



Housing Services Division
 The Regional Municipality of Halton
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Community Housing Program Directives

Program Directive No. 10

Subject: Minimum and Maximum Rent

The Program Directives in this notice are to be implemented by the housing providers administered by the Region of Halton under the following programs:

<input checked="" type="checkbox"/>	Provincially Prescribed Non-Profit and Co-operative Housing Programs, including Public Housing
<input type="checkbox"/>	Federal Non-Profit Housing Programs
<input checked="" type="checkbox"/>	Rent Supplement
<input checked="" type="checkbox"/>	Halton Access to Community Housing (HATCH)
<input type="checkbox"/>	Other

Effective Date:

January 1, 2021

Authority:

Housing Services Act, 2011 - O. Reg. 316/19, s. 2(2), 2(3), 2(4), 2(5), 2(6), 2(7) and 2(8)

Purpose:

To identify how to establish the maximum and minimum rents/housing charges to be applied when determining a household's RGI rent/housing charge.

Background

The Province has announced changes to the minimum rent amount that takes effect on July 1, 2020. The minimum rent-gear-to-income payable under the Housing Services Act is increasing from \$85 to \$129.

Annual Increases to Minimum Rent

The new minimum rent will be indexed each year on July 1 based on the Ontario Rent Increase Guideline.

The minimum rent increase affects household types differently. This Directive outlines the minimum rent rules for the following household types:

- Households that move in on or after July 1, 2020
- Households that are assessed as minimum rent on or after July 1, 2020
- Existing households paying between \$85 and \$129 as of June 30, 2020.
- Households in receipt of Social Assistance Benefits – referred to as Benefit Units (Ontario Works or Ontario Disability Support Program)

Directions:

1. General Rules relating to Minimum Rent

- The minimum rent is for the unit. It applies to the entire household and not individual family units or benefit units within the household. It is the minimum geared-to-income rent that a household can pay for the unit in which the members live.
- It is the geared-to-income rent after applying adjustments for utility charges and allowances that is compared with the minimum rent amount to determine the final geared-to-income rent. The utility allowances cannot bring the rent below the minimum rent amount.
- Any additional fees that are added to the rent/housing charge such as parking or sector support will be added to the new minimum rent amount.

Annual Indexed Minimum Rent

The Housing Services Division will notify housing providers of the applicable indexed minimum rent amounts before July 1 each year. Housing providers will be required to adjust rent-geared-to-income (RGI) for tenants and co-op members paying minimum rent to the new indexed amount at the first RGI review conducted after July 1 each year.

Minimum rents for single benefit units paying RGI per the social assistance scales will continue to be the scale amount. These amounts are not indexed annually.

Minimum Rent Rules by Household Type

Households that move in on or after July 1, 2020 (Non-Benefit Units)

New households who are assessed as minimum rent upon move-in will have their RGI set at \$129.

Households that are assessed as minimum rent on or after July 1, 2020 (Non-Benefit Units)

For any current households who are assessed as minimum rent on or after July 1, 2020 the new minimum rent will apply.



Current Households with RGI Less than \$129 as of June 30, 2020 Phased-in Approach (Non-Benefit Units)

For current households who pay the minimum rent of \$85 or are paying RGI between \$85 and \$129 a phased-in approach will be applied beginning with their first annual review after July 1, 2020.

The minimum rent will be phased-in by \$8 per year at annual review.
The table below shows the phased-in amounts.

Review Period	Phased-in Minimum Rent
July 1, 2020 - June 30, 2021	\$93
July 1, 2021 – June 30, 2022	\$101
July 1, 2022 – June 30, 2023	\$109
July 1, 2023 – June 30, 2024	\$117
July 1, 2024 – June 30, 2025	\$125

The "Phased-in Amount" would continue until the household reaches the new minimum rent amount after annual increases applied (based on annual Ontario Rent Increase Guidelines).

At each RGI review the households RGI calculation will be compared to the Phased-in Minimum Rent amount. If their RGI calculation is below the Phased-in Minimum rent amount applicable for the review period, then their RGI will be increased to the Phased-in Minimum rent amount.

If the RGI calculation increases above the full minimum rent amount for the year (\$129 + annual increases) then they no longer qualify for the Phased-in minimum rent approach.

Minimum Rent for Benefit Units (Ontario Works and Ontario Disability Support Program)

1. Non-Benefit Income below the Non-Benefit Income Limit

RGI for an OW or ODSP single benefit unit will continue to be based on the rent scale amount as long as the non-benefit income does not exceed the Non-Benefit Income Limit as set out in the Social Assistance Rent Scales. The **new Minimum Rent does not apply** to these households.

- Minimum rent for an ODSP benefit unit of one is \$109.
- Minimum rent for an Ontario Works benefit unit of one is \$85.

(Note: assumption made that there are no changes to the social assistance rent scales)



Minimum Rent for Benefit Units (Ontario Works and Ontario Disability Support Program)

2. Non-Benefit Income above the Non-Benefit Income Limit

If a benefit unit has income above the Non-Benefit Income Limit, then the minimum rent Phased in rules will apply.

2. General rules relating to Maximum Rent

- The maximum monthly rent payable by a household is the rent that a household who is not receiving rent-geared-to-income assistance would pay for the unit (usually referred to as the “market” rent).
- It is the geared-to-income rent after applying adjustments for utility charges and allowances that is compared with the maximum rent to determine the final geared-to-income rent. The utility charges and allowances cannot raise the rent above the maximum.
- Additional allowable charges such as co-op sector support, parking or air conditioning are added to the maximum rent.

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Alex Sarchuk

Commissioner, Social and Community Services Department

Replaces: Program Directive No. 24

Date Released: December 18, 2020

Revised: n/a

