

Subject: 2019 Cost and Revenue Indices

Date: September 6, 2018
Replaces: 2018 Cost and Revenue Indices HIP P&P dated September 12, 2017

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 type="checkbox"/> Rent Supplement* |
- *incl. former OCHAP/CSHP

Note: This document does not apply to Peel Living. The 2019 cost and revenue indices for Peel Living will be communicated separately.

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Legislation *Housing Services Act, 2011 O. Reg. 369/11*

Purpose The purpose of this document is to communicate the 2019 indices for costs and revenues to calculate subsidies under the *Housing Services Act* (HSA). The indices in this document are used to calculate subsidy for all housing providers in the Region of Peel. The notification for Peel Living of these indices will be done outside of this HIP.

The Cost Indices for mixed non-profit and 100% RGI non-profit projects are used to calculate operating subsidies.

The Market Rent Index is used to calculate the operating and rent-geared (RGI) subsidies for section 110 housing providers (formerly section 103).

The Ministry of Housing (MOH) issues the Market Rent Indices each year that reflect changes in the market rents for each area.

Mixed Non-Profit Projects

Mixed Non-Profit Projects are to use Appendix 1, Table 1, which presents a combination of indices for costs and revenues for mixed projects. In addition, they are to use the MRI Table in Appendix 2 to determine indices for Benchmark Revenues which varies depending on location as based on information from the MOH.

100% RGI Non-Profit Projects

100% RGI Non-Profit Projects are to use Appendix 1, Table 2, which presents indices for costs for 100% RGI projects.

Applying the Indices

The numbers provided in the 2019 tables are percentages and must be converted into an “index factor” before it can be used to prepare your budget form for your 2019 fiscal year (O. Reg. 369/11 section 6.1).

The following are examples of a Positive Index and a Negative Index:

Positive Index Example		Negative Index Example	
Index	= 2.34%	Index	= (2.34)%
Decimal	= 0.0234	Decimal	= (0.0234)
Index Factor	= 0.0234 plus 1 = 1.0234	Index Factor	= (0.0234) plus 1 = 0.9766

Questions

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

Attachments

Appendix 1:
Table 1: 2019 Indices Mixed Non-Profit Projects Index
Table 2: 2019 Indices 100% Non-Profit Projects Index

Appendix 2: 2019 Market Rent Index by Housing Provider Name – Peel Region

Appendix 1

Table 1: 2019 Indices Mixed Non-Profit Projects Index, HSA, O. Reg. 369/11

	Item	Index description	2019 Index
Benchmark Costs	<i>Administration and maintenance</i>	Ontario CPI all-items	2.27%
	<i>Insurance</i>	Ontario CPI - homeowner's home and mortgage insurance sub-index	3.30%
	<i>Bad Debt</i>	Market Rent Index	Appendix 2
	<i>Electricity</i>	Ontario CPI - Electricity sub-index	-10.91%
	<i>Water</i>	Ontario CPI - Water sub-index	5.10%
	<i>Natural Gas</i>	Ontario CPI - Natural gas sub-index	-2.75%
	<i>Oil and Other Fuel</i>	Ontario CPI - Oil and other fuel sub-index	21.22%
	<i>Capital Reserves</i>	Ontario CPI all-items	2.27%
Benchmark Revenues	<i>Indexed Market Rent</i>	Market Rent Index	Appendix 2
	<i>Vacancy Loss</i>	Market Rent Index	Appendix 2
	<i>Non-Rental Revenue</i>	Factor of 1	Factor of 1

Appendix 1 continued:

