



Toronto Rent Bank and Eviction Prevention in the Community Programs - Update

Date: November 23, 2020

To: Economic and Community Development Committee

From: General Manager, Shelter, Support and Housing Administration

Wards: All

SUMMARY

In the context of COVID-19, when many households are facing economic uncertainty, eviction prevention programs are critical strategies to minimize the flow to people into homelessness. Eviction prevention is also identified in the City's HousingTO Action Plan as a key strategy in ensuring positive outcomes for households in Toronto and reducing pressure on the shelter system.

In alignment with the Interim Shelter Recovery and Infrastructure Implementation Plan, the City has already made a significant commitment to expanding supports for households at risk of eviction to prevent people from becoming homeless due to eviction during the pandemic. Over the past 6 months, Shelter, Support and Housing Administration (SSHA) has taken a number of steps to respond to emerging needs and pressures, including making additional program enhancements to help households facing economic uncertainty to maintain their housing during this time of crisis.

SSHA currently funds and delivers programs to help prevent evictions in Toronto, including the Toronto Rent Bank program and the Eviction Prevention in the Community program. These eviction prevention programs promote housing stability among low-income and vulnerable households across Toronto.

This report responds to City Council's request to report back to the Planning and Housing Committee on the feasibility of expanding the Toronto Rent Bank and the Eviction Prevention in the Community programs. This staff report outlines the current actions underway to expand access to the Toronto Rent Bank and the Eviction Prevention in the Community programs, as well as identifying additional options for the short- and medium-term to increase access to eviction prevention programs and services in Toronto for low-income and vulnerable households.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration recommends that:

1. The Economic and Community Development Committee receive this report for information.

FINANCIAL IMPACT

There are no financial impacts expected based on the recommendation in this report.

DECISION HISTORY

At its meeting on October 27 and 28, 2020, City Council adopted item EC16.1 that recognized the importance of preventing people from becoming homeless and requested the General Manager, Shelter, Support and Housing Administration, and the Executive Director, Housing Secretariat, to accelerate ongoing work toward the expansion of the Toronto Rent Bank Program and the Eviction Prevention in the Community Program and bring recommendations to City Council as soon as possible. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EC16.1>

At its meeting on October 20, 2020, the Planning and Housing Committee directed the General Manager, Shelter, Support and Housing Administration, to review and update, as required, current City of Toronto web content related to the Rent Bank program, the Eviction Prevention in the Community (EPIC) program and the Tenant Defence Fund and Tenant Hotline programs, and include information on how tenants can access each program. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH17.6>

At its meeting on September 30, October 1 and 2, 2020, City Council requested the General Manager, Shelter, Support and Housing Administration to report back to the Planning and Housing Committee on the feasibility of expanding the Toronto Rent Bank program and the Eviction Prevention in the Community Program to introduce non-repayable grants to residents who cannot afford a temporary loan; and, expand the eligibility criteria of the Toronto Rent Bank and the Eviction Prevention in the Community program to capture more low-income residents and families. <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.PH16.5>

COMMENTS

Eviction prevention is a key strategy in ensuring positive housing outcomes for households in Toronto, and reducing pressure on the shelter system. SSHA is committed to continuing to review and expand programs and services to prevent people from becoming homeless.

Toronto has a range of eviction prevention programs and services, some of which are operated directly by the City of Toronto, and others by contracted community agencies. In partnership with community agencies, SSHA offers a number of programs to help prevent evictions, including the Toronto Rent Bank program, Eviction Prevention in the Community Program, Voluntary Financial Trusteeship program, and Tenant Defence Fund. Housing Help Centres located throughout the city also provide critical supports and navigation to available resources to assist people at risk of eviction.

During the first wave of COVID-19, system partners have been working together at an accelerated rate to respond effectively to COVID-19 and protect vulnerable individuals in our community. The learning and experience from the first six months of our pandemic response, and the advice of the Interim Shelter Recovery Task Force convened in partnership with the United Way, has highlighted the importance of preventing people from becoming homeless. Toronto City Council adopted the [Interim Shelter Recovery and Infrastructure Implementation Plan](#) in October 2020 which includes a focus on the importance of supports for households at risk of eviction as a component of recovery efforts.

