

Durham Region Non-Profit Housing Corporation

Eviction Prevention Policy

As a social housing provider, property management services are delivered with a balance of social conscience and fiscal responsibility. Durham Region Non-Profit Housing Corporation often deals with tenant households at risk of being evicted due to rental arrears and some tenant disputes lead to no other recourse than eviction procedures under the *Tenant Protection Act*. The price of evicting tenants is high on all fronts (tenant, Region, DRNPHC), thus the goal of following an Eviction Prevention Policy could lead to significant cost savings. Preservation of the tenancy is a priority consideration, except when it becomes fiscally irresponsible or compromises other tenants.

If guiding advice leads to retention of tenancy, eviction only occurs if a tenant resists help. The challenge for Durham Region Non-Profit Housing Corporation is to strike a clear balance of compassion and financial responsibility. Without a clear focus on rent collection, a message is sent that not paying the rent is acceptable, therefore leading to unsustainable business operations.

The policy will apply to rent-geared-to-income (RGI) and market tenants; therefore, there is no distinction in applying eviction prevention strategies to all Durham Region Non-Profit Housing Corporation tenants.

Based on past arrears, the recovery efforts related to bad debts from former tenants did not provide a high rate of success. The 2006 Business Plan (Goal #1) is to pay down arrears by 2012 and maintain a low bad debt exposure by preventing current and future arrears from accumulating to excessive amounts that make it difficult for the tenant to recover. Though the Eviction Prevention Policy makes no distinction in application, there is significantly greater liability to the Corporation with market rent tenants (50% of the units) solely based on rental charges - a multiple factor of 3x based on a mean average rent of \$290/mo. vs. \$895/mo. (Attachment 2).

Further analysis reveals the total past arrears breakdown evenly (50/50) between rental and damage arrears. Notably, however, market rent and damages are 41% and 59% respectively; RGI rent and damages are 28% and 72% respectively.

This analysis clearly suggests that a concentrated effort must also be initiated to ensure that Durham Non-Profit is reimbursed for damage arrears.

Effective May 1, 2006, Business Plan (Goal #2) is to establish a new unit assessment process whereby Property Managers, upon receipt of notice to terminate occupancy, shall pre-inspect the premises, leaving with the tenant a Pre-Move Out Inspection Form identifying areas of the premises requiring restoration (as opposed to wear and tear) and an estimated cost to restore items identified. As well, a similar procedure will be

followed on annual inspections where units are identified as requiring restoration.

Durham Region Non-Profit Housing Corporation works toward prevention of evictions.

The number of evictions on an annual basis is relatively small, however DRNPH will make every effort to reduce this number.

Policy Objectives

- “ Emerging arrears are to be served/filed in a timely fashion;
- “ Tenants are informed by the Property Manager (having received monthly arrears reports) regarding their responsibility/obligations for rental payment; and Tenant Services the availability of support resources, e.g. payment options, preauthorized payments, various Regional resources and how to access them (**new**);
- “ The Property Manager will make contact with the tenant prior to processing a Tribunal Order (**new**);
- “ All actions will reflect a flexible and compassionate stance to prevent an eviction provided that arrears are ultimately paid in full.

The approach in our Eviction Prevention policy constitutes a more positive, personal involvement component strengthening tenant/corporation relationship building.

These elements in terms of staff involvement and program delivery implementation are as follows:

- “ an added notation on our existing N4 regarding available resources to tenants in arrears;
- “ Property Managers will be making personal visits to 5-10 tenants per month between the 2nd and 3rd weeks and, in most cases, we are hopeful these calls will not require followup;
- “ the Manager of Tenant Services will make personal contact in all cases to offer support that are appropriate and available.