

Communiqué

Issue

May 22, 2020

2020-4

The Requirements, Recommendations and Guidelines in this Communiqué are applicable to the social housing providers administered by the City of Hamilton.

✓	Providers Under <i>Housing Services Act, 2011</i>
✓	Providers Under a Federal Operating Agreement
✓	OCHAP
✓	Rent Supplement
✓	Requirement

SUBJECT: Minimum Rent Increase and Rent-Geared-to-Income (RGI) Simplification

BACKGROUND:

The Province has implemented a suite of changes to the RGI calculation to make calculating rent less difficult for Service Managers and housing providers and easier for tenants to predict and understand. To do this, Ontario Regulation 298/01 is being revoked and replaced with [Ontario Regulation 316/19](#).

Policy Change

Per our [Communiqué Issue 2019-09](#) dated December 4th, 2019, the City of Hamilton has chosen the implementation date of July 1, 2021, and therefore RGI assistance must continue to be determined under the revoked Ontario Regulation 298/01 for the period between July 1, 2020 and June 30, 2021.

However, the new minimum rent provisions contained in Ontario Regulation 316/19 takes effect July 1, 2020 regardless of when the Service Manager implements RGI simplification.

Minimum Rent Provisions

Minimum rent will be increased and indexed with the Province’s annual rent increase guideline, subject to phase-in for existing tenants paying less than indexed minimum rent.

For households **new** to receiving RGI subsidy:

- the minimum rent amount is **\$129** for the calculation done between the period of July 1, 2020 to June 30, 2021.
- Each subsequent period of July 1 to June 30, the rent amount for the prior period is increased by the prescribed rent increase guideline.

For households with a **current rent** of less than \$129:

- the minimum rent amount is **\$93** for the calculation done within the period of July 1, 2020 to June 30, 2021.
- Each subsequent period of July 1 to June 30, the rent amount for the prior period is increased by \$8 until it reaches \$129.

Housing Providers should maintain current annual renewal dates which means each household will have an annual review completed under this new method by June 30, 2021.

Example:

Current Rent	Annual Renewal Date	New Rent Calculation	New Rent Charge
\$100.00	September 1, 2020	\$90.00	\$93.00
\$90.00	September 1, 2020	\$100.00	\$100.00

The Ontario Works (OW) minimum rent for a household that consists of only one benefit unit with one person remains at \$85. If the household consists of more than one benefit unit, the social assistance rent scales will continue to apply.

RGI Simplification

Specific details about changes to RGI calculations and training will be organized closer to the implementation date.

Housing Providers are encouraged to contact their City of Hamilton Housing Administration Officers if they require any clarification.

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