In recognition of the importance of these programs, this year the City has increased funding to expand both the Rent Bank program and the Eviction Prevention in the Community program. Anticipating the economic impacts of COVID-19 and related potential increases in demand for eviction prevention assistance, the City of Toronto made an additional \$2 million investment to the Toronto Rent Bank program in April 2020 through the Provincial government's Social Services Relief Fund (SSRF), along with program changes to help low-income households to remain housed. Earlier in 2020, City Council had also approved \$1.07 million in funding for the Eviction Prevention in the Community program through the 2020 budget process. Supplemented with funding from the federal Reaching Home Strategy, EPIC's total program budget for 2020 is \$1.99 million, an enhancement over previous year's funding. These two programs are key examples of services that have been critical to assisting people to remain in their homes in Toronto during the COVID-19 pandemic.

Toronto Rent Bank

Overview

The Toronto Rent Bank (Rent Bank) provides interest-free loans to low-income households in Toronto who are experiencing rental arrears or require help with a rental deposit in order to prevent homelessness.

Currently, the Rent Bank is centrally administered by a community not-for-profit partner, Neighbourhood Information Post (NIP), which works collaboratively with seven local access centre partners across the city to coordinate and administer the program. Both the local access centres and NIP engage in outreach activities to promote the Rent Bank program. The 2020 planned budget includes \$1,438,939 in funding for Rent Bank loans.

Client Eligibility

Currently, residents may be eligible for a Rent Bank loan if they:

- Live in Toronto;
- Pay market rent with a tenancy covered by the *Residential Tenancies Act (RTA)*;
- Fall within the low-income eligibility requirements as per Household Income Limits;
- Are not currently in receipt of Ontario Works (OW) or Ontario Disability Support Program (ODSP); and
- Can satisfy other Toronto Rent Bank programs requirements, as needed (e.g. produce the required verification documents, consent to information collection).

Households who are in receipt of social assistance are redirected to OW or ODSP offices to access the [Housing Stabilization Fund](#) to address emergency housing needs.

The Rent Bank program targets low-income households by referencing the following Household Income Limits (HILs) when determining eligibility. If a household does not fit into the set limits, households are considered for eligibility up to an additional \$10,000 in income over the HILs.

Table 1. Household Income Limits

Number in Family	Automatic Eligibility (Annual Income)	Top Level Financial Range (Annual Income)	Top Level Financial Range (Monthly Income)
1	\$ 22,841.00	\$ 31,500.00	\$ 2,625.00
2	\$ 27,799.20	\$ 37,000.00	\$ 3,083.33
3	\$ 34,616.40	\$ 43,000.00	\$ 3,583.00
4	\$ 43,187.30	\$ 51,500.00	\$ 4,291.00
5	\$ 49,176.40	\$ 63,500.00	\$ 5,291.00
6	\$ 54,538.90	\$ 69,531.67	\$ 5,794.31
7	\$ 59,900.10	\$ 76,366.66	\$ 6,363.89

COVID-19 Program Enhancements

In response to the COVID-19 pandemic, SSHA made an additional \$2 million investment to the Rent Bank in April 2020, along with program enhancements to support low-income households to remain housed. Program changes included:

- Increasing the maximum allowable loan from \$3,500 to \$4,000 for up to 3 months of rental arrear loans;
- Automatically deferring all loan repayments for up to a period of 12 months;
- Eliminating the eligibility requirement that households demonstrate a steady income on a go-forward basis;
- Moving from original copies to electronic document verification; and
- Redirecting all households in receipt of social assistance to the Housing Stabilization Fund.

In anticipation of an increase in call volumes to the Rent Bank during the COVID-19 pandemic, SSHA, NIP, and Toronto Employment and Support Services (TESS)

partnered to implement a temporary Rent Bank Pre-Screening Call Centre at 416-397-RENT (7368). The TESS call centre:

- Pre-screens callers to determine whether they are eligible to be referred on to NIP in order to complete a full Rent Bank application;
- Redirects callers in receipt of social assistance to the Housing Stabilization Fund; and,
- Provides callers with additional information on available community resources, including process for applying to Ontario Works for callers who may be eligible.

