



Housing Services Division
 The Regional Municipality of Halton
 690 Dorval Drive, 7th Floor, Oakville, ON L6K 3X9
 Tel (905) 825-6000 1-866-442-5866 Toll Free
www.halton.ca

Community Housing Program Directives

Directive No. 9

Subject: RGI to Market Rent (24-month rule)

The Directions 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 s.55
 O. Reg 367/11 S.30
 O. Reg 317/19 s.4

Purpose:

To identify requirements for compliance under O. Reg. 367/11, s. 30 which mandates that a household receiving rent-geared-to-income assistance ceases to be eligible for such assistance if, for a period of 24 consecutive months, the amount of rent paid by the household is the equivalent to the market rent or housing charge for the unit.

Background:

O. Reg 367/11 s. 30 sets out that a household becomes ineligible for Rent-Geared-to-Income (RGI) assistance when they have been paying the equivalent to market rent for a period of twenty-four (24) consecutive months. If the household's income decreases during the 24-month period, they are automatically entitled to receive their RGI assistance again. They are not required to apply to HATCH or complete the Market-RGI forms.

This Program Directive is only applicable to households where the rent/housing charge increase is as a result of an increase in income. If the household is at market rent/housing charge due to loss of subsidy for other reasons identified in the HSA, they are not entitled to receive RGI assistance under this rule.

Directions:

Notice to Household that begins to pay equivalent of market rent/housing charge (based on an RGI subsidy calculation)

Housing providers must issue the appropriate RGI Notice of Rent/Housing Charge Increase setting the household's rent/housing charge at the equivalent market rate and advise the household of the following:

- That the household has the right to seek RGI assistance if the household income decreases during the next 24 months.
- That the household will be deemed ineligible for RGI assistance if it pays the market rent/housing charge for 24 consecutive months.

The effective date would be determined based on whether the change occurred at an Annual review or an In-Year review.

The notice must still include the household's right to request a review (by the Service Manager Review Committee) of the RGI calculation. (HSA, 2011 s. 156 (4))

Note: The household is considered an RGI household for the first 24-months under the legislation for all reporting and targeting purposes beginning with the date of the increase.

Please see Appendix I for a sample Notice.

Household has a decrease in income within 24-month period

Households may be entitled to receive RGI assistance if their household income decreases within the first 24-months of paying the equivalent to market rent.

Notice to Household after 24 consecutive months of paying the equivalent to market

The housing provider must advise the household in writing that it is no longer eligible for RGI assistance at the end of the 24-month period if the household has been paying the equivalent of the market rent /housing charge for 24 consecutive months.

Market Rent/Housing Charge Increases

If an annual increase to the market rent/housing charge has been implemented by the housing provider, a Notice of Rent/Housing Charge Increase can be issued each year to the household prior to the end of the 24-month period, with appropriate notice.



Example: Tenant/member was set at equivalent to market under this Directive effective January 1, 2019. The housing provider implements a market rent/housing charge increase for all market residents as of January 1, 2020. The Notice of Rent/Housing Charge increase can be sent to the residents in September (90 days notice for non-profit housing providers, or in October for a housing co-operative (as allowed by by-law).

Note: If the tenant/member has an income decrease prior to January 1, 2021, they continue to be entitled to receive their subsidy in accordance with this Directive and the increase in market rent/housing charge would not take effect.


Right to request a Review

Under s. 156 (5) of the HSA, 2011 households have a right to request a review of the decision to declare them ineligible for RGI assistance. The Notice must advise the household members that they have the right to request a review of the decision that the household is no longer eligible for RGI assistance.

Please see Appendix II for a sample Notice.

Household no longer considered an RGI Household

Once the household has paid the equivalent to market rent/housing charge for 24 consecutive months, they are no longer considered an RGI household for reporting purposes to Halton Region. This means that the provider's RGI target count is reduced by one and the next vacancy should be filled in accordance with the targeting plan.

DocuSigned by:

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Alex Sarchuk
Commissioner, Social and Community Services Department

Replaces: Program Directive 12
Date Released: December 18, 2020
Revised: N/A



Appendix I

Sample Letter - Notice to Household

Note: Letter must be on housing provider's letterhead.

