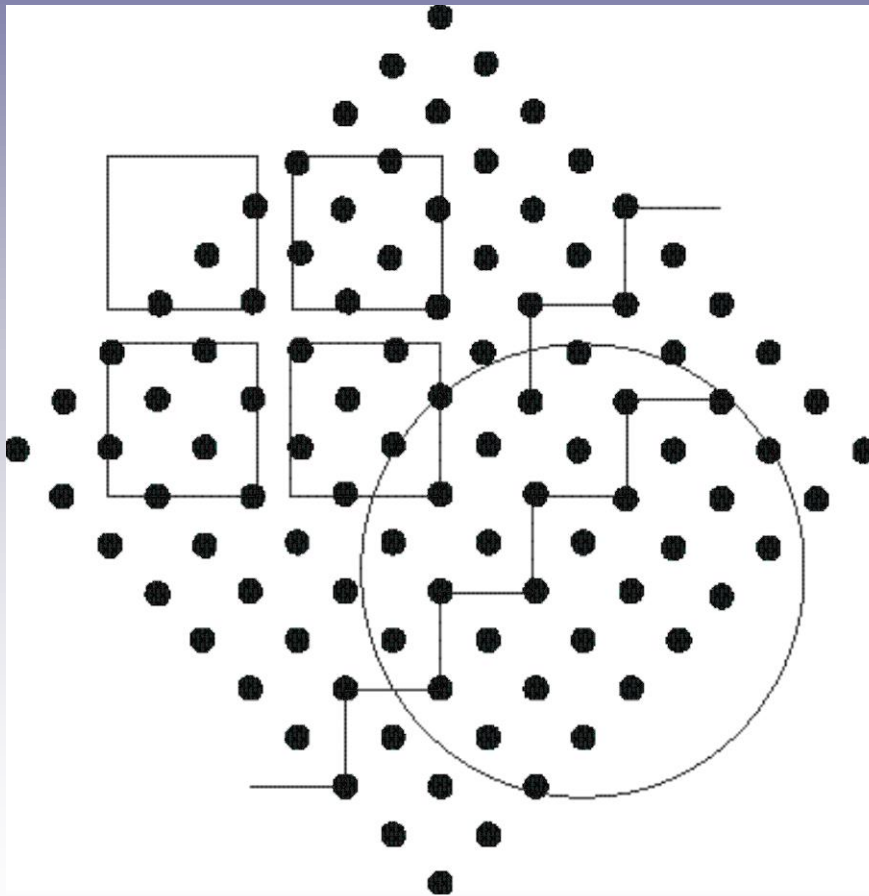




The Agency for Co-operative Housing
L'Agence des coopératives d'habitation



Ontario Rent Supplement Agreements

Judy Shaw

April 2017



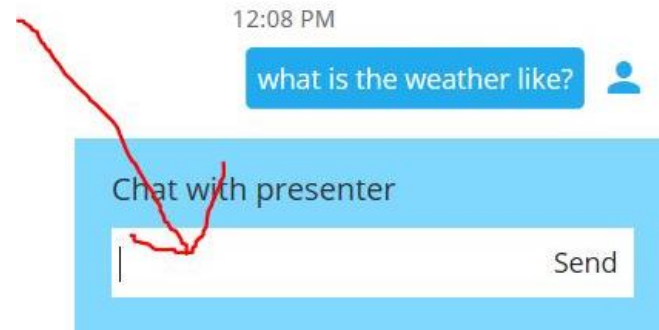
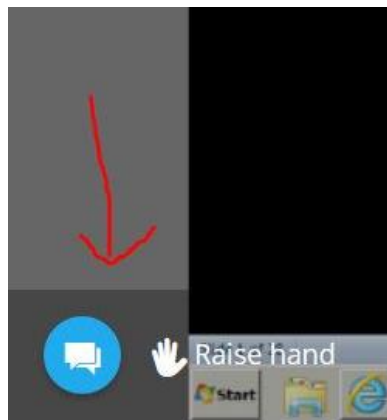
Web Forum Logistics

All participants will be muted

Ask a question using the “Chat” function

Look for the blue circle on the bottom left of your screen

2





Ontario Rent Supplement Agreements

Agenda

1. Introductions
2. The new agreement
3. What's different?
4. Filing your claims on line





Ontario Rent Supplement Agreements

The Agency as Program Administrator

April 1

The Agency will be responsible for

- year-end reconciliations
- site visits to review the co-op's rent supplement files
- processing damage claims (ILMs only)

