

# TORONTO STAFF REPORT

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August 26, 2004

To: Tenant Defence Sub-Committee and Community Services Committee  
From: Commissioner of Community and Neighbourhood Services  
Subject: New Provincial Rent Bank Program

Purpose:

To propose a new Provincial Rent Bank program and request authority for the Commissioner of Community and Neighbourhood Services to enter into a grant agreement with the Minister of Municipal Affairs and Housing to access provincial funding for the new program, and also authority to enter into service agreements with community agencies to deliver the new program.

Financial Implications and Impact Statement:

The Ministry of Municipal Affairs and Housing has provided the City with \$2,174,833.00 in one-time funding for a new rent bank program. The funds and any interest earned on the funds are to be expended over the next two-years. There is no new net cost to the City. Approval of a grant agreement with the Minister of Municipal Affairs and Housing is required before funds can be accessed.

Once approved, the provincial funds would be provided to the community agencies that deliver the existing City of Toronto Rent Bank Program in 8 equal quarterly payments over the period from October 1, 2004 to September 30, 2005 for the initial year and from October 1, 2005 to September 30, 2006 for the second year.

The quarterly payments would be disbursed as follows:

- (a) Funding for 2004 would be \$271,854.125 for the first quarter (October 1 – December 31, 2004), payable October 1, 2004. This includes \$36,187.00 that would be transferred from the provincial rent bank grant account to the Health and Safety Fund portion of the City of Toronto Homeless Initiative Fund to replace the emergency funds advanced to the Toronto Rent Bank for its July-September payment, subject to Council approval of Recommendation No. 5 of this report;

- (b) Funding for 2005 would total \$1,087,416.50 in four quarterly payments, beginning January 1, 2005; and
- (c) Funding for 2006 would total \$815,562.375 for three quarterly payments. Interest earned on the provincial rent bank grant over the two-year period would be included with the third-quarter payment.

The 2004 Operating Budget will be adjusted by \$271,854.125 gross and \$0 net. The 2005 disbursements and 2006 disbursements will be incorporated into future budget submissions.

The Chief Financial Officer and Treasurer has reviewed this report and concur with the financial impact statement.

Recommendations:

It is recommended that:

- (1) The Commissioner of Community and Neighbourhood Services be authorized to execute the Provincial Rent Bank Grant Agreement on behalf of the City of Toronto with the Minister of Municipal Affairs and Housing for administration of the Provincial Rent Bank Program for the period October 1, 2004 to September 30, 2006;
- (2) The Commissioner of Community and Neighbourhood Services be authorized to execute an agreement with Neighbourhood Information Post and six other access centres listed in Appendix A to administer the Provincial Rent Bank Program for the period from October 1, 2004 to September 30, 2006, and to allocate all available provincial funding, including interest, over the two year period in quarterly instalments;
- (3) Council approved the program design and implementation strategy substantially as detailed in Appendix B;
- (4) Council approve families with children, couples without children, and singles as eligible for participating in the Provincial Rent Bank Program, subject to the same eligibility criteria and loan repayment policy that apply to the existing Toronto Rent Bank Program;
- (5) The Commissioner of Community and Neighbourhood Services be authorized to transfer \$36,187.00 from the provincial rent bank grant account to the Health and Safety Fund portion of the City of Toronto Homeless Initiatives Fund to replace the emergency funds advanced to the Toronto Rent Bank for its July 1- September 30, 2004 quarterly payment;
- (6) Council request that the Minister of Municipal Affairs and Housing commit long-term funding of the Provincial Rent Bank beyond 2006, that any future funding allocation take into consideration the greater need for such assistance in communities where there is a larger tenant population, and that the cap on administrative funding be increased to reflect the actual cost of delivering the program;

- (7) Shelter, Housing and Support Division staff be directed to work with landlord organizations, including the Greater Toronto Apartments Association and the Landlord Self-Help Centre, to develop options for increased landlord participation and support of the rent bank and for assisting tenants with arrears and at risk of eviction; and
- (8) The appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Background:

The City of Toronto was one of the first Ontario municipalities to initiate a rent bank program. In September 1998, as part of an overall eviction prevention strategy, the City of Toronto established the Rent Bank Pilot Project under the City of Toronto Homelessness Initiatives Fund (CT-HIF) to assist mother-led single parent families with children at risk of eviction. It became a fully funded program in the following year with increased funding and expanded eligibility to include father-led and two-parent families with children.

