Regional Restart



Item 2 March 24, 2022 Board of Directors

Report: TCHC:2022-15

To: Board of Directors (the "Board")

From: Sheila Penny, Chief Operating Officer

Date: March 24, 2022

PURPOSE:

This report aims to inform the Board on TCHC's Regional Restart Plan.

RECOMMENDATIONS:

It is recommended that the Board receive this report for its information.

BACKGROUND:

In March 2020, TCHC activated its Emergency Operations Center (EOC) in response to the growing COVID-19 pandemic. The TCHC EOC aligned with the broader City of Toronto Emergency Response and was focused on coordinating pandemic response and recovery activities to protect the health and wellbeing of its tenants and staff while continuing to provide essential communities. Consistent with Public Health support our recommendations, TCHC closed its Regional and Service Hub offices to walk-in visitors and shifted many operations to emergency teleworking. While staff continued to meet with tenants for wellness checks and referrals to supports, in-person tenancy management activities and many other services available through the local Regional teams were substantially modified or paused.

IMPACT OF THE PANDEMIC:

Tenants have continued engaging their local Tenant Services Coordinator (TSC) on issues impacting their tenancy throughout the Covid-19 pandemic. While most interactions with tenants have been completed via telephone or email, some interactions require in-person visits completed by appointment only. While Tenants and Staff adapted well overall to emergency service delivery, this did create added complexity in managing some key areas.

Vacancies

The COVID-19 pandemic has posed significant challenges for supply chains globally. The supply-chain issue also affected TCHC's unit-turnover process. Additionally, lockdowns and outbreaks directly impacted unit viewings, acceptance and lease signing activities.

TCHC, with the support of the City of Toronto, initiated programs to limit the growing vacancy numbers on ready-to-rent units during the pandemic through:

- Virtual rental campaigns;
- Rapid rehousing; and
- Suspending housing to over-housed households.

Arrears

In December 2020, TCHC was instructed via City Council to initiate an eviction moratorium for arrears. In June 2021, this Moratorium was extended by the President and CEO until the start of the 3rd stage of the provincial reopening plan. Over the latter half of 2021, TCHC observed a substantial increase in arrears for non-payment of rent. Upon further review, the increase was disproportionately driven by a subset of tenants who had stopped paying their rent.

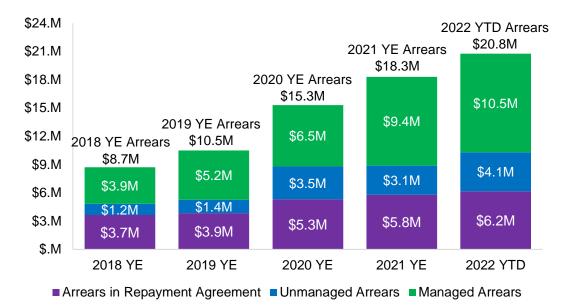


Figure 1: Arrears by category (2018 YE – 2022 YTD)

RETURN OF SERVICES:

In February 2022, the Province of Ontario reported a stabilization and decline in COVID-19 related cases. The Province of Ontario and the City of Toronto initiated a phased recovery framework to restore services through lifting restrictions that include lifting capacity limits, ending vaccination passports, and restarting vital city services. Through the TCHC EOC Business Recovery work, staff have worked with Toronto Public Health to establish and review a Recovery Plan targeting the safe restoration of services that most impact our tenants and communities. This plan focuses on restoring service delivery at a Regional and Service Hub level.

On March 7, 2022, TCHC prepared and reopened its community spaces for community use, allowing for vital programming and services to be delivered to tenants.

Reopening of Regional and Hub Service Offices

Regional tenancy management teams will officially be returning to offices full-time, starting on April 4, 2022. Through this period, local teams will ready their office spaces and prepare for the full opening of the offices on April 19, 2022. The reopening of the Regional and Service Hubs to walk-in visitors will allow for restoration of all key service delivery to tenants, including:

- In-person leasing;
- Unit showings;

- Tenant meetings; and
- Other tenancy management activities.

Arrears

TCHC has initiated an in-depth review of all households with arrears for non-payment of rent to inform an eviction restart plan that will prioritize households that meet the following criteria:

- Tenant reported income demonstrating an ability to pay rent through the Annual Rent Review process;
- Tenant is not forthcoming on income for a prolonged period;
- Tenant has displayed sporadic or consistent non-payment of rent;
- Tenant is a minimum of \$10K in arrears;
- Tenant displays progressively increasing arrears;
- Tenant file has been reviewed by OCHE;
- Tenant has received eviction order; and
- Imminent order expiry.

As a result of the review, TCHC has identified nineteen (19) cases of households that have, habitually, not paid their rent for a prolonged period, resulting in \$554,552 in arrears. Individual arrears range from \$11K to \$47K per household. Based on the severity of these arrears, TCHC will resume legal action, starting with the identified cases.

Upon issuing an eviction order, consistent with TCHC policy and procedures, the household will be engaged in establishing an eviction landing plan. TCHC staff engage each household on multiple occasions prior to the eviction proceeding with the goal of:

- 1) Providing a final opportunity to resolve the arrears;
- 2) Identifying immediate and post-eviction support needs;
- 3) Identifying short term housing/shelter needs; and
- 4) Providing access to resource listings and referrals.

As TCHC aims to ensure tenants remain in their homes, TCHC will use a triaged and staggered approach that ensures that tenants receive the appropriate level of engagement and support. TCHC staff will place an emphasis on outreach and seek to ensure that a plan to provide supports is in place, if required.

Vacancies

TCHC continues to work with the Service Manager at the City of Toronto to address the growing number of vacancies. Continued delivery of programs such as Rapid Rehousing and the transition into Choice Based letting may provide the opportunity to stabilize and reduce vacancy rates. TCHC and the Service Manager continue to meet regularly to review and problem solve.

It is recognized that the COVID-19 pandemic continues to impact the community. TCHC regularly meets with Toronto Public Health to review public health guidelines and is prepared to additional action measures as may be required.

IMPLICATIONS AND RISKS:

As TCHC reintroduces in-person services for tenants, it needs to address reopening in a manner that responds to the significant challenges that the COVID-19 pandemic has presented for both TCHC and its tenants. TCHC needs to take steps to reverse the impact that the pandemic has had on its supply-chain in order to reduce vacancies in its portfolio and the time required for unit turnover. Similarly, as TCHC exits the COVID-19 pandemic it needs to adopt a strategic approach to address an increasing volume of rent arrears through a balanced, triaged and staggered approach that ensure that when eviction is necessary, tenants are engaged and supported through the process, if required.

SIGNATURE:

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