



Niagara Regional Housing

Notice

No: 16-02

APPLICABLE TO:

DATE: May 4, 2016

<input checked="" type="checkbox"/>	Municipal & Private Non Profit
<input checked="" type="checkbox"/>	Co-operative
<input checked="" type="checkbox"/>	Federal Non Profit
<input checked="" type="checkbox"/>	OCHAP/CSHP
<input type="checkbox"/>	Rent Supplement

<input checked="" type="checkbox"/>	Mandatory
<input type="checkbox"/>	For Information

SUBJECT: Vacancy Loss

BACKGROUND

The purpose of this Notice is to provide requirements and standards for housing providers to adhere to when reporting and filling vacant market and rent geared-to-income units.

VACANCY LOSS REPORTING

Vacant units are deemed rent-geared-to-income (RGI) or Market depending on the status of the tenant/member who **vacated** (Note: the unit keeps the same status until re-occupied).

A vacancy report (sample attached) is required to be completed as part of your yearend financials. This report will indicate the length of time a unit remains vacant, by market and RGI units.

Effective Date: **August 1, 2016**

REPORT

NRH will subsidize an RGI vacant unit for a **maximum of two (2) months only**. This adjustment will be incorporated in the year-end reconciliations by NRH. Providers will be required to fund RGI vacancy losses that exceed a 2 month period. NRH does not fund market rent vacancy loss.

Providers are responsible to report any vacancy loss that exceeds two (2) months, **at the time of vacancy**, for review and approval by your Housing Administrator. If RGI vacancy loss is a result of excessive damages to one or more units, the provider will be required to supply pictures of each unit to justify the additional vacancy loss incurred. Pictures and justification must be provided to the Housing Administrator at the time of vacancy for review and approval. The Housing Administrator may request a site visit before approval.

To reduce the vacancy losses, providers should incorporate the following into revised processes/policies:

When a notice of vacancy is received, the housing provider should *immediately* begin the placement process based on their established targets. If proper notice is not given and the housing provider is unable to fill the unit with the notice period that was given, the unpaid rent/housing charges are considered to be arrears and must be reported to NRH as former tenant/member arrears. ***The unit is not considered vacant until the proper notice period has expired.***

Calls to applicants should be made when the notice is received, not once the unit is ready.

Dual Rent

If the applicant cannot accept the unit on the date it is available because of their requirement to provide 60 days' notice to their current landlord, the housing provider cannot refuse to offer a unit to an applicant.

The applicant should sign the lease/occupancy agreement for the date the unit is available, assume responsibility for any utilities, insurance, etc., and provide the housing provider with a receipt from their current landlord indicating that the rent/occupancy charges for the month(s) in question was paid (dual rent). **The unit is recorded as a RGI unit with no revenue for the month(s) and NRH will cover the subsidy.**

Unit Turn Over

Annual unit inspections, move-in/move-out inspections, a well-planned preventative maintenance program and a good 10 year capital plan will help ensure that units are made ready for occupancy as quickly as possible. Housing providers should have a clear process to address unit turn over.

Repairs to vacant units should be prioritized and clearly communicated to the maintenance staff/contractor.

If the maintenance staff person cannot prepare a vacant unit because of workload issues, the board should consider the hiring of outside contractors to prepare a vacant unit should their budget allow, in an effort to reduce vacancy loss and risk loss of subsidy.

The board should be reviewing a vacancy report monthly that identifies how long a unit has been vacant, and seek clarification on losses that exceed 2 months.

Housing Provider's Role

The housing provider is required to fill vacancies and record market units, RGI units and vacancy losses consistent with this Notice.

- Forward a copy of this Notice to their Board of Directors for their information.
- Complete and return Annual Vacancy Report

Service Manager's Role

NRH will monitor compliance with this Notice through the Annual Information Return and Operational Reviews.

If you have any questions or concerns regarding this notice, please contact your Housing Administrator at (905) 682-9201

Ellen Balmain, Chief Executive Officer

Appendix "A" - Draft Annual Vacancy Report