

### Subject: Provider Vacancy Loss HIP

Revision Date: May 17, 2016  
Replaces: Provider Vacancy Loss HIP P & P (October 25, 2012)

**Applicable to** The policy and procedures contained in this document apply to the following housing providers:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Municipal & Private Non-Profit | <input type="checkbox"/> Federal Non-Profit                                      |
| <input checked="" type="checkbox"/> Co-operatives                  | <input checked="" type="checkbox"/> Rent Supplement*<br>*incl. former OCHAP/CSHP |
| <input type="checkbox"/> Peel Access to Housing (Path)             |  |

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**Purpose** The purpose of this document is to provide housing providers with the following:

- Vacancy loss for RGI units policy
- Vacancy loss for all units when a household moves to a long term care home policy
- Reporting and claiming vacancy loss for RGI units procedure
- Reporting and claiming vacancy loss for all units when a household moves to a long term care home procedure

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**Rationale** A standardized vacancy loss policy and procedure for reporting

- ensures housing providers receive the correct RGI subsidy in accordance with their target plans
- assists the Service Manager with its requirement to oversee housing providers’ practices ensuring accordance with provincial legislation and best practices, and
- allows the Service Manager to establish a proactive relationship with housing providers where challenges are identified at onset and addressed with appropriate supports helping projects maintain their viability.

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**Vacancy loss for RGI units** The Region of Peel will cover the vacancy loss for any unit that was occupied by an RGI household for up **to two (2) months** provided the housing provider is meeting its target plan and mandate (this still applies if the unit was RGI but becomes market).

(Reminder: Housing providers are required to maintain their targets and claim vacancy loss as outlined in this HIP P & P)

Housing providers are also responsible for ensuring all units are marketed quickly once they receive notice. Housing providers are encouraged to utilize their sector organizations ([ONPHA](#) or [CHF](#)) for assistance with developing marketing plans.

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**Vacancy loss - summary** The following table highlights when the Service Manager will assist with a housing provider’s vacancy loss.

<b>If the vacant unit was...</b>	<b>And the vacant unit...</b>	<b>Then vacancy loss is covered by the...</b>
RGI	Remains RGI or Becomes Market	Region of Peel (for up to two months)
Market	Remains Market or Becomes RGI	Housing Provider

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**Vacancy loss Background**

**for all units if household moves to a long-term care home**

Legal Requirements

Under the Residential Tenancies Act, 2006, (RTA), Co-operative Corporations Act, R.S.O 1990 (CCA), and in most co-operative housing corporations' by-laws a household that will be vacating their unit is required to give notice to vacate the unit.

The RTA and CCA require a household give 60 days notice for monthly and yearly tenancies, and each co-operative can establish its own by-law for notice to vacate. Under the RTA, CCA, and most co-op by-laws, a household is also responsible for the rent or member charges for the period the notice to vacate covers even if the household moves out before the notice period ends.

Long-term care homes' acceptance process

When long-term care homes offer an applicant a spot, the turnaround time for the applicant to accept and move-in is very short; typically 24 hours to accept the offer and 1-2 days to move in. This short turnaround time conflicts with the notice to vacate requirements under the RTA and a typical co-operative's by-laws. A household generally can not simultaneously pay the long-term care home fees and rent/member charge for the months that fall under the notice to vacate period.

**Policy**

If a housing provider incurs a vacancy loss (for an RGI or market unit) because a household moves to a long-term care home before the notice to vacate period has ended, the Region of Peel will cover **up to one (1) full month** of vacancy loss incurred by the housing provider.

RGI Units Only:

If a household moves from an RGI unit to a long-term care home the "Vacancy Loss for RGI Units" policy will also still apply. This means the Service Manager will cover "up to two months" vacancy loss, if it is required, in addition to the one month the Service Manager will cover due to the move to a long-term care home.

**Rationale**

The Region of Peel has established this policy as it assists the:

- household with being able to accept the offer from the long-term care home (typically the household can not afford to pay both the long-term care home fees and the rent/member charge for the months that fall under the notice to vacate period), and
- housing provider with a potential revenue loss due to the household's move to a long-term care home before the notice to vacate period has ended.