The Toronto Rent Bank provides interest-free loans to working families with children who are in imminent danger of losing their housing due to rent arrears. It is delivered through a network of seven community agencies, listed in Appendix A. In addition to efficient program delivery, this approach provides clients with one-window access to a range of complementary services to help prevent evictions.

The Toronto Rent Bank is proposed to continue to operate at its current funding level (\$408,083.00) for the October 1, 2004 to September 30, 2005 funding year, subject to Council approval. This recommendation is included in the report on Funding Approvals for the 2004 CT-HIF, which will be before the Community Services Committee for consideration at its September 9, 2004 meeting.

In addition, \$400,000 was approved by Council at its meeting of September 22, 23, 24 and 25, 2003 from the Supporting Communities Partnership Initiative (SCPI) to supplement the administrative cost of operating the Toronto Rent Bank. The SCPI funding will help maximize funds available for loans to tenants and will pay for necessary improvements to the administration process. These improvements include additional staffing for processing the anticipated increase in loan requests, and development of web-based loan application forms to ensure efficient and timely processing of loans. If the proposed Provincial Rent Bank is approved, these SCPI funds will also be relied upon to help offset related administrative costs for that program.

On March 29, 2004, the provincial government announced the availability of a \$10 million Provincial Rent Bank Grant to the forty-seven Consolidated Municipal Service Managers (CMSMs) in Ontario. Funds were allocated to each CMSM based on their proportion of the provincial population. The share allocated to Toronto is \$2,174,833.00. Up to 10% of the grant is permitted to be used for administration costs. The funds are to be used to help low-income tenants with short-term rent arrears to maintain their housing and avoid eviction. This is a one-

time grant, and the province has not committed to future funding. The grant was received on April 7, 2004.

In order to use the funds, the City of Toronto must enter into a grant agreement with the Minister of Municipal Affairs and Housing. The grant agreement includes a number of conditions for program design. These conditions are generally consistent with the Toronto Rent Bank program and have taken into account the design of the Provincial Rent Bank.

The program design requirements outlined in the Provincial Rent Bank Grant agreement are broad. The only significant limitations are that the total loan and/or grant must not exceed two months rent, and that funds cannot be used for first and/or last month's rent. Within those limitations, it is up to the City to decide the program parameters. The program design recommended in this report is based on the current Toronto Rent Bank approach, research findings, and community consultation. The proposed new program would serve a wider tenant population in that single people and couples without children would also be eligible for assistance.

The grant agreement requires that all interest earned on the grant be used for the Provincial Rent Bank program. At the time that this report was prepared, the interest earned since April 7, 2004 was \$19,578.24. It is proposed that interest continue to accrue until the last quarter of the program, at which time all the interest earnings would be flowed to the seven agencies along with the last quarterly payment. The reason for delaying pay-out of interest earnings until the last quarter is because provincial funds may not be available for the first quarter of the 2006/2007 funding year, and the provision of interest earnings at that time may help address demand.

Finally, to make the program operational, it is necessary to enter into agreements with each of the seven community agencies that currently deliver the Toronto Rent Bank to also deliver the proposed new program. For that reason, it is recommended that the Commissioner of Community and Neighbourhood Services be delegated authority to enter into the necessary agreements with the seven community agencies listed in Appendix A.

#### Consultation Process:

Staff have consulted with the seven agencies that currently administer the Toronto Rent Bank about how to make best use of the new funding at both the operational and policy levels, including the consideration of expanding the program to include other population groups, eligibility criteria and repayment options. There was also consultation with other community groups, either through meetings and/or by a short questionnaire.