Demand for Rent Bank service have increased since the on-set of COVID-19 with a 40% increase in total calls, a 46% increase in applications, and a 30% increase in approved loans, however, this demand is lower than what had been anticipated. This is likely due to the temporary suspension of provincial Landlord and Tenant Board (LTB) hearings and the availability of the federal Canadian Emergency Response Benefit (CERB). Staff continue to monitor demand for service with the resumption of the LTB and the transition of the CERB to the Employment Insurance program.

Outreach and Promotion Efforts

With the enhancement of the Rent Bank program, there has also been an effort to increase outreach and promotion. NIP has updated its Rent Bank poster and website, and posts regularly on the Rent Bank's social media platforms. Rent Bank social media posts are also being made every two weeks on the City of Toronto's Facebook and Twitter accounts. Social media efforts have led two online articles featured on BlogTO and Toronto Storeys.

The Rent Bank poster has been widely distributed by NIP, the local access centres, and through an SSHA service provider email list. NIP has reached out to its landlord network, and City webpages including the [COVID-19 Income Support page](#) and the [311 Knowledge Base](#) have been updated. Through the work of the Customer Experience Transformation and Innovation Program review of online resources related to tenant support and eviction prevention, further opportunities to expand communication about the Rent Bank are being explored.

Trends and Data

As of September 2020, the Toronto Rent Bank Fund balance is \$1,590,185, which provides adequate funding to support additional demand through 2020 and 2021 based on current trends.

As of September 2020, the TESS-run call centre has received 4,088 calls, however a large number of callers were seeking information only or referrals to other resources. Only 1,347 callers completed a Toronto Rent Bank pre-screen over the phone. Of that number, 1,035 were screened-in to complete a rental arrears loan application, 158 were screened-in to complete a rent deposit loan application, and 154 people were screened-out and did not complete a loan application. Of those screened-out, reasons included:

- 36% refused to provide a name or identify themselves in order to move the screening tool forward;
- 32% were in receipt of social assistance and redirected to OW or ODSP offices;

- Less common reasons for being screened-out included not consenting to sharing information, living in Rent-Geared-to-Income housing, or being outside the geographic boundaries of the City of Toronto.

Between April and September 2020, the Rent Bank granted 489 rental arrear loans valued at \$1.9M and 36 rental deposit loans valued at \$98,000. The average rental arrears loan amount was \$3,179 – up 15% from \$2,768 pre-pandemic (Jan-Mar 2020). The average rent deposit loan was \$2,252 – up 10% from \$2,050 pre-pandemic. The average number of rental arrear loans granted per month also increased 34% from 61 to 82, and there was no change to the average number rental deposit loans granted per month, which remains 6, pre- and post-pandemic.

Of the applications received between April 2020 and September 2020, either through the TESS-run call centre, or directly to the Rent Bank, 531 out of 1,427 loan applications were approved. Reasons for an application not being approved included:

- 37% of applications were withdrawn by the applicant. Many indicated that they had instead decided to apply for the CERB;
- 17% of households were over the household income limits;
- 9% were not currently experiencing arrears.

Evaluation and Recommended Changes

A third-party consultant was engaged to conduct an evaluation of the Rent Bank program in 2019. The purpose of the evaluation was to determine effectiveness and efficiency of the program in relation to program uptake, eligibility criteria, benefits, administration, and potential outcomes.

The evaluation was completed in late summer of 2020. Key highlights and recommendations identified in the evaluation included expanding eligibility criteria, increasing maximum allowable loans, allowing greater flexibility in the time frame to repay the loan or considering a different repayment strategy (i.e. loan forgiveness) and increasing visibility by developing a comprehensive awareness and outreach plan. The recommendations for the Rent Bank program are currently being considered by the City staff in partnership with the Rent Bank Steering Committee as part of program redesign that will be implemented in 2021.

