



# Program Instructions

This Program Instruction applies to the following:

- ✓ **AHP Pilot – Community Rental Housing Program** - Blue Willow Terrace, Armitage Gardens
- ✓ **AHP Wave 1** – Mapleglen Residences, Tony Wong Place, Mount Albert United Church Senior Citizen Foundation, Hesperus Fellowship Village, Reena
- ✓ **AHP 2009 Extension** – Kingview Court Expansion, Mackenzie Green, Voice of Vedas Cultural Sabha Inc., DeafBlind Ontario Services (Hertick and Treffry)
- ✓ **IAH** - DeafBlind Ontario Services (St. George), Lakeside Residences, Crescent Village
- ✓ **IAH Extension** – Richmond Hill Hub, Woodbridge Lane, Larry Tod Place
- ✓ **AHP Strong Start Program** – Tom Taylor Place

## SETTING MARKET RENTS FOR CURRENT TENANTS IN AHP/IAH-FUNDED COMMUNITIES DURING THE 2021 PROVINCIAL RENT FREEZE

**Effective Date:** January 1, 2021

### Summary

This Program Instruction provides direction to housing providers on market rents for current tenants in communities funded by federal/provincial affordable housing programs during the 2021 rent freeze. The Government of Ontario has frozen most residential rents for the period of January 1, 2021 and December 31, 2021 by amending the *Residential Tenancies Act, 2006*. These changes supersede the rules set out in housing providers' contribution agreements with York Region for determining market rents for current tenants.

### Background

On October 1, 2020, the Government of Ontario enacted the *Helping Tenants and Small Businesses Act, 2020*, amending sections of the *Residential Tenancies Act, 2006* (RTA) by adding a new section

Community and Health Services

Housing Services

1-877-464-9675

TTY 1-866-512-6228

york.ca

120 (3.1), which sets the 2021 Rent Increase Guideline to 0%. A new [section 136.1](#) has been added to clarify that, for the period between January 1, 2021 and December 31, 2021, no landlord may increase the rent charged to a tenant, except in the following circumstances:

- Certain congregate living and supportive housing programs that are exempt from RTA rent rules under [section 6\(1\)\(a\) or \(b\)](#)
- An increase in rent is required because of an extraordinary increase in the cost for municipal taxes and charges for the building, eligible capital expenses, or operating costs related to security services provided by a third party (RTA [section 126\(10\)](#) or [section 127](#))
- The landlord and tenant agree to an increase in rent in exchange for a specific capital repair or expense or the provision of a new or additional service (RTA [section 121](#))
- The landlord and tenant agree that the landlord will add a parking space or a prescribed service, facility, privilege or accommodation (RTA [section 123](#))

Housing providers subject to Contribution Agreements under the Affordable Housing Program (AHP), the Investment in Affordable Housing program (IAH) and the IAH-Extension program are required to meet affordability targets based on the Canada Mortgage and Housing Corporation (CMHC) Average Market Rent (AMR) and/or Ontario's annual Rent Increase Guideline. The RTA amendments supersede these rules for setting rents for current tenants during the rent freeze period.

## Action Required

Housing providers may not increase the market rent charged to current tenants during the rent freeze period, even if notice of the increase was given before the Act received Royal Assent on October 1, 2020. Any notices of rent increases already issued with an effective date in 2021 must be rescinded. Housing providers may give notice for a rent increase that will take effect after the end of the rent freeze period, no earlier than January 1, 2022.

A program instruction for determining market rents for new tenancies in 2021 will be issued once CMHC's 2020 Fall Market Rental Survey is published. Until that time, housing providers should continue to follow the guidelines set out in program instructions [2020-01 \(AHP Strong Start Program providers\)](#), [2020-02 \(AHP Wave 1, AHP 2009 Extension, IAH and IAH Extension providers\)](#) and [2020-03 \(AHP Pilot – Community Rental Housing Program\)](#) to determine market rents for new tenants.

**Authority:** *Residential Tenancies Act, 2006*, section 120 (3.1) and section 136.1

Please contact your Program Coordinator with any questions.

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.

December 2020

YORK-#12102654