applications for hearings for these 11 households to address the arrears.

In September, HYI began receiving acknowledgements from the Landlord and Tenant Board about L1 Applications submitted prior to the COVID-19 LTB closure. Some of these matters are still outstanding. As of early October, the Landlord and Tenant Board had not scheduled hearing dates for any of the pre-COVID or recent hearing applications.

The Landlord and Tenant Board is also changing the way it operates, taking a digital-first approach which means they will only conduct video, telephone and written hearings where feasible. Limited in-person proceedings are scheduled in response to accommodation requests. Very complex matters may also be scheduled for in-person proceedings on a case-by-case basis. In-person proceedings are held in Toronto, the closest of the three locations designated for York Region.

HYI's normal rent collection processes effectively balance arrears management and eviction prevention. The economic impact of COVID-19 combined with the disruption of Landlord and Tenant Board rent collection processes resulted in a significant increase in arrears. In 2019, arrears averaged less than \$90,000; in 2020, arrears have stabilized at approximately double the norm, totaling \$188,000 at the end of September. With on-going Landlord and Tenant Board delays, arrears are likely to remain at current levels for the near term.

The provincial rent freeze is expected to financially impact Housing York Inc.'s 2021 revenues

In October 2020, *Bill 204, Helping Tenants and Small Businesses Act, 2020*, received Royal Assent allowing amendments to the *Residential Tenancies Act, 2006* to freeze rents at 2020 levels for most tenancies in 2021, including households receiving rent-geared-to-income (RGI). Rent increases would be permitted under limited circumstances, such as cases where landlords and tenants agree on rent increases for specific capital expenses or provision of additional services.

Although regulations have not yet been developed, it appears this freeze will impact most private-market tenants, as well as residents of HYI and other community housing providers, including households receiving RGI. Typically, housing providers adjust rents based on changes in household income. Under the proposed rent freeze, RGI households that experience a decrease in income will have their rents decreased, but housing providers will be unable to increase rents if a household's income increases.

The rent freeze may create financial pressure for HYI as revenues will be restricted to 2020 levels. Based on information to date, it is estimated that the rent freeze will result in \$171,000 of lost revenue for HYI in 2021.

Housing Services team members are continuing to work with the Province of Ontario to understand the full impact of the rent freeze on community housing residents and housing providers. This measure will also have financial impacts for Service Managers. Additional details will be provided, as they become available.

Housing development updates

Maplewood Place, City of Richmond Hill – roof replacement

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

Kingview Court, Town of King – parking lot replacement

The existing parking lot was showing significant heaving and severe cracking, which was unexpected as it was last replaced in 2011 with the new building addition. An assessment revealed the sub-surface material was in poor condition which was causing the issues.

In 2019, there were two parking related questions on the resident survey. Of the Kingview Court residents who responded to the survey, 91% said the parking lot was well lit but only 22% said the parking lot was in good condition. As such, the replacement also responded to the resident survey, as residents identified parking lot repairs as a priority.

Construction to replace the parking lot began in June 2020 and was completed in November. The construction work was carried out in phases to minimize the impact on resident parking.

The scope of work included the removal and replacement of the subsurface materials, installation of a new weeping tile drainage system, and replacement of the asphalt, concrete curbs, and the concrete front entrance and walkway. The parking lot will have new lines painted to ensure the parking spaces comply with Accessibility for Ontarians with Disabilities Act requirements, and will be completed by end of November.

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

Martinway, the general contractor for this project, continues to progress with work on the underground parking area, including building foundations, columns, waterproofing, excavation of soil and moving of materials. The project team and the contractor have identified opportunity for enhancements to certain building components, such as triple glazed windows and a centralized heating control system, to both extend the overall lifecycle of the building and reduce operating costs. Shared site servicing and a new driveway through the Unionville Home Society area are nearly complete, with final asphalt and landscaping to be completed this fall.

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 of Whitchurch-Stouffville's planning staff. A virtual public information process was launched in September, including a short video explaining the project, design elements and project schedule. The public had the opportunity to complete an online survey to provide feedback. Approval of the planning application is anticipated before winter. Demolition of the existing commercial structures has begun and will conclude in November.

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General Manager

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