

Subject: Agency Rent Relief

Date: October 11, 2017

Replaces: September 28, 2015

Who is required to follow this document

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

- | | |
|--|---|
| <input checked="" type="checkbox"/> Municipal & Private Non-Profit | <input checked="" type="checkbox"/> Co-operatives |
| <input checked="" type="checkbox"/> Federal Non-Profit | <input type="checkbox"/> Rent Supplement* |
- *Includes former OCHAP/CSHP

Content

This document contains the following information:

| |
|---|
| Purpose |
| Overview |
| Reference |
| Terminology |
| Policies REVISED |

Purpose

The purpose of this document is to inform you of the

- agency rent relief recommendations approved by Peel Regional Council on May 8, 2008
- policies implemented as a result, and
- impact it has on
 - agencies renting office space in Peel social housing buildings
 - the Service Manager, and
 - Housing Providers.

Overview

On May 8, 2008 Peel Regional Council reviewed a report, entitled Social Housing Provider Office Rental Charges for Community Agencies, and approved the following policy recommendations:

- That non-profit community agencies be exempt from paying rent for office spaces if the spaces are

Overview
(continued)

- within Peel social housing buildings, and
- used to provide on-site support services to residents/members with physical and/or mental health needs.
- That this exemption be effective January 1, 2008 for the following community agencies currently utilizing space within Peel social housing buildings:
 - Peel Senior Link
 - March of Dimes
 - Participation House
 - Supportive Housing in Peel (SHIP), and
 - Victoria Order of Nurses (VON).
- That consideration for additional office space if required by community agencies be
 - consistent with the rental change policy
 - dependent on financial impact to the Service Manager, and
 - approved by the Service Manager.

Reference

Peel Council Report - Social Housing Provider Office Rental Charges for Community Agencies (dated April 9, 2008)

Terminology

For the purpose of this policy, the exemption of rent payments for office space used by non-profit community agencies that meet the eligibility criteria is also referred to as rent relief.

Policies

This section contains the following policies resulting from the approved recommendations identified above:

| |
|--|
| Eligibility for Rent Relief |
| Criteria Used to Determine Initial Eligibility |
| Assessing Ongoing Eligibility |
| Agency Responsibility |
| Housing Provider Responsibility REVISED |
| Service Manager Responsibility |
| Housing Specialist Responsibility |
| Last Month's Rent |
| Rent Increase Cap |
| Future Requests for Rent Relief |

[Notice to End Rent Relief](#)

**Eligibility for
Rent Relief**

Criteria Used to Determine Initial Eligibility

As outlined in the Council Report, Agencies were determined eligible for rent relief if they meet the following criteria:

- Agency is non-profit (includes Region of Peel department program units)
- Office space must be located in a Peel social housing building, and can either be a
 - residential unit that is set up as office space, or
 - non-residential space purposely built for non-residential uses
- Office is for administrative functions associated to the support services provided primarily to the residents/members who live in the building/complex
- Support services provided will assist residents/members who have physical and/or mental health issues to live independently

Assessing Ongoing Eligibility

Ongoing eligibility for rent relief is at the discretion of the Service Manager. The rent relief is dependent on the financial impact to the Service Manager and as such the policy may change at any time. Agencies should be advised that the policy may change at any time, and if agencies are required to start making rent payments they will be given a minimum of four months' notice (see the Notice to End Rent Relief section for more details).

**Agency
Responsibility**

When an agency is eligible for rent relief, the agency is responsible for:

- Fulfilling requirements and obligations outlined in the agreement
- Ongoing financial responsibility for the unit (agencies must be able to commence making payments should rent relief be discontinued or changed)
- Fees for any additional parking spots rented after January 1, 2008 (note: the fee for any parking spots agencies were using as of Jan 1, 2008 was included in the Service Manager's rental payment on behalf of the agency)

Housing

When an agency is eligible for rent relief, the housing provider is

Provider Responsibility responsible for:

REVISED

- Providing an agency with 90 days written notice of a rent increase (a rent increase is allowed once per calendar year)
- Submitting the notice to the Region of Peel at the same time the 90 days' notice is issued to the agency

Note:

- Failure to provide this notice to the Region of Peel could result in a loss of increase for the year
- If there is no rent increase for the year, Housing Providers are not required to provide any notification to the Region of Peel.
- For new and additional requests for agency rent relief, funding will not be available until the next fiscal year due to Regional budgetary requirements.
- Providing a copy of the agency's agreement signed prior to the approval of rent relief to the Service Manager
- Submitting a signed copy of the Region of Peel Agency Rent Relief Policy Notice to the Service Manager (see Appendix 1).
- Approving or denying additional requests for parking (decision should be dependent on availability of parking spaces)
- Submitting appropriate documentation to the Service Manager
- Treating the Service Manager's payment as the rent and not an additional subsidy
- Recording the unit, rent and revenue appropriately as highlighted in the following table:

| | | Unit Type* | |
|-------------------------|---|------------------------|---|
| | | Shelter | Non-Shelter |
| How to record... | Revenue Received from the Service Manager | As Market Rent Revenue | As Non-Shelter Revenue |
| | Details in the Annual Information Return (AIR) | As a Market Unit | As Revenue on the Non-Shelter Income (Loss) page (not on the RGI Rental Schedule or Unit Activity page) |
| | Rent | Shelter Revenue | Non Shelter Revenue |

*A unit is considered:

- Shelter when designed as residential space, even if being used as office space, and
- Non-Shelter when designed and intended to be used as office

space.