Options for Expanded Access

Based on results of the evaluation, as well as analysis of the current data from the COVID-19 response enhancements, the following have been identified as immediate options for expanding access to the Rent Bank program to support more households to pay their rent.

1. Offering Non-Repayable Grants

Historically, the Rent Bank has provided qualifying households with an interest-free loan for rental arrears or rent deposits. However, it does not operate as a traditional lender. For example, loan information is not reported to a credit reporting agency and therefore has no impact on the client's credit score. In addition, NIP has dedicated loan

repayment workers who support tenants in their repayment plans, and can renegotiate monthly repayments as low as \$10 a month, if need be. NIP also has internal policies and procedures for forgiving loans for individuals experiencing hardship and/or for vulnerable populations such as seniors.

Changing the Rent Bank program model from a loan to a grant would allow NIP to repurpose resources dedicated to loan repayment towards other program activities such as outreach, advocacy, intakes, and approvals, thereby increasing their capacity to serve more households. That said, a non-repayable grant model may increase demand for the Rent Bank, requiring an additional investment to the Rent Bank Fund, as well as a reconsideration of the TESS-run pre-screening call centre, in order to ensure there is adequate capacity to meet the demand for service.

Specifically, eliminating outstanding loans in active repayment would result in the City forfeiting \$5,919,798. In addition, loan repayments that cover the cost of Rent Bank administration and are reinvested into the Rent Bank Fund, would no longer be available as a revenue source.

2. Expanding the Eligibility Criteria

Another option for program expansion is to increase the household income limits eligibility criterion. Increasing the income threshold for eligibility would enable more households to qualify for the program; however, this change may also impact the program mandate by broadening the target population from low-income households to also include middle-income households. A significant increase to household income limits would need careful consideration from an equity perspective about who the program is intending to serve and how program investments should be targeted.

Next Steps

Further review and financial impact analysis is required to assess the potential of changing the Rent Bank program from a loan model to a grant model. The assessment of the program model and repayment structure, as well as potential impacts to any changes, will continue to be explored through the implementation of the Rent Bank evaluation and redesign process in 2021, in collaboration with the Rent Bank Steering Committee.

In the interim, staff will work with NIP and the local access centres to increase the Household Income Limits (HILs) for each household composition by approximately \$10,000. This will bring the Rent Bank HILs in line with Social Housing HILs, as outlined in the Housing Services Act (2011), Ontario Regulation 370/11 (Schedule 2) and expand the number of households who may qualify for Rent Bank loans.

Lastly, SSHA has also engaged with Strategic Communications to improve the design of the Rent Bank poster and related communication materials, and will also connect with the City's Social Development, Finance and Administration (SDFA) division to explore further opportunities for outreach and promotion through grassroots groups and the not-for-profit community organization sector. Through the work of the Customer Experience Transformation and Innovation Program review of online resources related to tenant

support and eviction prevention, further opportunities to expand communication about the Rent Bank are also being explored.

Eviction Prevention in the Community Program

Overview

Building on SSHA's commitment to expand preventative approaches to homelessness, the Eviction Prevention in the Community (EPIC) program assists vulnerable households facing imminent risk of eviction by offering intensive case management services to prevent the loss of housing and avert homelessness.

The EPIC program consists of two streams:

1. EPIC Eviction Prevention Stream, which assists individuals and households to keep their existing housing unit; and
2. EPIC Shelter Diversion Stream, which assists individuals and households to secure new housing when an eviction cannot be prevented.

Through these streams, the EPIC program offers clients the following services:

- Short term intensive case management;
- Mediation with landlords to stabilize housing;
- Accompaniment to the Landlord Tenant Board;
- Assistance securing income supports, trusteeship, or money management programs;
- System navigation and referrals to other public and community services and supports ;
- Rehousing assistance when an existing tenancy cannot be sustained; and
- Access to available funds to sustain or secure housing if not eligible or covered through other programs or services.

Since EPIC launched as a pilot in 2017, it has experienced considerable success in its client outcomes to assist people to avoid eviction and homelessness. Since 2017, EPIC has assisted more than 800 households (over 2,000 individuals) to remain housed (Table 2).