The following groups were consulted through the questionnaire process, and all groups responded:

- (a) Advocacy Centre for Tenants Ontario
- (b) All community legal clinics in Toronto
- (c) Centre for Equality Rights in Accommodation

- (d) Federation of Metro Tenants' Associations
- (e) Greater Toronto Apartment Association
- (f) Landlord Self-Help Centre
- (g) Women's Residence
- (h) Flemington Neighbourhood Services

Discussions were held with the following groups:

- (a) Advisory Committee on Homeless and Isolated Persons - Councillor Liaison Project (May 10)
- (b) Rooming House Working Group (May 12)
- (c) Rental Housing Advisory Committee (June 7)
- (d) Immigrant and Refugee Housing Task Group (June 17)
- (e) Greater Toronto Apartment Association (August 9)

Comments:

To implement the Provincial Rent Bank program, staff are proposing a design and delivery model that is intended to be fair, efficient, and accessible to tenants, and that will meet provincial requirements. The proposed design is based on the considerable experience of the City and the community agencies that deliver the Toronto Rent Bank, and takes into account findings of an evictions study (discussed below), the 2001 rent bank evaluation, and community consultation findings. Because the Provincial Rent Bank program is based on the Toronto Rent Bank, the following section provides a brief description of the Toronto Rent Bank, followed by a description of each of the key program elements for the proposed Provincial Rent Bank program.

It should be noted that no changes to the existing Toronto Rent Bank are being proposed. The Toronto Rent Bank program would operate alongside the proposed new program, rather than being changed or merged, for a number of reasons, including that:

- (a) The Toronto Rent Bank is funded through a service agreement with the Ministry of Community and Social Services, whereas the Provincial Rent Bank is administered through a grant agreement with the Ministry of Municipal Affairs and Housing;
- (b) The Toronto Rent Bank is a smaller program in that the loan fund is about 2/5ths the size of the provincial grant (on an annualized basis) and would not likely be able to support the larger range and number of applicants proposed to be eligible for the Provincial Rent Bank;
- (c) Maintaining the existing program ensures that families with children would continue to have priority access to rent bank assistance, first from the Toronto Rent Bank and, if funds are depleted, then from the Provincial Rent Bank; and
- (d) In the event that the province decides it will not provide funding in the future for the expanded program, the Toronto Rent Bank can continue to operate without incurring costs for reverting back to the original program design.

Every effort will be made to reduce the administrative burden on the community agencies delivering the program that can arise from having to operate two different programs, and to ensure that clients will not be negatively affected.

#### The Toronto Rent Bank:

The Toronto Rent Bank provides interest-free loans to low income working families with children who are at risk of eviction (i.e. have received an eviction notice) due to rental arrears. Loans are available for up to two-months rent, to a maximum of \$2,500. Clients are expected to repay the entire loan. Single persons and couples without children are not eligible for these loans. Tenants with subsidized rents and/or who are in receipt of social assistance are also not eligible as they typically have other options available to them that cannot be accessed by tenants in the private rental market.

The City has service agreements with seven community agencies to deliver the program. Neighbourhood Information Post is the central administration site responsible for processing loans and payments. It works in partnership with the six other community agencies. All seven access centres carry out intake functions and provide counselling, mediation, financial assessments, housing help and referrals to other services. This delivery model provides a city-wide network for one-window access to eviction prevention services throughout the City. The access centres and information about the services they provide are listed in Appendix A.

Similar to other services or programs funded by the CT-HIF, the Toronto Rent Bank program must meet City requirements for on-going evaluation and improvements. An independent evaluation of the program was conducted in 2001. It found that the project was an effective eviction prevention strategy and was able to prevent many families from entering the shelter system. For example, the Rent Bank helped 87% of clients avoid eviction while another 7% were able to move into more affordable or suitable housing. Most Rent Bank clients regarded the Rent Bank as the single most important source of assistance that helped them avoid using the welfare or shelter systems. The study also found that the ability to retain their housing had positive influence on the clients' lives in terms of reducing stress and allowing their children to continue to go to school in the same area. Subsequently the Toronto Rent Bank program evolved from a pilot project to an annual program, and it continues to provide a practical approach to helping families in need.

From its inception date to July 2004, the Toronto Rent Bank has helped 950 families avoid eviction, and the average loan has been approximately \$1500 per family. Helping families keep their homes is a significant achievement because families may otherwise need to wait as long as ten years on the social housing waiting list to get a suitable home. In some cases landlords also benefit as they can avoid costs related to evictions, since full arrears often cannot be fully recovered.

The success of the City's program has inspired the development of similar rent bank programs in other parts of the province. The present Provincial Rent Bank Program is an example of a project that builds on the success of the Toronto model and expands it to the rest of the province.

The program design and delivery model proposed for the new Provincial Rent Bank is described under the following headings:

- (1) Eligibility for assistance
  - (2) Loan repayment
  - (3) Delivery model
  - (4) Sustainability of the Provincial Rent Bank
  - (5) Promotion and Outreach
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- (1) Eligibility for Assistance

The rationale for the Toronto Rent Bank in limiting eligibility to families with children was a concern about the growing number of families entering the shelter system at the time the program was conceived, and the increasing difficulties families were having in finding affordable accommodation. Over the past four years, the seven agencies delivering the program have reported consistent and steady requests for Rent Bank loans from single individuals and couples without children.

Although the need for assistance goes beyond just families, there has not been enough funding available over the years to meet demand by families, let alone other groups, and therefore, expanding the program to help other groups was not feasible. This year, for example, the Toronto Rent Bank loan fund was exhausted in July, and it was necessary to advance emergency funding to assist up to 40 families until funds from the province become accessible. For this reason, this report recommends that once the grant agreement has been signed, \$36,187 be transferred from the provincial rent bank grant account into the City of Toronto Homelessness Initiatives (CT-HIF) health and safety fund to replace the emergency funds advanced to the Toronto Rent Bank in mid-August. More information about the health and safety fund is provided in the report on funding approvals for the 2004 CT-HIF, which will be before the Community Services Committee on September 9, 2004.

All community groups consulted agree that the new program should include all low-income tenant households paying market rents regardless of household size or family composition, provided they meet other program requirements. This means that in addition to families, eligible tenants would include low-income single individuals and childless couples living in private market rental housing, or paying market rents in social housing, who are at imminent risk of eviction because of rent arrears. The provincial grant makes it possible to provide rent bank assistance to singles and couples without children, and to provide assistance to families where demand for the City Rent Bank exceeds available funds.

A recent study funded under the Supporting Communities Partnership Initiative (SCPI) supports the view that singles and couples without children should be eligible for assistance. An analysis of evictions under the Tenant Protection Act, by Lapointe Consulting Inc., March 2004, found that about one-half of evictions had an impact on families (48%), and about one-third affected singles (30%) and 12% affected couples without children. The remaining 10% were other household types (i.e. unrelated persons or relatives living together). The median arrears that gave rise to eviction applications was just \$961 (average arrears was \$1,222), which is a

manageable amount for programs aimed at averting evictions through mediation or repayment plans.

Tenants in the survey suggested that a variety of approaches may have helped to prevent their evictions, including better understanding of the eviction process, settlement with the landlord to repay the rent, having someone to help negotiate the settlement and a loan to pay the arrears. These services are all available through the access centres. In addition to other suggestions, the study recommended that the City explore the feasibility of expanding the existing rent bank program to assist a broader range of tenant households.

It is clear from the Lapointe study that most tenant households face evictions because of difficulty in paying their rents. While families with children remain the largest group that needed help, the study concluded that a substantial number of other tenant groups such as single youths, older adults, and couples without children also had serious affordability problems and would benefit from assistance to help them avoid evictions.

