

SH *notification*

social housing

Rent-Geared-to-Income Calculations During COVID-19.

Legislation/Regulation

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Operational

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The purpose of this notification is to provide information to Service Managers and housing providers regarding the treatment of new emergency benefits for rent-geared-to-income calculations during the COVID-19 outbreak, as well as the implementation of simplified regulations beginning July 1, 2020.

The following emergency payments should be considered as income and included for the purposes of rent-geared-to-income calculations: Canada Emergency Response Benefit, Canada Emergency Student Benefit (except where exempted for full-time students under the Housing Services Act, 2011), and the temporary doubling of the Guaranteed Annual Income System payments.

Rent-Geared-to-Income Calculations During COVID-19

The Ministry understands the significant challenges arising from the ongoing COVID-19 outbreak and the need to ensure the health and safety of tenants and staff members.

In general, the rent-geared-to-income calculation process should continue. However, Service Managers are encouraged to develop internal processes to manage situations related to change of income as a result of emergency financial assistance and use their discretion to provide stability to vulnerable households.

Specifically, Service Managers may have flexibilities and/or powers within the existing framework which allow them to provide stability for vulnerable households impacted by the emergency situation while prioritizing administrative resources. For example:

- While Service Managers are required to conduct annual rent reviews, the rule does not require the review to occur on a specific date within the required 12-month period (Section 52, O. Reg. 298/01).
- While Service Managers are required to review rent in-year if notified of a change in income, the rule does not require the review to occur by a specific date (Section 53, O. Reg. 298/01). However, a decision to increase rent may be retroactive.
- The period of time that a household has to notify of income changes may be extended beyond the minimum 30-day period of time (Section 28, O. Reg. 367/11).
- Section 51 of the Housing Services Act, 2011 provides Service Managers with the authority to defer or forgive all or part of the rent payable by a household.

As the COVID-19 outbreak evolves, the ministry will continue to monitor the situation and engage with our Service Manager partners. The ministry intends to review the situation in July 2020 and will communicate any changes as they arise.

Simplified Rent-Geared-to-Income Regulations Beginning July 1, 2020

As announced in September 2019, the province is implementing a suite of changes to the rent-geared-to-income calculation to make calculating rent simpler for Service Managers and housing providers and easier for tenants to predict and understand.

To that end, Ontario Regulation 298/01 is revoked and replaced with Ontario Regulation 316/19 as of July 1, 2020. Regulatory amendments to Ontario Regulation 367/11 to support rent-geared-to-income simplification will also be in force as of July 1, 2020.

At this time, the implementation of the simplified rent-geared-to-income regulations is ongoing as planned. As communicated in September 2019, Service Managers may choose to delay implementation of the new rules for a period of one year until July 1, 2021, at their discretion.

Service Managers who delay implementation until July 1, 2021 must continue to determine rent-geared-to-income assistance under the revoked Ontario Regulation 298/01 for the period between July 1, 2020 and June 30, 2021. Please note that new minimum rent provisions will be in-effect for all tenants on July 1, 2020, irrespective of the Service Manager's chosen implementation date.

Further Information

The new Ontario Regulation 316/19 is available through the following hyperlink:

<https://www.ontario.ca/laws/regulation/r19316>

The amendments to Ontario Regulation 367/11 are available through the following hyperlink:

<https://www.ontario.ca/laws/regulation/r19317>

Should you have further questions, please contact your Team Lead, Regional Housing Services.