

# Housing charge assistance

---

## Purpose of the policy

- To set out members' rights and responsibilities for receiving housing charge assistance, and
- To establish a framework for:
  - managing and allocating the subsidy pool and subsidy surplus fund in a fair and consistent way in compliance with the CMHC operating agreement
  - monitoring and assessing the impact of any policy application on all member households and on the economic viability of the co-op, and
  - planning for changes in subsidy and housing charges in response to household changes.
  - to inform members of the Rent Geared to Income Rate (RGI) used to calculate if a member qualifies to apply for subsidy.

## Policy

### The process for members and the co-op

1. The co-op will verify household income and assess housing charges (income testing) once per year.
2. Households applying for assistance must complete the co-op's housing charge assistance application form and provide the required proof of household income.
3. Households that do not submit an application form and required documentation by the deadline set by management staff will be assessed the maximum housing charge for the unit.
4. The co-op may ask for further proof of income as required.
5. Management staff will:
  - verify that applicants qualify for assistance
  - calculate the amount required for each applicant
  - notify the applicant of the assessed housing charge, and
  - administer the subsidy waiting list.
6. After the annual income testing, the co-op will give 30 days' notice of the assessed housing charge. Should the member fail to submit adequate

information to justify a housing charge reduction, the member will be assessed at market rate housing charges until enough information is obtained. In this instance only, the 30 days notice is waived, however, the subsidy will take effect the month following receipt of information.

7. The co-op may stop providing housing charge assistance to a household for any or all of the following reasons:
  - an increase in income disqualifies the household
  - failure to report increases in household income at the annual income testing and mid-year according to Point #16
  - wilful falsification of the housing charge assistance application form or proof of income, and
  - failure to abide by the housing charge assistance policy.

#### Planning and managing housing charge assistance

8. The co-op will use the annual income testing and an estimate of members' changing needs and demographics to develop annual and longer-term plans for:
  - use of housing charge assistance
  - ability to fill vacant units with members requiring assistance, and
  - possible ways to create more funds for the subsidy pool.
9. The co-op will monitor the subsidy status reports monthly. Management staff will make recommendations to the board about the amount of funds available in the subsidy pool and subsidy surplus fund to be considered sufficient.
10. If there is not sufficient subsidy available, the co-op will consider changes to the housing charge assistance policy to limit use of the subsidy and/or to create more funds for the subsidy pool. The co-op will give 30 days' notice of any changes to assessed housing charges.

#### Assessing housing charges

11. The co-op will use a percentage of gross annual household income to calculate assessed housing charges. As of June, 2019 the Rent Geared to Income Rate (RGI) is 40%. This percentage may be changed with the approval of the Board.

12. The assessed housing charges will not be adjusted for utilities.
13. Member households receiving social assistance or family benefits shall pay the shelter component of the assistance or family benefits with adjustments for utilities. (refer to Point #15 for over-housing households).
14. The co-op will set a minimum housing charge for each type of unit. The minimum housing charge(s) may be changed with the approval of the board.
15. Over-housed households eligible for subsidy will only receive the subsidy to which they would be entitled if they were not over-housed. This will only apply if the over-housed household has not complied with the over and under-housing policy.

#### Mid-year applications and changes in income

16. Members must advise the co-op of any change in source of income or any increase in gross household income of more than 20% within 30 days of the increase.
17. The co-op will provide notice of any change in housing charge resulting from a mid-year change in income.

For an increase in housing charge: 30 days' notice, the time being calculated from the last day of the month in which the income increase occurred. For example, if a household's increase in income was in mid-October, the housing charge increase will take effect on December 1.

#### Subsidy waiting list

18. When there are not sufficient funds in the subsidy pool and households paying full housing charge apply for assistance, the co-op will establish a subsidy waiting list of members who are eligible for assistance.
19. Households on the subsidy waiting list will receive assistance when it comes available. Assistance will be given in the following order of priority:
  - households that comply with the over- and under-housing policy, and
  - in the order in which applications in writing have been received