Table 2. 2017-2020 Successful Housing Outcomes

Year	Households with Successful Housing Outcomes
2017	95
2018	256
2019	322
2020	176*
TOTAL	849

*as of Q3 2020

A third party [program evaluation](#) conducted in spring 2018 by the Canadian Observatory on Homelessness at York University found the EPIC program to be a highly effective approach to preventing homelessness, as well as a cost-effective alternative to

emergency shelter use.

Program Funding and Service Level Capacity

From inception in 2017 to 2019, funding for the EPIC program was provided solely through federal and provincial grants – approximately \$1 million yearly. The funding received covered City staff resources to oversee the program and deliver services as well as grants to community agencies to provide service delivery.

Recognizing rising demand and demonstrated effectiveness of the EPIC program, City Council approved \$1.07 million in funding through the 2020 budget process. To supplement Council approved funding, SSHA identified \$920,000 funding from its federal Reaching Home Strategy for the 2020-21 funding year. EPIC program's total approved budget is \$1.99 million for 2020. With the increased \$1.07 million in funding approved by Council for the 2020 year, EPIC forecasted an increase in service level capacity to provide eviction prevention and shelter diversion outcomes by 133% over 2019 services levels, for a projected total of 750 households served in 2020. This projection was based on data from previous operational years which indicated that each EPIC worker achieved up to 7 positive household outcomes (eviction prevention or shelter diversion) per month over a 12 month period.

Service Delivery Model

EPIC uses a blended model of direct service delivery and community agency partnerships to deliver eviction prevention and shelter diversion services. Service providers are determined based on geographic coverage of the City of Toronto.

Table 3. Service Providers by Geographic Area

Service Provider	Geographic Coverage
Agincourt Community Services Association	Toronto East (Scarborough)
Albion Neighbourhood Services	Toronto West (North York and Etobicoke)
The Neighbourhood Group	Toronto South (Downtown)
Shelter, Support and Housing Administration	All of Toronto

Client Eligibility

Clients are eligible for the EPIC program if they meet the following criteria:

- Current housing address is located within the City of Toronto's boundaries;
- Household has been served an eviction notice by the landlord;
- Income is below the Household Income Limits (HILs); and
- Tenancy is covered by the *Residential Tenancies Act (RTA)*.

Clients who are referred to but are not eligible for the EPIC program are referred on to alternative services and supports including community based agencies, legal and tenant supports, and if necessary, emergency shelter. In the past three years, less than 5% of clients screened for intake into the EPIC program did not meet eligibility criteria.

Program Referral Pathways

EPIC receives service requests through a group of pre-determined referral sources that direct eligible clients into the program. EPIC's referral sources interface with low-income and marginalized tenant households in Toronto, and often serve as tenants' first point of contact in the attempt to access community and/or financial supports upon receiving a notice of eviction.

Table 4 provides information on EPIC program referral sources in 2019 and 2020. Data shows an increase in referrals to EPIC from private market landlords over the two years, suggesting increasing interest in the program from landlords and an opportunity to expand partnerships to increase client referrals and prevent evictions.

Table 4. Referrals to EPIC by Designated Referral Source, 2019-2020

Designated Referral Source	Referrals (%)	
	2019	2020
Shelter Support and Housing Administration (SSHA), includes Central Intake, Access to Housing (formally Housing Connections)	37%	21%
Landlord and Tenant Board (LTB), through service partnership with Advocacy Centre for Tenants Ontario (ACTO)	15%	7%
Private Market Landlords	41%	67%
Other	7%	5%

EPIC's referral-based model has unique benefits that would not otherwise be experienced under a general access program. It enables EPIC to focus on early intervention – a key principle of effective eviction prevention. By working with referral partners such as landlords and community legal clinics who are able to identify tenants early in the eviction prevention process, EPIC can foster collaboration between service providers, enhance system capacity and coordination, and improve client access to a wide array of available supports.