4





Ontario Rent Supplement Agreements

The Agreements (2)

The Agreements (1)

Your co-op should have received its new agreement with covering letter and CMHC's Q&A



| National Office | Bureau national |
|---------------------------|---------------------------|
| 700 Montreal Road | 700 chemin de Montréal |
| Ottawa ON K1A 0P7 | Ottawa ON K1A 0P7 |
| Telephone: (613) 748-2000 | Téléphone: (613) 748-2000 |

Questions and Answers on the 2017 Rent Supplement Agreement



Ontario Rent Supplement Agreements

Resources and Training

New Rent Supplement Guide

Will be available on-line on Agency website and updated from time to time

Always make sure you have the most recent version!

6





Ontario Rent Supplement Agreements

Resources and Training

Information meetings for boards of directors in various locations

Overview of what's changed with the new agreements

Your co-op would have received an invitation via e-mail

7





Information meetings for boards of directors

| Date | Location |
|----------|-------------------|
| April 24 | Ottawa |
| April 25 | Toronto |
| April 27 | Cambridge |
| May 1 | Webinar (evening) |
| May 2 | Durham |



Ontario Rent Supplement Agreements

Good news for S95 co-ops

Can now retain unused ITA funds in their Subsidy Surplus Fund

- And keep it when their operating agreement ends
-

Maximum \$500 per unit (under an active S95 agreement)





Ontario Rent Supplement Agreements

The Agreements (2)

Agreements were finalized by CMHC in consultation with CHF Canada and the Agency

They replace

- The Community Sponsored Housing Program (CSHP) Agreements for section 27/61 co-ops
 - The Ontario Co-operative Housing Assistance Program (OCHAP) Agreements for section 95 co-ops
-

ILMs never had agreements



Ontario Rent Supplement Agreements

The Agreements (3)

Co-ops sign and return the agreement to Agency by **June 1**

- Two signatures required
-

The Agency will follow up with co-ops who do not return their signed agreement

What if the co-op doesn't want to sign?

- Risk losing their rent supplements
 - No reason they shouldn't sign
-

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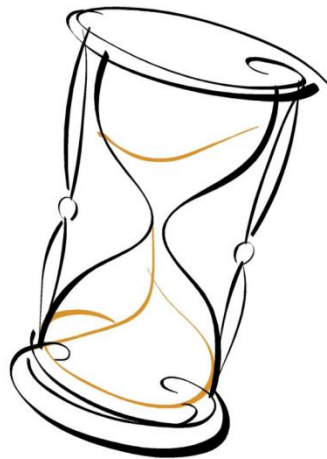


Ontario Rent Supplement Agreements

How long does the Agreement last?

S27/61 and S95 program co-ops: **Until the operating agreement ends**

ILM program co-ops: **Until the mortgage interest-adjustment date plus 35 years**





Ontario Rent Supplement Agreements

Five or six parts

1. The main agreement
 2. Schedule A – information about your co-op including the maximum number of assisted units
 3. Schedule B – Calculation of GTI housing charges
 4. Schedule C – Eligibility Requirements and Occupancy Standards
 5. Schedule D – Definition of Gross Household Income
-

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ILMs

6. Schedule E – Damage Claims
-



What's different?

**THE
DIFFERENCE**



Fairness in Administration Practices

Co-ops need to have a **formal, consistent** system for allocating subsidy to a household

- It could be first come, first served
 - May require a by-law or policy change
-

The co-op's application for assistance must ask for enough information to justify allocating the subsidy

- Household composition, sources of income, verification



Ontario Rent Supplement Agreements

No conflicts of interest

If a conflict of interest arises in the administration of the rent supplement program, take steps to avoid it

Conflict of interest rules should be set out in co-op's bylaws



Ontario Rent Supplement Agreements

Privacy (1)

Rent supplement administration requires the co-op to collect a lot of personal information

- Proof of income
- Personal details





Ontario Rent Supplement Agreements

Privacy (2)

Co-ops have to follow applicable privacy legislation

- No unauthorized sharing or use
- Controlled access
- Safe disposal (after 7 years)
- A signed acknowledgment by the household
 - Agreeing to the purpose of the collection
 - Explaining who to contact for information and complaints