The new provincial funding provides an opportunity to respond to the suggestions made during the consultation process and by the study to expand eligibility for rent bank assistance. Therefore, this report recommends that eligibility for assistance from the Provincial Rent Bank program include, in addition to families, single people and couples without children, subject to the same terms that currently apply for eligibility under the current Toronto Rent Bank:

- (a) must be in imminent danger of losing their housing due to rental arrears;
- (b) must not be more than 2 months in rental arrears;
- (c) have steady employment-related income;
- (d) must be Canadian citizens, conventional refugees, landed immigrants or permanent residents (not refugee claimants or Visa students);
- (e) housing must be sustainable (there should be a reasonable amount of disposable income to sustain housing);
- (f) must be covered under the current residential tenancy legislation;
- (g) must be paying market rent (unsubsidized);
- (h) must not be in receipt of social assistance; and
- (i) landlords have to be willing to maintain the tenancy.

## (2) Loan Repayment

The loans provided by the Toronto Rent Bank program are interest-free and intended to be repayable. All clients are required to make monthly payments against their loans and these repayments are cycled back into the loan fund for use by future applicants. Repayment is based on the amount of a client's disposable income and clients have up to two years to repay their loan. Access centre staff conduct follow ups to assess the clients' continuing ability to sustain their housing and make on-going repayments. This follow up approach allows for flexibility on a case-by-case basis, and may include permitting reduced monthly payments or an extended repayment period.

In some situations (such as illness or job loss) where the client has paid a considerable portion of the loan but cannot keep up with the rest of the repayment, part of the loan may be forgiven, provided that the client is in good standing (for example, has been making regular payments and communicate with staff about their difficulty in continuing to pay). This flexibility is necessary because the experience with the Toronto Rent Bank has been that some clients have not been able to keep up with their loan repayment plan because their disposable income after paying for family necessities and/or other financial difficulties is severely constrained.

Since inception of the current program in 1999, loans have totalled \$1,579,266, and about \$555,379 (35%) has been repaid. It is projected that about 49% of the remaining loans would be paid back in the course of the repayment period while the rest would likely fall into default. The number of applications for loans varied for each access centre and therefore the amount of loans being approved also varied. Information about the loan amount for each centre between 1999 and June 2004 is provided in Appendix A.

Despite the challenges clients may have in repaying loans, all community agencies consulted agreed that the new program should be a loan program, with flexibility for forgiveness in special situations, rather than simply giving clients grants with no obligation for repayment. This will prevent the funds from being used up in a short period of time, will provide more opportunities for additional loans as a result of more money being put back to the loan fund, and is a more dignified approach to working with people. It is therefore recommended that the flexible repayment policy as is currently applied under the Toronto Rent Bank be applied to the proposed Provincial Rent Bank program.

### (3) Delivery Model

The 2001 Evaluation of the Rent Bank Program found that the partnership approach among the seven community agencies, with a lead agency for overall application processing and support, and using agencies that already work in the community on eviction prevention and access to housing, has been very effective in terms of helping clients and program administration.

It is recommended that the existing network of agencies be used to deliver the Provincial Rent Bank Program for the following reasons:

- (a) the existing delivery network provides the fastest and most effective way to get the program up and running within the permitted two-year timeframe, and covers all parts of the City;
- (b) the seven agencies are willing to continue the program despite the larger than anticipated workload;
- (c) the access centres provide complementary support services and have well-trained and experienced staff who have administered the program since its inception; and
- (d) given that the funding is time limited, developing a new delivery model or making changes to the existing delivery approach would result in delays (negative impact on tenants at risk of eviction) and increased administrative costs.

It is therefore recommended that the Commissioner of Community and Neighbourhood Services be authorized to enter into agreements with Neighbourhood Information Post and the access centres to administer the Provincial Rent Bank. Consistent with current funding agreements, these agreements would establish terms and conditions related to, among other matters, adherence to the program design, timing of funding and how it is to be used, reporting requirements, and expected project outcomes.

(4) Sustainability of the Provincial Rent Bank

As discussed earlier, loan repayments will not make the rent bank program sustainable. The City increased available loan funds for its rent bank from \$40,000 in the 1998 pilot year, to \$200,000 in 1999 when it became an annual program, and to \$220,000 per year beginning in 2000. The combination of new funding each year from the City of Toronto Homeless Initiatives Fund (\$408,083 per year) and an average loan repayment of \$109,387 per year has, however, been consistently outstripped by demand. It is reasonable to expect that the Provincial Rent Bank program will experience the same problem of demand exceeding available funds, and this will be monitored by staff.