Notice of Rent Increase Equivalent to Market Rent

Date
Name
Address

Dear Resident:

On _____, 20XX your rent/housing charge will increase to \$_____.00 per month¹.

This new rent/housing charge is the same as the market rent/housing charge for your unit. You are being charged this rate because your household income is high enough for you to pay the market rent/housing charge. In other words, if we charged you a rent/housing charge based on 30 percent of your household income, you would be paying more than the current market rate.

Under the *Housing Services Act, 2011*, if your household income goes down within the next 24 months, you may receive rent-geared-to-income (RGI) assistance again as long you still meet the eligibility rules. You would receive the RGI assistance on the first month after your income decreased.

Important Information: If you have paid the market rent/housing charge for 24 straight months you will be notified that you are no longer eligible to receive RGI assistance. You will have to re-apply for RGI assistance and have your application added to the centralized wait list. You will be offered RGI assistance once you reach the top of the wait list and if you meet the eligibility rules. Please contact the office if you need to re-apply for assistance after paying the market rent/housing charge for more than 24 straight months.

During the next 24 months, if your household income decreases, you must follow these rules if you want to apply for RGI assistance:

1. You must report a decrease in your household income or change in family members in writing.
2. You will need to complete the Annual Review Forms in order to be considered for RGI assistance. Please contact the office if you need the forms.



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Right to request a review of the decision to increase your rent to the equivalent of market rent/housing charge

If you disagree with this decision, you may request a review of this decision. To request a review of this decision, you must ask the office for a Request for a Review form. The form must be completed and submitted to the office within 30 days from the date on this letter (**enter date +30 days**). Office staff may contact you to discuss your request to see if your questions can be answered without the need for a formal review.

If you still disagree with the decision, your request for a review will be forwarded to the Service Manager Review Committee. Halton Region will contact you with a time and date for the review.

If a request for a review is not received by the office (**by date XXXX**), then the decision made in this letter is final.

If you make a request for a review and then decide that you no longer want the review to take place, you must advise the office in writing that you have changed your mind.

If you have any questions, please contact the office at _____.

Signature

Name of Person Signing

Title

Phone



Appendix II

Sample Letter - Notice to Household after 24 consecutive months of paying the equivalent to market

Note: Letter must be on housing provider's letterhead.

Notice – 24 Months at Market Rent No Longer Eligible for Rent-Geared-to-Income (RGI) Assistance

Date
Name
Address

Dear Resident:

You began paying the market rent/housing charge for your unit on _____, 20XX.

Effective _____, 20XX (*enter first day of the month following completion of 24 consecutive months of paying the market rent/housing charge*) your household is no longer eligible for rent-geared-to-income (RGI) assistance. This is because you have been paying rent/housing charge that equals the current market rent/housing charge for the past 24 months.

If your household income goes down in the future, you must re-apply for RGI assistance through the Market to RGI process. Please contact the office to obtain the appropriate forms. If you meet the eligibility criteria your application will be added to the Halton Access to Community Housing (HATCH) centralized wait list. When your application reaches the top of the list, and you meet the eligibility rules for RGI assistance, you will receive an offer of RGI assistance in your current unit.

Please be advised that because you are no longer eligible for RGI assistance you are responsible to pay the market rent/housing charge set by (*insert name of provider*).

Right to request a review of this decision that you are no longer eligible for RGI assistance

If you disagree with this decision, you may request a review of this decision. To request a review of this decision, you must ask the office for a Request for a Review form. The form must be completed and submitted to the office within 30 days from the date on this letter (**enter date +30 days**). Office staff may contact you to discuss your request to see if your questions can be answered without the need for a formal review.

If you still disagree with the decision, your request for a review will be forwarded to the Service Manager Review Committee. Halton Region will contact you with a time and date for the review.

If a request for a review is not received by the office (**by date XXXX**), then the decision made in this letter is final.



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If you make a request for a review and then decide that you no longer want the review to take place, you must advise the office in writing that you have changed your mind.

Please contact the staff person below if you have any questions about this notice.

Signature

Name of Person Signing

Title

Phone



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