Ontario Rent Supplement Agreements

Eligibility



Refugee claimants and people with an accepted application for permanent residence are eligible

- Don't forget all household members must be legally in Canada
 - This is the same as before but there are new Immigration Canada terms
-

Not required to be permanent residents of Ontario before move in

19

Not excluded if they have a principal place of residence elsewhere before move in



Ontario Rent Supplement Agreements

Overhousing

The co-op is responsible for setting overhousing rules

The occupancy agreement for assisted households must say that

- the co-op may ask an overhoused household to move to an appropriately sized unit
 - If the household refuses to move and stays in their original unit, they won't receive assistance
-

20

The co-op can still use a surcharge



Ontario Rent Supplement Agreements

Occupancy Standards

Standard is still the National Occupancy Standards

- Minimum of one person per bedroom and maximum of two people per bedroom
-

Meaning one bedroom for:

- each cohabiting adult couple;
- each lone parent;
- unattached household member 18 years of age and over;
- same-sex pair of children under age 18;
- and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a bedroom



Exceptions to the occupancy standards

The agreement has an updated list of the reasons to allow an exception

Consideration on a case-by-case basis

To be well documented





Two Months' Vacancy Loss on Abandoned Units

If an assisted household moves without giving proper notice, the Agency can authorize the payment of the full housing charge for two months

- Unless it is an eviction





Ontario Rent Supplement Agreements

If proper notice is given,

the Agency can authorize payment of the payment of the full housing charge for half a month



Ontario Rent Supplement Agreements

Definition of income

The excluded Incomes have changed to be more in line with municipally funded co-ops in Ontario



See Schedule D of the Agreement

- Sets out included and excluded incomes
- 6 pages
- Grants, scholarships or bursary payments are excluded
- Income of children under 26 in school is excluded



Ontario Rent Supplement Agreements

Primary Occupants

The definition of primary occupants is worded differently but is essentially the same as before.



- A person living alone
- A person and spouse (of each family in the household)
- Any parent living with a child
- Any person legally responsible for a child
- Any non-dependent relatives
- Any unrelated people sharing the unit
- Any current signatories to the occupancy agreement



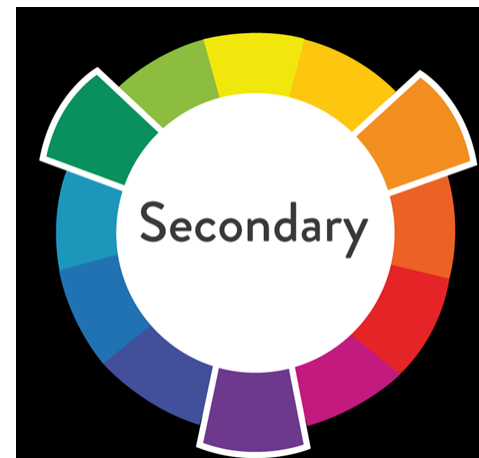
Ontario Rent Supplement Agreements

Secondary Occupants

All people living in the unit that are not primary occupants

Usually –

- working children (under 18) without dependents
- financially dependent relatives of the primary occupants





Ontario Rent Supplement Agreements

Calculations for Secondary Occupants

There is now only one way to do the calculation of income reported by secondary occupants

Formerly known as “Option 2”

15% of first \$1,000

30% of anything above



Ontario Rent Supplement Agreements

Changes in income

If a change would mean an increase in the housing charge of **more than \$25** then it becomes effective

- Effective date is the first day of the third month after the increase
 - e.g.. Change happens February 10, new housing charge is effective May 1
 - It doesn't matter when the change is reported
-

If a change would mean a decrease in the housing charge then it becomes on the first day of the next month



Ontario Rent Supplement Agreements

Damage Claims (1)

Only ILMs

Formerly, Redecorating Claim

**Beyond normal wear
and tear**

30



Ontario Rent Supplement Agreements

Damage Claims (2)

An electronic claim form will be on the Agency website

Completed forms to be submitted to Relationship Manager

Service standard: 2 weeks from receipt of a complete claim

Agency will review the claim and recommend payment to CMHC



Ontario Rent Supplement Agreements

Damage Claims (3)

Unit inspections will be part of the co-op process for making a claim

- A pre-move-in inspection compared against a post-move-out inspection
-

If not in place, implement unit inspections by next year





Ontario Rent Supplement Agreements

Damage Claims (4)

