


Housing Services Division Policy		Content Updated: 2017-11-27; 2018-02-02
Social Housing Administration		Housing Services
RGI to Market Rent (12-month rule) Policy	Hamilton	
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RGI to Market Rent (12-month rule) Policy		
POLICY STATEMENT	<p>All Housing Providers who must adhere to the <i>Housing Services Act, 2011</i> (HSA) and/or have an agreement with the City of Hamilton for rent-geared-to-income (RGI) or rent supplement subsidy must follow this policy.</p> <p>The City of Hamilton as Service Manager under the HSA is required to establish and administer policies and procedures for social housing within its applicable service area. Part of the responsibility is to enforce legislated eligibility requirements for Housing Providers, including the cessation of RGI eligibility.</p>	
PURPOSE	<p>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 12 consecutive months, the amount of rent paid by the household is the equivalent to the market rent or housing charge for the unit.</p>	
SCOPE	<p>This policy applies to situations in which a household's RGI or Rent Supplement is set at a rate equal to the market rent or housing charge for the unit.</p> <p>Note: this policy is only applicable to household(s) where the rent or housing charge increase is a result of an increase in income. If the household is at market rent or housing charge due to loss of subsidy for other reasons identified in the HSA, they are not entitled to receive RGI assistance under this policy.</p>	
DEFINITIONS Household Housing Provider Market Rent Market Unit Service Manager	<p>an individual who lives alone or two or more individuals who live together</p> <p>a Non-Profit or Co-operative organization that provides social housing; the City of Hamilton, Housing Services Division acts as the Housing Provider for the Rent Supplement program</p> <p>Refers to the amount of rent or housing charge paid by a household that is not receiving RGI assistance.</p> <p>A unit that is in a housing project and that is not a rent-geared-to-income unit</p> <p>The City of Hamilton is a Service Manager designated to administer and fund the social housing program in Hamilton.</p>	

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TERMS & CONDITIONS

Requirements

Notice

The HSA recognizes that households receiving RGI assistance may have difficulty establishing stable incomes.

When a household's income has increased such that their calculated rent payable equals, or is greater than, the market rent for that unit, they are deemed to be paying the maximum rent for the unit.

In the first 12 months after they begin paying maximum rent, the household is still considered to be an RGI or Rent Supplement household under the HSA and must continue to report changes in income or other information that may affect their eligibility. They must continue to comply with Housing Provider requests for information and with annual review processes.


If a household's RGI or Rent Supplement is set at maximum RGI (equal to the market rent or housing charge for the unit) they continue to be eligible for RGI assistance although no subsidy is being paid for 12 months.


The household's circumstances may change resulting in the recalculation of RGI or Rent Supplement assistance and lower rent.

If a household has been paying the maximum rent (equivalent to market rent or housing charge for the unit) for 12 consecutive months, they cease to be eligible for RGI assistance in the 13th month.

Housing Providers and Housing Services staff must issue a written Notice of Rent/Housing Charge Increase to the household which states:

- The amount of rent or housing charge at the equivalent market rent (the effective date of the RGI increase is the first day of the second month following the change – e.g. a rent increase notice issued May 10 would take effect July 1);
- That the household has the right to seek RGI assistance if the household's income decreases during the next 12 months;
- That the household will be deemed ineligible for RGI assistance if they pay the market rent/housing charge for 12 consecutive months, and;
- That the household has a right to request a review of the RGI calculation as per the Social Housing Review System Policy if they became ineligible for RGI.

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Decrease in income within 12-month period	<p>Households are entitled to receive RGI or Rent Supplement assistance if their household income decreases within the first 12-months of paying the equivalent to market rent. The effective date of the RGI or Rent Supplement assistance would be the first day of the month following the decrease in income.</p>	
12-months paying Market Rent	<p>If a household pays the equivalent of market rent/housing charge for 12 consecutive months, the Housing Provider must send a <u>Notice of Decision - Loss of Eligibility</u> to the household with an effective date 12 months after the maximum rent took effect. The Notice must include information that the household has a right to request a review of the decision that the household is no longer eligible for RGI or Rent Supplement assistance as per the <u>Social Housing Review System Policy</u>.</p> <p>Housing Providers will not evict tenants or members who are at 12 months of paying market if the project is 100% RGI.</p>	
Exemption	<p>Households who are part of the Ontario Basic Income Pilot (OBI) are exempt from the 12 months at market rent rule. Households participating in the OBI who are paying market rent will continue to be eligible to have their RGI subsidy reinstated even if they are paying market rent longer than 12 months.</p>	
Household no longer considered a RGI household	<p>If after 12 months of paying market rent the household needs RGI or Rent Supplement assistance again, they must re-apply to the centralized wait list at Access to Housing – unless the household is participating in the OBI pilot.</p> <p>Once a household has paid the equivalent to market rent/housing charge for 12-consecutive months, they are no longer considered a RGI household for reporting purposes to the City of Hamilton. This means the Housing Provider’s RGI target count is reduced by one and the next vacancy should be filled in accordance with the Housing Provider’s targeting plan.</p>	
RESPONSIBILITIES	<p>As outlined in the Terms and Conditions section, this policy complies with <i>Housing Services Act, 2011 (HSA) O. Reg. 367/11 s.30</i>.</p> <p>Housing Providers and City staff in the Rent Supplement Program must follow this policy.</p>	

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COMPLIANCE	Service Manager Housing Administration Officers ensure each Housing Provider is following its targeting plan and this policy.	
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