



July 2019 Performance Report: CEO's Operational Performance Measures

Item 3B

September 12, 2019

Board of Directors

Report: TCHC:2019-28

To: Board of Directors (the "Board")

From: President and Chief Executive Officer

Date: September 12, 2019

PURPOSE:

This report provides high-level performance information on key areas of Toronto Community Housing's operations.

RECOMMENDATION:

It is recommended that this report be received for information.

OVERVIEW:

An explanation of significant variance is included in the report which speaks to changes that have taken place between June 2019 and July 2019 and between July 2018 and July 2019.

IMPLICATIONS AND RISKS:

Performance reports are a communication tool between management and the Board that demonstrate the organizational priorities, monitor the way business is done and help us improve our service to tenants. Regular reporting on performance ensures that we are on track to meet our organizational priorities. It is critical for the Board to understand how the company is doing against key operational measures.

SIGNATURE:

Kevin Marshman

President and Chief Executive Officer

ATTACHMENT:

1. July Performance Measures

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Item 3B – July 2019 Performance Report – CEO’s Operational Performance Measures
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Attachment 1: July Performance Measures

Operations

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
# of tenant calls to CCC	101,173	26,897	86,149	34,733	↑ 29.1%	34,658	↑ 0.2%
# of maintenance work orders generated from tenant calls	67,883	22,324	66,739	27,058	↑ 20.5%	N/A	N/A
# of administrative requests generated from tenant calls	107,374	9,138	103,510	38,320	↑ 13.5%	N/A	N/A
# of emergency calls (TPS, TFD, CSU, EMS)	19,899	5,951	19,477	7,271	↑ 22.2%	7,071	↑ 2.8%
# of elevator calls	8,852	2,712	8,475	3,142	↑ 15.9%	11,592	↓ -72.9%
# of elevator service requests	2,053	718	2,054	836	↑ 16.4%	953	↓ -12.3%
Routine requests: % closed within 5 days	71.5%	74.6%	74.6%	72.0%	↓ -3.5%	71.2%	↑ 1.1%
Administrative requests: % closed within 2 days	84.3%	80.8%	80.8%	81.2%	↑ 0.6%	81.0%	↑ 0.3%

Attachment 1: July Performance Measures

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
# of Demand Roach Treatments	3,463	948	3,181	1,279	↑ 34.9%	1,236	↑ 3.5%
# of Demand Bedbug Treatments	5,697	1,865	6,022	1,868	↑ 0.2%	1,335	↑ 39.9%
# of Demand Mouse Treatments	3,231	964	3,839	667	↓ -30.8%	502	↑ 32.9%
# of Preventative Pest Treatments	2,778	1,589	3,159	1,114	↓ -29.9%	1,042	↑ 6.9%

Client Care Centre

Calls and service requests to the Client Care Centre increased between June and July. Overall June saw a lower number of calls than in previous months. When further investigated, it was found that June 2019 experienced a lower number of service disruptions than had occurred during the same month for the previous three years. The July 2019 results are a return to the norm for calls seen throughout the first half of the year and are in line with the July 2018 results.

Elevator service requests

Elevator service requests come in for elevators that are out of service as well as for maintenance and other items that are required outside of an elevator being out of service. For this reason, there will be variances in the number of service requests from month to month based on factors such as proper scrutinizing of after-hours service requests, the number of inspections completed by Facilities Management elevator inspectors, the scheduled maintenance completed by elevator service companies

Attachment 1: July Performance Measures

and elevators being replaced as part of the capital upgrade program. The Facilities Management elevator team reviews the number of service requests on a monthly basis to determine if there are any trends that need to be further investigated. A review of the July numbers found that there was nothing notable with July’s service calls.

Demand cockroach treatments

In July an increased number of building clean-outs took place, which involves treating an entire building to resolve a pest problem. As a result, the number of demand roach treatments was 34.9% higher in July than in June 2019. The prevalence of pests is monitored on an ongoing basis to identify trends, which are compared against an established threshold. When a buildings exceeds the threshold, the process for a full building clean-out is initiated. In addition to the pest treatment, staff engage with tenants to provide education on how to prevent pests from reoccurring. Buildings that receive a full treatment are covered by an extended warranty from the vendor who will conduct additional treatments if needed for up to six months at no additional cost to TCHC.