**Reminder:** It is expected that the housing provider will use the last month's rent/member charge deposit to cover revenue loss incurred for

one month (in addition to the Service Manager's one month contribution).

### **Verification of Requirement to Move**

The household that is moving out must provide a completed copy of the *Application for Determination of Eligibility for Long-Term Care Home Admission* form (provided by the Ontario Ministry of Health and Long-Term Care under the *Long-Term Care Homes Act, 2007*) signed by the Community Care Access Centre to verify their move to the long-term care home. If the Ministry's *Authorization for Admission to a Long-Term Care Home* is not available then authorization for admission on the long term care home's letterhead signed by the CCAC will suffice.

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### **Reporting requirements**

#### **To the Service Manager**

The Service Manager requests that housing providers report their vacancy loss for the corporation to the Service Manager annually together with the Annual Information Return (AIR) and Audited Financial Statements (AFS).

#### **Rationale for Reporting**

The requirement for housing providers to report vacancy loss helps the Service Manager:

- fulfill its role to oversee administration of RGI in Peel
- ensure the correct reimbursement for vacancy loss of RGI units is issued, and
- identify the early onset of challenges a housing provider may experience and provide support, referrals and/or resources to assist the housing provider remain on target (see "Support from Service Manager" below for more information)

#### **To the Housing Provider's Board of Directors**

Housing providers are strongly encouraged to provide the same information they submit to the Service Manager to their Board of Directors as review of this information is effective for monitoring vacancy loss and assessing its impacts.

#### **To the Auditor**

As a best practice, housing providers are strongly encouraged to provide a copy of its vacancy loss report to the auditor during the year-end audit.

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**Support from the Service Manager**

The Service Manager's primary intent for the vacancy loss reporting requirements is to

- help housing providers identify potential concerns, issues and challenges, and
- support housing providers with addressing and overcoming potential concerns, issues and challenges in the early stages.

If concerns do arise, the degree of Service Manager support will vary based on the nature of the concerns and the housing provider's needs. The Service Manager's support may include the Service Manager:

- offering referrals to sector organizations or other third parties that can provide appropriate resources such as educational material, best practices, training
- meeting with housing providers to review circumstances, identify root cause of any concerns and determine appropriate next steps
- recommending best practices or investigating alternative strategies with the housing provider to address the concern(s) and improve operations, and/or
- asking housing providers to identify supports they feel would help.

Efforts to reduce vacancy loss (or to maintain levels that are manageable) are necessary for housing providers to maintain healthy revenues that fund their operations. The Service Manager wants to support housing providers when required and work with them to achieve the desired outcome.

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**Vacancy Report: Information to include**

Housing providers are to provide the Service Manager with a vacancy report annually that includes the following information:

- Name of Housing Provider
- Fiscal Year Start Date
- Unit number and month(s) for which an RGI unit was vacant
- Total number of months each RGI unit was vacant and total vacancy loss in dollars for each RGI unit

Housing providers can submit this information using either

- their own vacancy reporting tool, or
- the *Housing Provider Annual Vacancy Report* form created by the Service Manager (see Appendix I for an example).

A template of the *Housing Provider Annual Vacancy Report* form can be obtained from your Housing Programs Specialist.

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**Procedure - Claiming**

To claim vacancy loss for a move to a long-term care home, follow the steps below.

