

Communiqué

Issue 2021-04

Date: August 18, 2021

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

<input checked="" type="checkbox"/>	Providers Under <i>Housing Services Act, 2011</i>
<input type="checkbox"/>	Providers Under a Federal Operating Agreement
<input checked="" type="checkbox"/>	Requirement
<input type="checkbox"/>	Recommendation
<input type="checkbox"/>	Guidelines
<input type="checkbox"/>	For Information Purposes Only

SUBJECT: Annual Increase to Minimum Rent July 1, 2021 to June 30, 2022

This memorandum is to notify Housing Providers of the applicable minimum rent amounts for the period July 1, 2021 to June 30, 2022 in accordance with the *Housing Services Act, 2011*.

Under O. Reg. 316/19, Section 2 (4) (4.1) (5) allows for annual increases to be applied to the minimum and phased-in minimum rents effective July 1 of each year.

Annual Increase to Minimum Rent

Each year rent guideline increases are to be applied to the minimum rent originally established at \$129.00. Phased-in minimum rents must increase each year by \$8.00 until the amount of the phased-in rent matches the indexed rent.

O. Reg. 316/19 Sec. 4.1 outlines that the rent guideline increase to be applied to the indexed minimum rent will be 1.5% and not the 0% increase established during the 2021 rent freeze period.

Minimum Rents for the period July 1, 2021 to June 30, 2022

Indexed Minimum - \$131.00
Phased-In Minimum - \$101.00

Housing Providers must adjust rent-geared-to income (RGI) for households paying minimum rent to the new amount at the first RGI review conducted after July 1.

Minimum Rents for Benefit Units

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 Increase and the Provincial Rent Freeze

The Rent Freeze Memorandum dated October 15, 2020 is still in effect. As with all other RGI increases calculated at the time of annual review during 2021, the minimum rent increases will take effect on January 1, 2022.

Reminder:

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.
- After applying adjustments for utility charges and allowances, RGI rent 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.

Minimum Rent Examples

Scenario 1: OW Single - Social Assistance Rent Scale Amount - \$85

A. Utility Charge = \$30

Rent = **\$115.00** (\$85 + \$30)

B. Utility Allowance = \$30

Rent = **\$85.00** (\$85 - \$30 = \$55 which is below the minimum rent amount of \$85)

Scenario 2: ODSP-2 Social Assistance Rent Scale Amount - \$199.00

Utility Allowance credit = \$83.00.

Rent = **\$131.00** (\$199.00 - \$83.00 = \$116 which is below the new minimum rent amount of \$131)

Scenario 3: Proof of Income Statement – Line 23600 - \$3,000 (No OW/ODSP)

Utility Charge = \$43

Rent = **\$131.00** (\$3,000/12 - \$75 income exemption x 30% = \$52.50 + \$43 = \$95.50 which is below the new minimum rent amount of \$131)

Please contact your Housing Administration Officer if you have any questions.

George Gambioli
Godfred Okyere-Koranteng
Kamba Ankunda
Kim Ryan

George.Gambioli@hamilton.ca
Godfred.Okyere-Koranteng@hamilton.ca
Kamba.Ankunda@hamilton.ca
Kim.Ryan@hamilton.ca