Table 2: 2019 Indices 100% RGI Non-Profit Projects Index, HSA, O. Reg. 369/11

	Item	Index description	2019 Index
Benchmark Costs	<i>Administration and maintenance</i>	Ontario CPI all-items	2.27%
	<i>Insurance</i>	Ontario CPI - homeowner's home and mortgage insurance sub-index	3.30%
	<i>Bad Debt</i>	Ontario CPI all-items	2.27%
	<i>Electricity</i>	Ontario CPI - Electricity sub-index	-10.91%
	<i>Water</i>	Ontario CPI - Water sub-index	5.10%
	<i>Natural Gas</i>	Ontario CPI - Natural gas sub-index	-2.75%
	<i>Oil and Other Fuel</i>	Ontario CPI - Oil and other fuel sub-index	21.22%
	<i>Capital Reserves</i>	Ontario CPI all-items	2.27%

2019 Market Rent Index - By Housing Provider (Excluding Peel Living)

Districts	Row (Townhouse)	Apartment
Brampton (East)	1.8%	1.8%
Brampton (West)	1.8%	1.8%
Mississauga (Northeast)	1.8%	1.8%
Mississauga (Northwest)	1.8%	1.8%
Mississauga (South)	-12.2%	1.8%
Caledon	1.8%	1.8%

No.	Housing Provider	MRI District	Building Type (Row/Apt/Mixed)	2019 MRI
69	Aghabi Place	Mississauga (Northeast)	Apartment	1.80%
76	Ahneen	Mississauga (Northwest)	Row	1.80%
51	Arbour Mill	Mississauga (Northeast)	Apartment	1.80%
113	Armagh House (alternative provider)	Mississauga (South)	Apartment	1.80%
100	Barbertown	Mississauga (Northeast)	Apartment	1.80%
92	Bayanihan	Mississauga (Northeast)	Apartment	1.80%
77	Bristol Road	Mississauga (Northeast)	Mixed	1.80%
78	Britannia Glen	Mississauga (Northwest)	Apartment	1.80%
101	Camille's Place	Mississauga (Northeast)	Apartment	1.80%
102	Cervantes Lions Court	Mississauga (Northeast)	Apartment	1.80%
93	Chegoggin	Brampton (West)	Apartment	1.80%
103	Coral Place	Mississauga (Northeast)	Apartment	1.80%
104	Dan Benedict	Mississauga (Northeast)	Apartment	1.80%
105	Edenwood	Mississauga (Northwest)	Apartment	1.80%
106	Erin Court	Mississauga (South)	Apartment	1.80%
79	Fletcher's Creek	Mississauga (Northeast)	Row	1.80%
33	Forest Ridge	Mississauga (Northwest)	Apartment	1.80%
80	Forestwood	Mississauga (Northeast)	Apartment	1.80%
81	Forum Italia	Mississauga (Northeast)	Apartment	1.80%
82	Hope Villa	Mississauga (Northeast)	Row	1.80%
107	ILGWU	Mississauga (Northeast)	Apartment	1.80%
94	Indo-Canadian	Brampton (West)	Row	1.80%
109	Kimbermount Place	Mississauga (Northwest)	Apartment	1.80%
108	Las Americas	Mississauga (Northeast)	Apartment	1.80%
83	Lom Nava	Mississauga (Northwest)	Row	1.80%
95	Mahogany Place	Mississauga (Northeast)	Mixed	1.80%
88	Neelands Place	Mississauga (Northeast)	Apartment	1.80%
96	Northwood Park	Brampton (West)	Row	1.80%
84	Shalimar	Mississauga (South)	Stacked	-12.20%
90	St. Mary's Seniors	Brampton (West)	Apartment	1.80%
85	Tannery Gate	Mississauga (Northwest)	Apartment	1.80%
86	Tatry	Mississauga (Northeast)	Apartment	1.80%
70	Tomken Grove	Mississauga (Northeast)	Apartment	1.80%
71	Turtle Creek Manor	Mississauga (South)	Apartment	1.80%
91	Union Village	Brampton (West)	Apartment	1.80%
87	Villa Esparanza	Mississauga (Northeast)	Row	1.80%
73	Windsor Hill	Mississauga (Northeast)	Apartment	1.80%
74	Wisma Mega Indah	Mississauga (Northeast)	Apartment	1.80%
75	Yarl	Mississauga (South)	Apartment	1.80%

