UPDATE ON REGULATORY CHANGES TO THE HOUSING SERVICES ACT

October 17, 2019
Community Housing Renewal Strategy

• On April 17, 2019 the provincial government released the Community Housing Renewal Strategy

• The strategy consists of three priorities:
  1. Creating New Programs
  2. Creating Incentives for Community Housing Providers
  3. Proposed Regulatory Changes

• On September 23, 2019 the provincial government released three amendments to O. Reg. 367/11 and one new Ontario Regulation, O. Reg. 316/19 under the Housing Services Act
Amendment to O. Reg 367/11
Providers Refusal to Offer

- Under the HSA there were previously four reasons that a Housing Provider may refuse to offer a unit to a household.

- Effective September 23, 2019, sections 50 & 77 were amended to include an additional reason

- A Housing Provider may refuse to offer if a member of the household has previously been evicted from an HSA-governed housing project through the Landlord & Tenant Board based on an illegal act (N6)

- Applicable to certain types of serious illegal activity

- Eviction order must be within the last five years

- Does not apply if the eviction order has been overturned by a appeal
Amendment to O. Reg. 367/11
Tenant Transfers Between Housing Providers

• Change comes into effect January 1, 2020

• Previously subsection 46(1) required RGI households who wished to move to a different Housing Provider, to be added to centralized waiting list. That requirement has been revoked.

• Section 47, which requires Housing Providers to fill a vacant RGI unit with the name at the top of the centralized waiting list, has been amended to include that, with approval of the Service Manager, may select a household (within that SM area) that has requested a transfer

• Service Managers are responsible for determining the process for managing these types of transfers
Refusal of Offer – effective January 1, 2020

- Section 39 allowed Service Managers to create local rule providing that a household would not be eligible for rent-geared-to-income (RGI) assistance if it refused a minimum of three offers of assistance – this section has been revoked

- New provincial rule in Section 32.2 that states that a household will not be eligible for RGI assistance if a household refuses an offer in a unit that meets the Service Manager’s occupancy standards and is in a Housing Provider for which the household has expressed a preference
Household Preferences

- Refers to the Service Manager’s system for selecting households for RGI assistance
- Amended to include section 46.1 which states that the Service Manager’s system must include rules that allow a household to indicate their preferences and the rule must include:
  1. That until a household indicates their preferences, their preferences would be for any housing project in the Service Manager area
  2. Permit a household to change or remove preferences

Service Manager Local Rule – Occupancy Standards

- Referring to households living in RGI units that are larger than what they are entitled to be in based on occupancy standards
- One refusal amendment will also apply to these households refusing transfers to units that are the correct size
NEW O. Reg. 316/19
Simplification of RGI Assistance

• O. Reg. 298/01 is being revoked and new regulation will be effective July 1, 2020. However, Service Managers may choose an implementation date of either July 1, 2020 or July 1, 2021, at their discretion.

• What’s Changing?
  ➢ RGI calculation will be simplified
  ➢ A household member’s net income may be calculated differently depending on when the rent is being reviewed
  ➢ A review of a household’s RGI rent must be conducted every 12 months
  ➢ Mid-year reviews may only be completed under specific circumstances
  ➢ All household members in full-time studies will now have their income exempt from the rent calculation
  ➢ Employment deductions will continue to apply but criteria to determine the amount will be simplified
Continued...

➢ Minimum rent will be increased and indexed with the province’s annual rent increase guideline (subject to phase-in for existing tenants)
➢ Household members whose income is included in the rent calculation will be required to file their income tax returns annually
➢ The length of time that RGI households can pay market rent before becoming ineligible for RGI assistance will be extended from 12 to 24 consecutive months
➢ Changes are being made to align the portable housing benefit rules with the new RGI rent calculation rules

What’s Not Changing?
➢ Utility scales
➢ Rent scales for households receiving benefits
How Would RGI Rent Be Calculated?

- Rent for household would be calculated by taking 30% of the annual adjusted family net income (AFNI) divided by 12 months.
- That rent is then adjusted for utilities, services and heating and is subject to minimum rent.
- Rent for social assistance benefit units would be calculated using the rent scales.
- The Region will be providing training for Housing Provider staff.
Conclusion

- Housing Services staff is currently working on reviewing current policies to ensure compliance
- Decisions will be made regarding implementation of the RGI calculation changes
- Any changes will be communicated to housing provider Boards and staff
- Housing Services staff will ensure that any required training is provided
- Questions can be directed to your Housing Specialist
- Further information can be found at: