

Community Housing Notification

Policies & Procedures No. 20-12
(revokes Social Housing Notification 04-17)
October 22nd, 2020

The Requirements, Recommendations and Guidelines in this communiqué are to be implemented by the housing providers administered under the legislated programs/Operating Agreement identified below:

- ✓ **Housing Providers under *Housing Services Act, 2011***
- ✓ **Ontario Regulation 367/11 General**
- Housing Providers under a Federal Operating Agreement
- ✓ **Requirement**
- Guidelines
- Information Only

Subject

Divestment of Residential Property - Continued Eligibility to Receive Rent-Geared-To-Income Subsidy

Legislative Reference: Ontario Regulation 367/11 s. 32

Purpose/Overview

The purpose of this policy is to confirm the regulations under Ontario Regulation 367/11 as it relates to divestment of property and eligibility to receive rent-geared-to-income (RGI) subsidy. In addition, this policy will also define the roles of the Service Manager and Housing Providers.

Background

Ontario Regulation 367/11, specifies that if any member of a household eligible to receive RGI subsidy has a legal or beneficial interest in freehold or leasehold estate in residential property located in or outside Ontario that is suitable for year round occupancy the interest, must be divested within 180 days of receiving RGI subsidy with written verification of the divestment provided to the Service Manager. Failure to divest the interest within 180 days will result in the household being deemed ineligible to receive RGI subsidy.

Residential property can be defined as:

- a) in the case of a property that is used for residential purposes, all or part of the property, or;
- b) in the case of a property part of which is used for residential purposes and part of which is used for other purposes, the part that is used for residential purposes.

The legislated period of 180 days for the divestment of interest in a residential property has been adopted for the City of Greater Sudbury service area.

Local Rule

Upon notice that a household begins to receive RGI subsidy, the divestment must occur and the verification of the divestment must be given:

- within 180 days after the first day of the month for which the applicant households begins to receive RGI subsidy, if the member has the interest in the property at the time the household begins to receive RGI subsidy; or
- within 180 days after the first day of the month in which the member acquires the interest in the property, if the member acquires the interest in the property after the household begins to receive RGI subsidy.

Applicant households applying for RGI subsidy will identify through the application process if they are a residential property owner or have interest in a property. Upon processing a household's application for subsidy and determining eligibility, the Housing Registry will send the applicant households an Agreement to Divest Property form which must be completed by the applicant households.

To establish an approximate market value of a residential property, applicant households will need to provide a copy of his or her most recent Market Value Assessment as determined by the Ontario or Municipal Property Assessment Corporation (OPAC/MPAC) or a copy of an evaluation provided by a professional (appraiser) satisfactory to the Service Manager. Upon returning this information to the Housing Registry, a notation will be made in the applicant file to indicate that the applicant household is a homeowner.

Special Priority Applicants

The Service Manager shall extend the time for the divestment and verification of the divestment for such period as the Service Manager considers appropriate, if the following requirements are met:

1. The applicant household was included in the special priority household (deemed eligible by the Service Manager) category following a request for inclusion relating to the abuse and/or trafficking, of a member of the household;
2. The applicant household was included in the special priority household category at the

time the household began to receive RGI subsidy;

3. The interest in the property is held jointly by a member of the household and the abusing individual and/or an individual engaged in the trafficking of the member; and
4. The member notifies the Service Manager that he or she believes that the divestment or the taking of steps to effect the divestment would place the member or any other member of the household at risk of abuse.

The Service Manager would provide the household with the notice of the decision.

Housing Provider Role

Housing providers are required to monitor the status of the property if it has not been sold by the time the applicant household is housed. It will be the household's responsibility to declare and provide updated information regarding the status of the divestment of the property.

After 6 months/180 days the housing provider will discuss the matter with the tenant/member. If the property remains unsold, the Housing Provider will contact the Service Manager to seek an extension for the divestment of the property on behalf of the tenant/member. The Service Manager may extend the time for the divestment and verification of the divestment for such period of time as the Service Manager considers appropriate, if the Service Manager is satisfied that there are reasonable grounds to do so.

The Housing Provider will be copied on the decision. The Service Manager's consent will be required for the tenant/member to maintain RGI subsidy if the property is not sold within the legislated 6 months/180 day period.

Action Required

The policy in this notification is effective immediately. Housing providers are required to provide a copy of this Community Housing Notification to all members of the Board of Directors and take the necessary action outlined in this Notification.

Should you have any questions please contact your Program Administrator.



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(Disponible en français)