Occupancy

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
RGI: Vacancy rate	2.26%	2.66%	2.66%	2.79%	↑ 4.7%	2.15%	↑ 29.6%
Market: Vacancy rate	1.09%	0.97%	0.97%	0.92%	↑ 1.23%	-5.1%	↓ -25.5%

Attachment 1: July Performance Measures

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
Rentable vacant units	1,205	1,406	1,406	1,468	↑ 4.4%	1,166	↑ 25.9%
Non-rentable vacant units	2,717	2,168	2,168	2,085	↓ -3.8%	2,359	↓ -11.6%

RGI vacancy rate

The RGI vacancy rate increased month-over-month and year-over-year. This increase is in line with the increase in rentable vacant units, which is the result of the Medical and Safety at Risk (MSAR) units and other units on hold being released from hold over the past several months.

**Arrears: TCHC Portfolio
(including Seniors Housing Unit Portfolio)**

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
Total arrears (\$ million)	\$14.66	\$15.19	\$15.19	\$15.40	↑ 1.4%	\$13.72	↑ 12.3%
Total arrears - # of households	9,748	10,080	10,080	9,900	↓ -1.8%	9,719	↑ 1.9%

Attachment 1: July Performance Measures

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
Rent and parking (\$ million)	\$9.01	\$9.33	\$9.33	\$9.44	↑ 1.2%	\$8.48	↑ 11.3%
Retroactive (\$ million)	\$4.85	\$5.01	\$5.01	\$5.05	↑ 0.7%	\$4.50	↑ 12.3%
Others (\$ million)	\$0.81	\$0.85	\$0.85	\$0.92	↑ 7.7%	\$0.74	↑ 24.2%
Arrears Aging ¹ 30 days or Less (\$ million)	\$2.95	\$3.09	\$3.09	\$3.07	↓ -0.8%	\$2.86	↑ 7.3%
Arrears Aging 31-60 days (\$ million)	\$1.52	\$1.53	\$1.53	\$1.59	↑ 4.3%	\$1.41	↑ 13.0%
Arrears Aging 61-90 days (\$ million)	\$1.02	\$1.02	\$1.02	\$1.07	↑ 4.2%	\$0.93	↑ 14.6%

¹ Arrears aging data is calculated by dividing a tenant’s rent and parking arrears balance by their current rent charge to determine the approximate number of months over which the arrears has accumulated. This measure does not include retroactive or other arrears. Monthly payments are automatically put towards a tenant’s current month’s rent charge and only after this has been paid in full will any excess payment be put towards their arrears balance.

Attachment 1: July Performance Measures

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
Arrears Aging 91-120 days (\$ million)	\$0.74	\$0.75	\$0.75	\$0.77	↑ 2.6%	\$0.67	↑ 15.2%
Arrears Aging over 120 days (\$ million)	\$2.78	\$2.93	\$2.93	\$2.94	↑ 0.4%	\$2.61	↑ 12.7%
Arrears due to loss of subsidy (\$ million)	\$1.48	\$1.62	\$1.62	\$1.70	↑ 5.3%	\$1.67	↑ 2.3%
Repayment agreements (\$ million)	\$3.76	\$3.91	\$3.91	\$3.94	↑ 0.8%	\$3.33	↑ 18.3%

Arrears

Since the beginning of 2019, there have been nominal increases in the number of units with arrears, accompanied by growth in the average value of arrears per unit. This indicates a delayed delivery of the arrears collection process at each stage.

For rent and parking related arrears on a year-over-year basis:

- Rental charges are increasing nominally (6%) and having a proportional impact on arrears when rent is unpaid.

Attachment 1: July Performance Measures

- Nominal increases in the number of units at the N4 stage (first step in legal process) are offset by a reduction in the average arrears owed (i.e. the group of tenants at this stage have smaller balances owing that they will likely catch up on in the first 30-60 days). N4s are still not being consistently served within the first month.
- An 18% increase in the value of arrears with repayment agreements (among only a 6% increase in the number of units) is an indication of delays between the initial accumulation of arrears and the negotiation of repayment agreements. Additional factors include the year-over-year change in:
 - the rate of breached agreements; and
 - the rate of rental charges respective to these tenants (up by 10%).
- Units reaching the Landlord and Tenant Board (LTB) stage (i.e. eviction application) are up 18% along with the average value of the arrears (31%), which further indicates a delay in managing applications to the Board. Additional factors include:
 - Long wait times to secure a hearing date due to hiring freezes at the Provincial level;
 - LTB adjudicator propensity to grant adjournments to TCHC tenants; and
 - LTB preference to mediate arrears cases for TCHC tenants, generally.
- Eviction rates continue to decline as management enter into mediated settlements for arrears as a lever to preserved TCHC tenants’ housing.
 - The value of cases going to the LTB are increasing, further underscoring delayed process management.
 - Mediated settlements are up 8% while the number of orders being granted are down nearly 20%.

