

Housing Services Notice **No: 23-05**

APPLICABLE TO:

DATE: July 25, 2023

X	Municipal & Private Non Profit
X	Co-operatives
	Federal Non Profits
X	OCHAP/CSHP
X	Rent Supplement
X	Public Housing

X	Mandatory
	For Information

SUBJECT: Grace Period for Reinstatement of Rent-Geared-To-Income (RGI) Assistance

PURPOSE

The purpose of this notice is to clarify the current practice regarding Rent-Geared-To-Income (RGI) reinstatement, during the *Grace Period*, prior to the permanent removal of subsidy for RGI households which may have ceased to qualify.

BACKGROUND

RGI is granted to households who meet the requirements to qualify for RGI in accordance with the Housing Services Act (HSA).

Currently households who lose their RGI subsidy, are required to reapply to the centralized waitlist or request an appeal of the decision for the removal of subsidy, in order to have their RGI reinstated. In an effort to preserve tenancies and significantly reduce the number of appeals related to loss of RGI subsidy, Housing Services implemented an amendment to practice, to find a suitable solution to permanent loss of Rent-Geared-to-Income (RGI) assistance.

On March 1st, 2020 Housing Services implemented an additional *“two month grace period”* for RGI households, in an effort to preserve tenancies, provide better service and sustainable housing and recognizing that household members may have vulnerabilities that contribute to their ability to comply with legislative requirements.

PROCESS

For households that are in jeopardy of losing their RGI subsidy as a result of failing to provide required documentation, housing providers will implement the following:

- Households who fail to take remedial actions to provide the required documentation related to the cause of loss of RGI, will lose their RGI, but will be given two additional months (grace period) at market rent to comply with the remedial actions.

- Households who complete the remedial actions within the two month grace period will have their RGI reinstated but will still be responsible for the market rent accrued during the grace period. This may be one or two months at market rent depending on the speed at which the remediation occurs.
- Households who fail to complete the remedial actions at the conclusion of the grace period will lose their RGI assistance and will pay market. Households who are paying market rent due to a loss of RGI subsidy are required to re-apply to the centralized waitlist to request RGI assistance again and will be awarded RGI in chronological order if they are still eligible.
- Households who have accrued market rent arrears during their grace period will be allowed to pay the arrears in increments and enter into a repayment agreement until such a time that the arrears have been paid in full.
- Households will be granted only one grace period for reinstatement for the duration of their tenancy, except in unique circumstances. Unique circumstances would be defined as time limited, unpredictable and beyond the control of the household. An exceptional circumstance would be unlikely to occur more than once.

When the RGI household receives a 90-day Cease to Qualify notice, should the Housing Provider believe there are concerns with the household being able to comply by the deadline, (e.g. mental health, cognitive issues, addiction, etc.) that may require additional support, a referral should be made to a Community Programs Coordinator (CPC) as soon as possible. The intent is to prevent the loss of RGI assistance prior to the market charge going into effect or have their RGI assistance reinstated within the two month grace period.

Housing Providers must continue to pursue documentation up to the date of the market charge (e.g. letters, phone calls, visits, etc). The two month grace period starts on the date of change when the market charge is effective. If the situation is rectified with the two month grace period, the RGI assistance will be reinstated for the first day of the following month, in which it is rectified. The household will still be responsible for the market rent accrued during the grace period. This may be one or two months at market rent depending on when the RGI subsidy is reinstated. It is recommended that a repayment agreement is entered into for any resulting arrears the household is unable to pay.

Housing Provider's Role

The Housing Provider must maintain an internal "grace period" list, to ensure that a household is granted only one grace period for the duration of their tenancy. Housing Providers must allow for a two month grace period prior to a permanent removal of RGI assistance.

Housing Providers must ensure that RGI households are routinely advised that they must submit information and documentation requested when asked. Any sort of correspondence or communication (letters, annual renewal packages,

leases/occupancy agreements, newsletters, bulletins, etc.) with the RGI household should reinforce the message that failure to provide information and documentation when requested could result in the permanent loss of RGI assistance.

When a housing provider requests information or documentation from an RGI household, it must give a clear deadline for submission of the information. Housing Providers must also ensure that RGI households are offered the opportunity to request a review of decisions as required under the Housing Services Act.

Service Manager's Role

NRHS will monitor compliance with this Notice through Operational Reviews.

If you have any questions regarding this Notice, please contact your Housing Administrator at 905-980-6000.

Donna Woiceshyn, Director Housing Services