Each item that is part of a claim will be considered separately

If the item will cost

- Less than \$5,000: single sourcing
- \$5,000 - \$10,000: three prices
- More than \$10,000: pre-approval





Ontario Rent Supplement Agreements

On-line Filing System (1)

The system reconciles the rent supplement advance received by the co-op with the actual used

- Includes the calculation of the admin fee
-

Based on actual information entered by the co-op about individual assisted households

The first year, there will be some one-time set-up required

- Entering all units and identifying what type they are

Aile Nord

Sudbury, ON 52 units (52 active federal) FCHP (ILM)

[Welcome](#)

[News and Updates](#)

[Agreements](#)

[Reports](#)

[Resources](#)

[Budget Entry](#)

[Rent Supplements](#)

Welcome

Welcome to the Agency's client website.

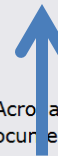
This page is your gateway to a growing wealth of useful information. If you don't already have Adobe Acrobat Reader on your computer, here's the [link](#). Once you get this free program, you'll be able to read the documents found on this site.

The information is set out in four streams:

- [News and Updates](#) tells you what has changed for your province, your program, and more.
- [Agreements](#) lets you view and download legal agreements, such as your operating agreement with CMHC.
- [Reports](#) presents your Annual Information Returns (AIRs) and the Agency's reports to your co-op. This is where you'll find your Risk Assessment, Compliance, Physical Condition and Co-op Data Reports. And don't miss your co-op's [Plain Language Financials](#).
- [Resources](#) gives you quick access to useful forms and reference documents, including the Agency's Client Service Standards.

For the special group of co-ops that qualify for more oversight, the client website supports you in filing several reports to the Agency:

- [Budget Entry](#) lets you file your annual operating budget for the Agency's approval.
- [Monitoring Reports](#) is where you file a periodic on-line operations report.
- [Rent Supplements](#) lets you file your annual rent supplement report to the Agency.



Co-operative Housing Quick Facts

In 2015, 76% of Agency clients were fully compliant with their CMHC operating agreement. Five years earlier, it was 70%. Better grasp of the rules over time or better-run co-ops? Maybe both.

Aile Nord

Rent Supplement for 31 Oct 2017 Ongoing Program: FCHP (ILM) Co-op 52 units (52 active federal)

- Welcome
- Rent Supplements
- Housing Charges**
- RS Units
- RS Households
- Annual Reconciliation
- Reports

Co-op Unit List

[Save and Refresh](#) | [Cancel and Refresh](#)

Enter every unit in your co-op, even units with no rent supplement. Follow the order used in your books. (To change the order of entered units, click on a row and drag it to the new location.) Choose the right unit code for each unit from the drop-down list. Missing a unit code? Check the accuracy of the entries you've made already. If you still don't see the code you need, go back to the "Housing Charges (Summary)" page and check the information there.

| Report Order | Street Number | Street Name | Unit Number | Unit Code | |
|--------------|---------------|-----------------|-------------|--|-----------------|
| 1 | 1091 | Martindale Road | 100 | \$855 Apartment - Walkup, 1 Bedroom, (APW1A) | insert / remove |
| 2 | 1091 | Martindale Road | 101 | \$855 Apartment - Walkup, 1 Bedroom, (APW1A) | insert / remove |
| 3 | 1091 | Martindale Road | 103 | \$855 Apartment - Walkup, 1 Bedroom, (APW1A) | insert / remove |
| 4 | 1091 | Martindale Road | 102 | \$855 Apartment - Walkup, 1 Bedroom, (APW1A) | insert / remove |
| 5 | 1091 | Martindale Road | 111 | \$1037 Row Townhouse, 2 Bedroom, (ROW2A) | insert / remove |
| 6 | 1091 | Martindale Road | 114 | \$1087 Row Townhouse, 2 Bedroom, (ROW2B) | insert / remove |
| 7 | 1091 | Martindale Road | 307 | \$1143 Row Townhouse, 3 Bedroom, (ROW3C) | insert / remove |
| 8 | 1091 | Martindale Road | 306 | \$1143 Row Townhouse, 3 Bedroom, (ROW3C) | insert / remove |
| | | | | \$1143 Row Townhouse, 3 Bedroom, (ROW3C) | insert / remove |