**Service
Manager
Responsibility**

When an agency is eligible for rent relief, the Service Manager is responsible for:

- Issuing monthly rent payments to housing providers (only after appropriate documentation has been received from the housing provider)
 - Increasing rent payments annually as applicable
 - Sending copies of any letters relating to payment agreements to the agencies with copies to the Housing Provider
 - Ensuring no additional subsidy is recorded for these funds on the AIR
 - Assessing the program annually
-

**Housing
Specialist
Responsibility**

Under this policy, the Housing Specialist is responsible for completing reviews of an agency's

- occupancy of unit / space, and
 - compliance to the policy and procedures
-

**Last Month's
Rent**

If an agency is eligible for rent relief then last month's rent is not required.

A last month's rent deposit from an agency that is eligible for rent relief needs to be reimbursed directly to the agency. How the last month's rent deposit is reimbursed to the agency is at the discretion of the housing provider.

**Rent Increase
Cap**

Where a housing provider increases the amount of rent an agency pays, the Service Manager will pay the increase to a maximum not exceeding an amount equivalent to the annual rent increase guidelines.

Note: This policy cannot be applied retroactively.

**Future
Requests for
Rent Relief**

The recommendation for rent relief approved by Council was specific to the five agencies identified at the beginning of this document. From this date forward, a Service Manager staff or Housing Provider can recommend rent relief be assessed for non-profit agencies that either

- are not currently covered by this policy, or
- are covered by this policy but want to expand their office space (note: the agency may be eligible for additional office space but not necessarily for rent relief for the additional office space)

The recommendation must demonstrate how the agency meets the eligibility criteria and is to be

- in writing
- addressed and submitted to the Director of Service System Management – Housing Division, and
- forwarded to the Manager, Housing Programs.

The Director will assign an employee not involved in the initial recommendation developed who will provide comments to the Director on the merits of the recommendation.

In making a decision, the Director will need to consider the financial impact on the Service Manager.

The Service Manager will respond to the request and outline reasons for the decision.

**Notice to End
Rent Relief**

This Policy is of a temporary nature and as such may be discontinued by the Region at its sole option, with a notice to the Provider by September 1st of the current year that the program will be discontinued commencing with the agency's next fiscal year beginning after December 31st of the year in which the notice was given.

(Note: These dates ensure the Provider is given at least four months' notice).

A copy of this notice will also be sent to the agency.

APPENDIX I

[Date]
[Name of Provider]
[Address of Provider]

Dear Madam/Sir:

Re: The Regional Municipality of Peel Agency Rent Relief Policy (the "Policy")
[Name of non-profit community agency] (the "Agency")
[Address of unit being rented] (the "Unit")
[Name of Housing Provider] (the "Provider")

On May 8, 2008 Council for the Region approved the above noted Policy, effective January 1, 2008, to permit the Region, as Service Manager, to cover rental and parking charges to certain non-profit community agencies occupying office space within social housing buildings in Peel, and which meet specific eligibility criteria set out by the Region.

This letter is to inform the Provider of the policy and the following limitations.

1. While this Policy is in effect, and provided the selected Agency continues to meet the eligibility criteria set out by the Region, the Region shall provide Rent Relief to the Agency.
2. This Policy is of a temporary nature and as such may be discontinued by the Region at its sole option, with a notice to the Provider by September 1st of the current year that the program will be discontinued commencing with the agency's next fiscal year beginning after December 31st of the year in which the notice was given. A copy of the notice will be sent to the Agency.
3. In the event that the Region should choose, in its sole discretion, to discontinue the Rent Relief, the Agency receiving Rent Relief shall thereafter be responsible for all required rental payments and parking charges contemplated under the Agency's rental agreement with the landlord of the Unit.

Following review of this notice please sign the additional copy provided in the space indicated below and return it to your Housing Specialist.

Should you have any questions regarding the above and/or the Policy itself, please contact your Housing Specialist.

Yours truly,

Manager, Housing Programs

I have read and understand the contents of this notice:

(Signature of Housing Provider or Authorized signing Officer representing the Housing Provider)

Copy to the Agency: _____