The provincial grant is one-time money. The province will review the project after December 31, 2006 to determine if and/or how the province should continue to support local rent bank activities. Given the increase in eviction applications based on rent arrears and the increasing demand for rent bank loans, there is a need for operating the provincial rent bank on a continuous basis with long term, adequate funding. It is therefore recommended that Council request that the province continue to provide funding for the Provincial Rent Bank beyond 2006.

In addition, it is recommended that the province review the methodology used for allocating the provincial grant to Ontario municipalities to better reflect tenant needs. The current allocation was based on the relative share of total population for each of the 47 Consolidated Service Managers in Ontario. According to the 2001 census, the City of Toronto has 21.7% of the total population of Ontario, and therefore, the City was allocated 21.7% of the \$10 million available (\$2,174,833). This allocation methodology included homeowners for whom the rent bank is not applicable. An alternative allocation method might, for example, allocate funds based on the proportion of tenant population for each CMSM in the province, so that communities that have a higher proportion of tenants would receive a greater share of the funding. Toronto is home to 34.4% of all tenants in Ontario.

Program Delivery:

Delivery of Toronto Rent Bank loans is labour intensive and time consuming. Files must be thoroughly documented and there is a large amount of follow-up required. The access centres are not adequately resourced and staff assigned to other functions is sometimes required to support the Rent Bank program. Delivery and administration costs represent about 46% of total program funding (\$188,083), although this percentage is due in part to the overall small size of the funding, the giving of loans instead of grants, and the need for a number of access points to cover all parts of the City.

The 10% allowance for administrative costs permitted by the province will likely be inadequate. The amount of annual loan funding provided through the Provincial Rent Bank is more than four times greater than provided through the Toronto Rent Bank, however, the amount of administrative funding permitted is only about twice as much.

Council has already approved SCPI funds for administration and program delivery improvements, which will help address start up costs for the Provincial Rent Bank and offset some of the increased administrative costs. However, SCPI funding ends March 31, 2006, and in the event that the Provincial Rent Bank is funded beyond 2006, funds for delivery and administration of the program may be insufficient. Therefore, staff recommend that Council request that the cap on administrative funding be increased to reflect the actual cost of delivering the program, should the province decide to provide funding for the Provincial Rent Bank beyond 2006.

#### Landlord Participation:

Landlords of tenants involved with the Toronto Rent Bank play an important role in the process for resolving arrears and avoiding evictions, and they would similarly be an important part of the proposed Rent Bank. Currently, when a tenant is facing eviction, the rent bank worker will, with the permission of the tenant, try to mediate a solution with the landlord, such as making an arrangement to pay back the arrears owed and terminating the eviction process. Most access centres have built up a relationship with landlords in their service areas, resulting in more landlords who are willing to work out arrangements with their tenants who have arrears. Providing a rent bank loan to the tenant is considered only if the mediation is unsuccessful and after all other avenues have been exhausted. The Toronto Rent Bank makes the loan amount directly payable to the landlord. The province requires that funds from the Provincial Rent Bank be paid directly to the landlord.

Staff recommend that, with the help of landlord organizations such as the Greater Toronto Apartments Association and the Landlord Self Help Centre, landlords be consulted about ways to increase landlord participation and support of the Rent Bank, to help their tenants connect to other community resources that help them avoid evictions, and to improve the longer term sustainability of the fund. Landlords may wish to participate financially in the Rent Bank, because rent bank loans not only help tenants keep their homes, it can also reduce costs to landlords. As pointed out in the Lapointe study, the average arrears in 2002 was \$1,222, whereas the average cost for a landlord to complete an eviction process was \$3,000, and on average, only a small portion of the arrears owed to the landlords could be recovered.

#### (5) Promotion and Outreach

The Toronto Rent Bank is currently promoted by Neighbourhood Information Post through distribution of program materials and flyers to all the local community legal clinics, the Children's Aid Society, local Community Information Centres and the 211 Information Line. Some landlords are aware of the program through the Rent Bank assistance that the access centres have provided for their tenants in the past, and refer their tenants to the access centres

regularly. The seven access centres also conduct their own outreach to ensure that community agencies in their catchment areas are aware of the Rent Bank program.