For retroactive charge-related arrears on a year-over-year basis:

- Outstanding Annual Rent Review rates remain low (>5%) and relate to higher rates of discovery of undeclared income that precipitate retroactive charges.

Attachment 1: July Performance Measures

- There has been a 14% increase in arrears related to one-time charges posted to tenant accounts.
- There is a higher frequency of retroactive charges related to income changes that are unique to seniors’ income situations, and the number of seniors in TCHC continue to grow as they age in place.

Management Actions:

As part of the approved business strategy for 2019, TCHC is presently conducting a comprehensive review of the arrears collection process in collaboration with our labour partner (CUPE 79) and the Office of the Commissioner of Housing Equity (OCHE).

The review will seek to address the identified challenges within the current collection process (most of which lead to a delayed delivery of each collection step) with a view to recommending changes to both the collection process itself, as well as the operational service model that may more optimally carry out the collection steps.

Management anticipates completing the review in September and presenting change recommendations in collaboration with OCHE in October.

Arrears: Seniors Housing Unit (SHU) Portfolio

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
Total arrears (\$ million)	\$1.78	\$1.86	\$1.86	\$1.88	↑ 0.8%	\$1.81	↑ 3.9%
Total arrears - # of households	980	1,022	1,022	1,025	↑ 0.3%	1,019	↑ 0.6%
Rent and parking arrears (\$ million)	\$0.97	\$0.99	\$0.99	\$1.03	↑ 3.0%	\$0.97	↑ 5.6%
Retroactive arrears (\$ million)	\$0.76	\$0.80	\$0.80	\$0.79	↓ -2.0%	\$0.77	↑ 2.2%
Others (\$ million)	\$0.053	\$0.062	\$0.062	\$0.063	↑ 0.2%	\$0.065	↑ -3.3%
Arrears Aging 30 days or Less (\$ million)	\$0.24	\$0.25	\$0.25	\$0.26	↑ 1.5%	\$0.24	↑ 9.0%
Arrears Aging 31-60 days (\$ million)	\$0.13	\$0.13	\$0.13	\$0.15	↑ 14.1%	\$0.13	↑ 14.5%
Arrears Aging 61-90 days	\$0.099	\$0.096	\$0.096	\$0.11	↑ 9.3%	\$0.096	↑ 9.9%

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Attachment 1: July Performance Measures

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(\$ million)							
Arrears Aging 91-120 days (\$ million)	\$0.081	\$0.079	\$0.079	\$0.84	↑ 4.6%	\$0.079	↑ 5.7%
Arrears Aging over 120 days (\$ million)	\$0.410	\$0.431	\$0.431	\$0.425	↓ -1.3%	\$0.425	0.0%
Arrears due to loss of subsidy (\$ million)	\$0.038	\$0.038	\$0.038	\$0.049	↑ 30.7%	\$0.036	↑ 37.5%
Repayment agreements (\$ million)	\$0.49	\$0.55	\$0.55	\$0.52	↓ -5.1%	\$0.53	↓ -1.6%

Arrears

Overall arrears has continued to increase slightly both month-over-month and year-over-year, however the growth rate has slowed and in some categories arrears have begun to decrease. Retroactive arrears decreased between June and July 2019 by 2%.

Looking at aging of arrears data, the greatest increase in arrears occurred in arrears aged 31 to 90 days, while at the same time arrears aged over 120 days has remained the same between July 2018 and July

Attachment 1: July Performance Measures

2019. A greater number of tenants in the Seniors Housing Unit are falling into arrears, however staff are successfully able to work with tenants to resolve their arrears early on.

Arrears due to loss of subsidy (LOS)

Arrears due to LOS has increased by 30.5% between June and July 2019. LOS usually occurs as a result of a tenant not providing information required to conduct their Annual Income Review. Once the proper documentation is provided the LOS is reversed. Further analysis is required to determine whether this increase is the result of a one-time increase in the issuance of LOS or part of an ongoing trend.