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**Human Services**

**vacancy loss for  
a move to a  
long-term care  
home**

<b>Step</b>	<b>Action</b>
1	Request the household provide a copy of the Ontario Ministry of Health and Long-Term Care <i>Authorization for Admission to a Long-Term Care Home</i> , completed by Community Care Access Centre (CCAC).
2	Obtain the <i>Recovery for Vacancy Loss Due to Move to Long-Term Care Home</i> form from your Housing Programs Specialist  (Note: an example is included as Appendix II).
3	Complete the form in full including the following details for each vacancy loss due to a move to a long-term care home: <ul style="list-style-type: none"> <li>• unit number</li> <li>• tenant or member Lease ID – if applicable</li> <li>• date the tenant/member gave notice</li> <li>• date the tenant/member is responsible to (ie. 60 days notice)</li> <li>• date up to which the Service Manager may be responsible for vacancy loss (ie. up to one full month after the tenant/member’s prepaid last month rent/member charge is applied)</li> <li>• date the unit is re-rented</li> <li>• actual number of days in the month the Service Manager is responsible for (column “A”)</li> <li>• total number of days in that month (column “B”)</li> <li>• the outgoing tenant/member’s rent (column “C”) recovery from Service Manager in dollars - calculated as follows: (column A/column B * column C)</li> </ul> (Reminder: Each claim can be for an amount equivalent to no more than <u>one</u> month’s rent)
4	Attach the completed <i>Authorization for Admission to a Long-Term Care Home</i> for each claim to the <i>Recovery for Vacancy Loss Due to Move to Long-Term Care Home</i> form and send the documents to your Housing Programs Administrator at the Region of Peel.  <b>Reminder:</b> This report is to be submitted annually, with the AIR and AFS.
5	Record payment from the Service Manager as rent collected. The Accounts Receivable entry will need to: <ul style="list-style-type: none"> <li>• reverse the vacancy loss,</li> <li>• record the claim amount as rent (vacancy loss), and</li> <li>• then apply the subsidy to vacancy loss (i.e. to claim).</li> </ul>

**Legislation**

***Housing Services Act, 2011***

- [Housing Services Act, 2011](#), s. 75(1); and s. 77(1a), (4) & (5).
- [O. Reg. 367/11](#), s. 96(3)

**Human Services**

10 Peel Centre Drive, Suite B, 5<sup>th</sup> Floor,  
P.O. Box 2800, STN B, Brampton, Ontario, L6T 0E7  
Telephone: 905-453-1300 [www.peelregion.ca](http://www.peelregion.ca)

***Residential Tenancies Act, 2006***

- [Residential Tenancies Act, 2006](#), s. 47 and s. 44(2) & (3)

***Co-operatives Corporation Act, 1990***

- [Co-operatives Corporation Act, 1990](#), s. 21; s. 60(1);

***Human Rights Code (HRC) and Duty to Accommodate***

- [Human Rights Code, 1990](#)

(Note: Under the *HRC*, s. 2.(1) housing providers have a “duty to accommodate” persons with disabilities)

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**Questions**

If you have questions pertaining to this document please contact your Housing Programs Specialist at the Region of Peel.

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**Appendices**

The appendices provide examples of the forms housing providers can use to report vacancy loss.

- Appendix I: *Housing Provider Annual Vacancy Report* form.
  - Appendix II: *Recovery for Vacancy Loss Due to Move to Long-Term Care Home* form
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Appendix II: Recovery for Vacancy Loss Due to Move to Long-Term Care Home



Recovery for Vacancy Loss Due to Move to Long-Term Care Home

\*Note: Housing Providers are to submit this form annually with the AIR and AFS.

<b>Provider Name:</b>	
<b>Claim Period Start:</b> (month/day/year)	
<b>Claim Period End:</b> (month/day/year)	

**\*\*Complete the unshaded cells below the grey bar** (Note: rows above the grey bar are examples only) ("SM" = Service Manager)

Dates should be input by: mm/dd/yyyy

Unit	Tenant/ Member Lease ID, if applicable	Date Notice Given	Date Tenant/Member Responsible To --> 30 days to an end of month	Date up to which SM May be Responsible for Vacancy Loss --> the following month	Date Unit Re-Rented	No. of Days in Eligible Month SM Responsible For: (A)	No. of Days in Eligible Month: (B)	Outgoing Tenant/ Member Rent: (C)	Recovery From SM: (A) / (B) * (C)
229	ABCD	04/24/2008	05/31/2008	06/30/2008	07/13/2008	30	30	336	336.00
103	123456	09/01/2008	09/30/2008	10/31/2008	10/03/2008	2	31	773	49.87
				02/28/1900		-1	28		-
				02/28/1900		-1	28		-
				02/28/1900		-1	28		-
				02/28/1900		-1	28		-
						<b>Total amount to be recovered from Service Manager:</b>			