For the proposed new program, staff and the seven delivery agencies will develop and deliver promotions materials for community-based organizations through the City's existing network of service providers, advisory committees and tenant and landlord organizations. Copies of the pamphlets will also be distributed to city councillors, relevant city departments and divisions, public libraries, community legal clinics, community information centres, offices of the Ontario Rental Housing Tribunal, and neighbourhood centres for wider community access. In addition, staff will develop a communications strategy in partnership with the SCPI public education project to provide accurate and consistent information about the new program as well as training for community agencies to access the program.

### Conclusions:

The City of Toronto Rent Bank Program is a proven effective eviction prevention strategy for low-income, working families with short-term rent arrears. The City recently received a one-time grant of \$2.17 million to develop and deliver a Provincial Rent Bank program over two years. This report proposes a program design and delivery model built upon the success of the Toronto Rent Bank. It is recommended that the Commissioner of Community and Neighbourhood Services be delegated authority to enter into a Grant Agreement with the Minister of Municipal Affairs and Housing in order to permit access to the provincial grant, and to enter into service agreements with the seven community agencies administering the existing Toronto Rent Bank program in order to deliver the new program. The new program would operate from October 1, 2004 to September 30, 2006.

Based on the input from community consultation, an evaluation of the Toronto Rent Bank program, and a recent eviction study, it is recommended that tenants eligible for the Provincial Rent Bank include families, singles, and couples without children, subject to the same eligibility criteria and loan repayment policy currently applied to the Toronto program. The current delivery model, with a central administrative agency coordinating with six other access centres, is an effective delivery network for the Toronto Rent Bank Program, and it is therefore recommended that the City continue using this model to administer the provincial program. Staff will conduct promotion and outreach activities concerning the new program in co-ordination with the rent bank access centres. As landlords can play an important role in the rent bank delivery process, it is recommended that staff work with landlord organizations to develop options for increasing landlord participation and support for the rent bank, and to assist tenants with arrears and at risk of eviction.

The Toronto Rent Bank exhausted its loan funds in July and emergency funding of \$36,187.00 was allocated from the CT-HIF health and safety fund to assist eligible families during the interim period until provincial and City funding would be available. It is recommended the emergency funds advanced from the CT-HIF be replaced by the same amount from the provincial rent bank account, once the provincial grant agreement has been signed.

The provincial grant is one-time funding only, with a provincial program review to occur after December 2006. It is recommended that the province commit long-term stable funding for the provincial rent bank beyond the two-year pilot period, and that any future funding allocation takes into consideration the greater need for such assistance in communities where there is a larger tenant population. In addition, the cap on administrative funding should be increased to reflect the actual costs of delivering the program.

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Eric Gam  
Commissioner  
Community and Neighbourhood Services

Attachment:

Appendix A: Delivery Model for the Toronto Rent Bank  
Appendix B: Provincial Rent Bank Program Design and Implementation Strategy

## Appendix A: Delivery Model for the Toronto Rent Bank

Local Service Access Centres for the Toronto Rent Bank:

The Toronto Rent Bank is currently delivered through a network of community agencies known as the Local Service Access Centres, which act as access points for the Rent Bank throughout the City of Toronto. One of these agencies, Neighbourhood Information Post, also serves as a central administration agency for the other access centres. The seven Local Service Access centres are listed below:

Organization	Loan disbursed 1999-June 2004	Ward	Wards Served	Community Council
<b>Albion Neighbourhood Services/ Etobicoke Housing Help Centre</b> North Site: 1530 Albion Road South Site: LAMP, 185 5 <sup>th</sup> Street	\$379,144.32	01 Etobicoke North	1,2,3,4,5,6	Etobicoke York Community Council
<b>COSTI/North York Centre</b> 1700 Wilson Avenue, Suite 114	\$308,296.79	07 York West	7,8,9,10,12, 15,16,23,24,25,33, 34	Etobicoke York Community Council; North York Community Council
<b>East York/East Toronto Family Resources</b> 91 Barrington Avenue	\$155,660.35	31 Beaches - East York	29,31	Toronto and East York Community Council
<b>Neighbourhood Information Post</b> 269 Gerrard Street East	\$275,112.78	28 Toronto Centre Rosedale	13,14,17,18,19,20, 21,22,26,27,28,34	Etobicoke York Community Council; Toronto and East York Community Council
<b>Scarborough Housing Help Centre</b> 780 Birchmount Avenue	\$198,341.14	35 Scarborough Southwest	35-44	Scarborough Community Council
<b>Woodgreen Community Centre</b> 835 Queen St. E.	\$149,221.06	30 Toronto Danforth	30,32	Toronto and East York Community Council
<b>York Community Services</b> 1651 Keele Street	\$113,490.51	12 York South - Weston	11,12,21	Etobicoke York Community Council; Toronto and East York Community Council

Role of the Local Service Access Centres:

All seven Local Service Access Centres carry out the intake and assessment function, to determine whether or not the client has exhausted other means of obtaining assistance and whether or not the client would benefit from having a loan to avoid an eviction. Once the Rent Bank worker has determined that a Rent Bank loan would be of assistance and the tenant is qualified for a loan, a formal application is prepared. Verification of written documentation and approval for loans is the responsibility of the Rent Bank Administrator located at Neighbourhood

Information Post (NIP). Once the client has been approved, the arrears payment is made by the Rent Bank Administrator directly to the landlord. Clients enter into repayment agreements with the Rent Bank, and repayment usually begins within two months of the loan being issued.

Other services are also provided by the Access Centres to clients with difficulty in maintaining or obtaining new housing, including:

- (a) landlord/tenant mediation;
- (b) assistance in obtaining Community Start-up Benefit and the City of Toronto's Shelter Fund for arrears for social assistance recipients or those eligible for such funds;
- (c) advocacy with government agencies (e.g., regarding Employment Insurance);
- (d) counselling and advice;
- (e) information on the Tenant Protection Act;
- (f) referrals to legal clinics or legal counsel and to other agencies; and
- (g) assistance in finding alternative rental housing.

Role of the Central Administrative Agency – Neighbourhood Information Post:

The Neighbourhood Information Post has a dual role as the Central Administrative Agency and a Local Service Access Centre. In addition to the above mentioned services, the agency carries out the following functions:

- (a) processing applications, including verification of income, landlord address, meeting criteria;
- (b) making payments to the landlord;
- (c) keeping track of loan repayments and following up with clients who are behind in their payments;
- (d) preparing various reports, including reports on payments and loans processed;
- (e) service planning and co-ordination, including program coordination between the Local Service Access Centres and the Central Administrative Agency, staff training, outreach, and communications; and
- (f) monitoring and evaluation of the program.

## **Appendix B: Provincial Rent Bank Program Design and Implementation Strategy**

Eligibility for assistance from the Provincial Rent Bank program would include, in addition to families, single people and couples without children, subject to the same terms that currently apply for eligibility under the current Toronto Rent Bank:

- (a) must be in imminent danger of losing their housing due to rental arrears;
- (b) must not be more than 2 months in rental arrears;
- (c) have steady employment–related income;
- (d) must be Canadian citizens, conventional refugees, landed immigrants or permanent residents (not refugee claimants or Visa students);
- (e) housing must be sustainable (there should be a reasonable amount of disposable income to sustain housing);
- (f) must be covered under the current residential tenancy legislation;
- (g) must be paying market rent (unsubsidized);
- (h) must not be in receipt of social assistance; and
- (i) landlords have to be willing to maintain the tenancy.

The total loan must not exceed two months rent, and funds cannot be used for first and/or last months rent.

The loan amount is directly payable to the landlord.

The flexible repayment policy as is currently applied under the Toronto Rent Bank would be applied to Provincial Rent Bank loans.

The existing network of agencies would deliver the Provincial Rent Bank Program as listed in Appendix A.