Community Safety

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
Crimes against property	181	88	313	112	↑ 27.3%	69	↑ 62.3%
Total Crimes against person (CAP)	205	104	284	122	↑ 17.3%	98	↑ 24.5%
CAP- Non-violent Incidents	102	52	151	59	↑ 13.5%	56	↑ 5.4%
CAP- Serious Violent Incidents	103	52	133	63	↑ 21.2%	42	↑ 50.0%
Fire Incidents	36	13	34	13	0.0%	12	↑ 8.3%

Attachment 1: July Performance Measures

Crimes against property

Between July 2018 and July 2019 there has been a 62% increase in crimes against property. This is consistent with the trend that has been seen since the beginning of 2019; to date there have been 39% more crimes against property reported than last year. This trend is attributed to tenants feeling more empowered to report property crimes as a result of increased confidence in the Community Safety Unit (CSU) and comfort in reporting. In law enforcement, citizens stop reporting crimes to their property when they feel that they may face repercussions from offenders and/or when they do not feel the matter will be acted upon. When new initiatives begin and individuals start seeing more uniform presence, they feel more confident in reporting crime. CSU has been working to increase the visibility and familiarity of Special Constables in TCHC communities through:

- the Broader Dan Harrison Pilot Project, which has 24/7 Special Constable presence;
- new CSU Special Constable Community Assignments, which sees Special Constables dedicated to assigned communities within their patrol zones;
- the new CSU Deployment model, which has increased the number of Special Constables in each platoon;
- two dedicated CSU Special Constables to the Toronto Police Service (TPS) Neighbourhood Officer Program; and
- enhanced joint patrols with TPS officers and CSU Special Constables.

Greater confidence in reporting typically leads to a spike in reporting, which levels off to what would become the new norm after a period of time. The monthly crimes against property will continue to be monitored for a levelling off, which will be used to establish the new short-term baseline, which CSU efforts will reduce moving forward.

Attachment 1: July Performance Measures

Crimes against person

Total crimes against persons increased by 24% and serious violent incidents increased by 50% between July 2018 and July 2019. This increase may be due to tenants feeling more comfortable reporting crimes to CSU, however the July 2018 to July 2019 comparison is not consistent with results seen in Q1 and Q2. As a result, it is too early to determine whether this is a new trend or an anomaly in the monthly result. Up until the end of Q2 2019, there had been an overall decrease of 6.7% and 24.1% in crimes against persons and serious violent incidents over the 2018 results.

With changes such as increased staffing at Dan Harrison and transitioning from guards to special constables, we will be monitoring the operational performance measures closely to determine trends and impact of the changes.

Fire incidents

Between Q1 2019 and Q2 2019, there was a 6% decrease in fire incidents. Specifically, the decrease can be attributed to the following: decrease of careless smoking fire incidents, decrease of garbage chute fire incidents and decrease of incidents involving children playing with fire. However in comparing July 2019 with July 2018, there was an 8.3% increase in this specific month due to an increase in incidents related to arson and cooking fires. As well, there was an increase in fire incidents in high-rise buildings, while there was a decrease in fire incidents in low-rise buildings and townhomes.

Over the last year, Corporate Fire Life Safety (FLS) has worked closely with the Community Safety Unit to address arson through timely investigations and implementation of targeted initiatives (e.g. conducting safety assessments, installation of security cameras). As well, Corporate FLS continues to implement the monthly tenant poster campaign that informs tenants on fire prevention practices, with the most recent posters focusing on outdoor burning and safe cooking. Lastly, Corporate FLS has initiated "pop-

Attachment 1: July Performance Measures

up" on-site fire safety information sessions for tenants, which coincide with the delivery of on-site staff training for that particular building.

Tenant Support

Measure	Q1 2019	June 2019	Q2 2019	July 2019	Variance June 2019 - July 2019	July 2018	Variance July 2018 – July 2019
Total monthly count of tenants referred to Access and Support	1373	338	1203	528	↑ 56.2%	527	↑ 0.2%
Number of referrals to external support	1112	309	1193	407	↑ 31.7%	371	↑ 9.7%

Tenants referred to Access and Support

Extended support was provided to tenants during elevator outages at 790 Eglinton Ave. W. and 530 Kingston Road, leading to an increase in files opened under "Residents Requesting Support" and "Support for Relocation". Community Services Coordinators also provided resources to tenants at 145 Strathmore through Homes For Good funding.

Referrals to external supports

As annual unit inspection files continue to be processed and referred to Tenant and Community Services, tenants are being referred to support, leading to a small increase in files referred to support.