In addition, a referral-based model creates access points into the program for individuals who are most vulnerable/marginalized or in need of service coordination assistance. EPIC's client base is comprised primarily of individuals with a limited understanding of available housing supports and a low capacity to navigate the system. A referral-based model helps connect these individuals—particularly those whose vulnerability is compounded by significant and acute housing insecurity—to in demand and scarce program resources. Opening up the EPIC program to a general access model may result in a program where investments would be targeted more broadly, and not to those who need it the most.

Impacts of COVID-19

As a result of the COVID-19 pandemic, referrals to the EPIC program in 2020 have been lower than originally anticipated from the two main referral sources – Landlord Tenant Board and Central Intake. Factors contributing to the lower number of referrals included the Provincial moratorium on evictions and the closure of the Landlord and

Tenant Board from March to August 2020 and subsequent backlog of cases.

It is anticipated that this decrease in referrals is temporary, and demand for services will increase significantly in the coming months. The economic uncertainty caused by the ongoing pandemic, partially caused by the lifting of the Provincial eviction moratorium and the accumulation of higher than average rental arrears by some Toronto tenants, will accelerate demand for services and supports.

Options for Increased Access

As demand for the EPIC program increases, there are several opportunities to improve access to the program. The recommended focus is to improve program access while maintaining the current eligibility requirements which focus on prioritizing assisting low-income households whose vulnerability is compounded by significant and acute housing insecurity.

Actions underway include:

The EPIC program is currently taking steps to expand its list of designated referral sources. New referral sources will include agencies that serve as tenants' first point of contact upon receiving a notice of eviction or losing housing. Housing providers (including private market landlords and social housing providers) are viewed as major sources of potential client referrals. Between 2019 and 2020—private market landlord referrals increased by 26% - see Table 4.

EPIC has begun conducting a targeted campaign to develop additional partnerships with private market landlords to increase referral sources and improve program access. Strong partnerships with landlords has resulted in higher rates of 'upstream' interventions leading to more positive housing outcomes, reduced legal costs, and recovery of lost revenue for housing providers. In addition to working with private market landlords, EPIC is exploring partnerships with social and supportive housing providers to sustain a housing safety net for the most vulnerable residents in Toronto.

In parallel, EPIC will continue to conduct outreach to 'first point of contact' tenant support community agencies such as community legal clinics, advocacy centres and financial aid programs. Building additional relationships with community agencies will present opportunities for early intervention and service collaboration while strengthening resiliency in the sector and resulting in higher rates of positive housing outcomes. As one example, EPIC will formalize a referral partnership with the Toronto Rent Bank. This collaboration will aim to reduce barriers and strengthen service coordination for clients.

Over the coming year, EPIC will proceed with a third party external evaluation to identify service improvements and efficiencies, additional ways to improve program access, and enhance client system navigation.

Conclusions

Prevention is an important component of SSHA's interim shelter recovery strategy for the next 12 months. The City has already made a significant commitment to expanding supports for households at risk of eviction to prevent people from becoming homeless due to eviction. Over the past 6 months, SSHA has taken steps to respond to emerging needs and pressures, including making additional program enhancements to help households facing economic uncertainty to maintain their housing during this time of crisis. But there is still more to do, and the recovery strategy reflects that.

This staff report outlines the current actions underway to expand access to the Toronto Rent Bank and the Eviction Prevention in the Community programs, as well as identifying additional options for the short- and medium-term to increase access to eviction prevention programs and services in Toronto for low-income and vulnerable households. Staff will continue to monitor program data and adapt responses as needed. An intergovernmental approach to preventing homelessness is critical to align resources and increase investments toward improving the health and socio-economic well-being of individuals.

Clear communication is a critical component of early intervention, to ensure that people have the information they need about available services, when they need it. SSHA has been working with the Housing Secretariat, who along interdivisional partners including Strategic Communications and the Customer Experience Transformation and Innovation Program, is developing a new portal and other resources to improve tenant communications through a one-window approach. SSHA is working in collaboration with this initiative to ensure that access to information about tenant programs, including Rent Bank and EPIC, are available and up-to-date on the City's webpage, so that people can access critical information on programs and services available to help to prevent evictions over the coming months.

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