#### N° 2023-01[HSA]

**Housing Services** 

Program Instructions

#### This Program Instruction applies to the following:

- ✓ HSA Part VII Housing Providers (Provincial Reform)
- Rent Supplement Social Housing Rent Supplement Program
- ✓ Rent Supplement Commercial and Homelessness Prevention Program
- ✓ Former Federal Program Housing Providers (s. 15 1/27, s. 56 1/95)
- ✓ Housing York
  - ✓ Public Housing
  - ✓ HSA Part VII

## MINIMUM RENT FOR 2023-2024

Effective Date: July 1, 2023

## **Summary**

The *Housing Services Act, 2011* and associated regulations set the minimum rent-geared-to-income (RGI) payable by tenants and co-operative members receiving RGI. From July 1, 2023, to June 30, 2024, minimum rent is \$136, with two exceptions:

- A phased-in minimum rent applies to tenants and members paying RGI below this amount before July 1, 2023
- Minimum rent for Ontario Works (OW) and Ontario Disability Support Program (ODSP) benefit units consisting of one person is the rent scale amount for that benefit unit

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## Background

Minimum rent rules are set by *O. Reg. 316/19*. Minimum rent is the lowest monthly RGI amount a tenant or member can pay. The Region has previously issued the following program instructions explaining the minimum rent process and annual amounts:

- <u>Program Instruction 2020-06: Minimum Rent Payable for Tenants and Co-operative Members</u> <u>Receiving Rent-Geared-to-Income</u>
- Program Instruction 2021-11: Minimum Rent for 2021-2022.
- Program Instruction 2022-01: Minimum Rent for 2022-2023

A new program instruction is issued each spring outlining the updated minimum rents for RGI reviews completed during the period of July 1 to June 30.

## **Action Required**

When reviewing RGI, housing providers must compare the calculated RGI to the minimum rent for the unit. The calculated RGI is the base amount of RGI, plus or minus standard utility charges and allowances. If the calculated RGI is less than the applicable minimum rent, increase RGI to the minimum rent. Utility allowances cannot bring RGI below the minimum rent.

Minimum rent applies to the entire household and not to individual family units or benefit units within the household. Additional charges, including parking and sector support, are added after the calculated RGI is compared to the minimum rent.

## **2021 PROVINCIAL RENT FREEZE**

The Government of Ontario froze rents in 2021 at 2020 levels for most residential tenancies, prohibiting rent increases between January 1 and December 31, 2021. Beginning January 1, 2022, households were required to start paying their new minimum rent amounts, if their new minimum rent calculation resulted in an increase. As a result of the rent freeze, housing providers may have tenants and members paying various minimum rent amounts.

## MINIMUM RENT AMOUNTS FOR 2023/24

The minimum rent amount applied during an RGI review varies depending on a tenant's or member's current RGI. Any increases to minimum rent are implemented at the next RGI review, and not on July 1.

Minimum rent rules for the period of July 1, 2023, to June 30, 2024, are summarized in Table 1.

# Table 1Minimum Rent Scenarios

	Scenario	Minimum Rent between July 1, 2023 and June 30, 2024
1.	Tenants/members moving in on or after July 1, 2023	Minimum rent is \$136
2.	Tenants/members currently paying calculated RGI	Minimum rent is \$136
3.	Tenants/members paying the 2022/23 minimum rent of \$133 before July 1, 2023	• Minimum rent is indexed to \$136 if a tenant/member continues to pay minimum rent at their annual review
4.	Tenants/members paying the phased-in minimum rent of \$109 before July 1, 2023	<ul> <li>Minimum rent is increased by \$8 to \$117 if a tenant/member continues to pay minimum rent at their annual review</li> </ul>
		• If at any time calculated RGI increases above \$136, phase-in no longer applies; the tenant/member is subject to the minimum rent of \$136 for future RGI calculations
5.	Tenants/members paying calculated RGI above the 2022	<ul> <li>A tenant/member continues to pay calculated RGI until phased-in minimum rent exceeds calculated RGI</li> </ul>
	phased-in amount (\$109) and below the 2022 minimum rent (\$133) before July 1, 2023	• If at any time calculated RGI increases above \$136, phase-in no longer applies; the tenant/member is subject to minimum rent of \$136 for future RGI calculations
6.	Ontario Works (OW) benefit unit of one paying RGI at scale (non-benefit income under the limit)	• Minimum rent is the scale amount for OW-1 of \$85
7.	Ontario Disability Support Program (ODSP) benefit unit of one paying RGI at scale (non- benefit income under the limit)	• Minimum rent is the scale amount for ODSP-1 of \$109
8.	All other OW/ODSP benefit units	<ul> <li>Minimum rent rules apply as outlined in scenarios 1-5 above</li> </ul>

Authority: Housing Services Act, 2011, s.50 O. Reg. 316/19, s. 2

Please contact your Program Coordinator with any questions.

April 2023

This notice will be available in an accessible format or with communication supports upon request from 1-877-464-9675 or 905-830-4444 ext. 72119

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