

Social Housing Notification

Policies & Procedures No. 04-17

November 22, 2004

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:

- ✓ Providers under SHRA, 2000
- Providers under a Federal Operating Agreement
- ✓ Requirement
- Recommendation
- Guidelines
- For Information Only

Subject

Divestment of Residential Property - Continued Eligibility to receive Rent-Geared-To-Income Assistance

Legislative Reference: O. Reg. 298/01 s.9 (1 - 5)

Purpose/Overview

The legislation specifies that if any member of a household receiving rent-geared-to-income (RGI) assistance has an interest in residential property suitable for year round occupancy, the interest must be divested within 180 days of receiving RGI assistance. The Service Manager may extend the time frame if satisfied that there are reasonable grounds to do so. Failure to divest the interest could result in the household being found ineligible to receive RGI assistance.

Background

There has always been a requirement under the social housing program for RGI households to divest interest in residential property. The legislated time frame of 180 days for the divestment of interest in a residential property has been adopted for the City of Greater Sudbury service area.

Action Required

Service Manager Role

- Applicants applying for rent-geared-to-income assistance will identify through the application process if they are a residential property owner or have interest in a property. The property must be suitable for year round occupancy. Upon processing a property owner's application for assistance and determining eligibility the Housing Registry will send the applicant an "Agreement to Divest Property" form.
- The purpose of the "Agreement to Divest Property" agreement is to advise the applicant of his or her obligation to sell the property within 6 months/180 days of starting to receive rent-geared-to-income assistance. To establish an approximate market value of a residential property, applicants will 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 this applicant is a homeowner.

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 is housed. The onus is on the household to declare and provide updated information regarding the status of the disposition 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 frame if satisfied that there are reasonable grounds to do so. The household would be given notice of the decision by the Service Manager. The Housing Provider will be copied on the decision. The Service Manager's consent will be required for the tenant/member to maintain rent-geared-to-income assistance if the property is not sold within the legislated 6 months/180 day time frame. Any extension would be reviewed on a semi-annual basis and again as part of the annual renewal process to ensure a consistent approach.

Should you have any questions please contact your Program Administrator.



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(Disponible en français)