

Northumberland County Community Housing Directives

Housing Services Division

555 Courthouse Road

Cobourg, Ontario K9A 5J6

Subject: 24 Months at Market Rent

Directive Number: 2021-08

Effective Date: Upon issuance, October 18, 2023

Intent

To outline the rules for rent-geared-to-income (RGI) tenants or co-op members that have been paying market rent for 24 consecutive months.

Background

Under the Housing Services Act, 2011 (HSA), the maximum RGI rent that a tenant or co-op member can pay is equivalent to the market rent for the unit.

Tenants and co-op members who pay the maximum RGI remain eligible for RGI assistance unless they continue to pay the maximum market rent for 24 consecutive months.

During this 24 month period, RGI tenants and co-op members are required to comply with all RGI eligibility requirements, including filing income tax returns and completing and returning information for annual RGI reviews.

Tenants and co-op members must be notified of:

- An RGI increase to maximum RGI, including information about being at market for 24 months
- RGI ineligibility after 24 consecutive months at maximum RGI

If the household's circumstances change within the first 24 months that results in a lower rent, the rent will be recalculated, and a subsidy will be re-applied.

If a household has been paying market rent for 24 consecutive months, they cease to be eligible for RGI assistance in the 25th month.

Notice of Increase to Maximum RGI

If a household's RGI increases to market rent, they must be notified. The notice should include:

- The new RGI amount, including a statement that this is the maximum RGI which is equivalent to market rent
- The effective date of RGI change
- The reason for the RGI change
- A statement that if the RGI tenant or co-op member will become ineligible for RGI if the rent remains equivalent to the market rate for 24 consecutive months
- A statement of the right to request an internal review

This is a notice of an RGI change, not ineligibility. The tenant or co-op member can appeal the charge, but not the 24 month rule.

Notice of RGI Ineligibility – At Market for 24 Months

Once an RGI tenant or co-op member has been paying market rent for 24 consecutive months, the housing provider must send notice that they are now ineligible for RGI.

The notice of RGI ineligibility must set out the following:

- The RGI tenant or co-op member is ineligible for RGI because they have been paying the maximum market rate for 24 consecutive months
- The effective date of RGI ineligibility
- A statement of the right to request an internal review.

The tenant or co-op member becomes ineligible as of the date of the notice. There is no requirement for a 90 day notice because the rent or housing charge will not be increasing.

Decrease in Income within 24 Month Period

Households are entitled to receive RGI assistance if their household income decreases within the first 24 months of paying a rent equivalent to market rent. The effective date

of the RGI assistance would be the first day of the month, following the decrease in income.

Household No Longer Considered RGI

If after 24 months of paying market rent the household needs RGI assistance, they must re-apply to the centralized waitlist through Northumberland County Housing Services. Depending on the circumstance, the household may also be eligible for In Situ.

The household will no longer be considered an RGI household for reporting purposes, and the target count will be reduced by one. The next vacancy should be filled in accordance with the housing provider's target plan.

Repealed Rules

N/A

Legislative Authority

Ontario Regulation 367/11, s. 30

If there are any questions, please contact the Service Manager for Northumberland County Housing Services at 905-372-3329.