Ontario Rent Supplement Agreements

On-line Filing System (2)

Before the beginning of the new fiscal year, Agency sends a fresh link to the co-op for the data entry screens

The co-op will update

- the housing charges
 - new household income information
 - new utility charges and allowances
 - new assisted housing charges
-

Co-ops can update it throughout the year

Alfred Haenchen

Rent Supplement for 31 Aug 2017 Ongoing Program: FCHP (ILM) Co-op 63 units (63 active federal)

[Co-op Detail](#) |
 [Rent Supplements](#) |
 Housing Charges

Utilities

[Save and Refresh](#) |
 [Cancel and Refresh](#)

Enter any utility charge or allowance for each unit type in the co-op. (The charge or allowance depends on the services provided and paid by the co-op. If no charge or allowance applies, enter 0.) As necessary, update the list of services.

— Services included in housing charge —

| Action | Unit Type Code | Utility Allowance | Utility Charge | Light & Power | Heating | Water | Hot Water | Cable/Satellite TV | Effective Date |
|------------------------|----------------|----------------------|----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------|
| Change | ROW2A | <input type="text"/> | <input type="text"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 1 Sep 2016 |
| Change | ROW3A | <input type="text"/> | <input type="text"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 1 Sep 2016 |
| Change | ROW3B | <input type="text"/> | <input type="text"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 1 Sep 2016 |
| Change | ROW4A | <input type="text"/> | <input type="text"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 1 Sep 2016 |

Rent Supplement Claims

[Go to list of units](#)

[Save and Refresh](#) | [Cancel and Refresh](#)

1091 Martindale Road, Unit 103
1 Bedroom Apartment - Walkup

[Go to next unit](#)

Enter an effective date to start your claim. Then go to the Household ID row and make a choice from the drop-down list. Enter the household information. Under "Income Information," select a family type from the drop-down menu and complete the fields that follow. If two or more discrete family units shared the unit, you will have to enter each family separately.

Enter the monthly assisted housing charge, add a note, if you wish, then enter your name and position.

If the household's assisted charge changed during the year, move to the next column, enter the new effective date and continue. When a household moves out, move to the next column and enter the information for the new rent-supplement household. Where a vacancy followed the move-out or the new household did not receive a rent supplement, enter the effective date and choose the Household ID that applies.

When you are done with one unit, click on "Go to next unit" to continue your claim.

Effective Date x [New change](#)

Household ID

Household Information

Household name
 Number of people living in unit
 Date of last income verification

Income Information

Family unit type
 Social assistance?
 Number of dependants
 Name (parent one)
 Monthly adjusted income
 Name (parent two)
 Monthly adjusted income
 Moved out

[Add secondary occupant with adjusted income](#)

Family Unit

Household ID
 Effective Date
 Family unit type
 Social assistance?
 Name
 Monthly adjusted income

[Save family unit](#)



Ontario Rent Supplement Agreements

On-line Filing System (3)

The information the co-op enters is the basis for the annual claim due **two months** after year end



You can't file your annual information return until you have submitted your rent supplement claim

- The information in both must match



Ontario Rent Supplement Agreements

On-line Filing System (4)

Basic instructions will be provided in a Guide

YouTube tutorial video available by the end of May





Ontario Rent Supplement Agreements

Mid-year review of rent supplement advance (1)

Sometimes co-ops will use more rent supplement than the amount of the advance they receive each month

- This could create a cash flow problem
-

Using the “Rent Supplement Advance Change Request”, co-ops can request an increased advance

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MIDYEAR



Ontario Rent Supplement Agreements

Mid-year review of rent supplement advance (2)

To be eligible, the co-op must be

- in full compliance with program requirements
 - up to date with its filings and current year data entry
-

RMs will receive the request and will determine eligibility and make a decision based on

- The most recent annual filing and AIR
- The time until the next annual adjustment
- The co-op's liquidity ratio and overall financial position



Ontario Rent Supplement Agreements

Client visit procedures

Client visits will no longer be on a set schedule

Visits will occur at the Agency's discretion using a risk-based approach



Ontario Rent Supplement Agreements

Effective Dates (1)

For calculations:

- when the **co-op's next annual income review** starts
-

You don't need to do an income review now
Stick to your regular schedule

Advise your members about changes

45





Ontario Rent Supplement Agreements

Effective Dates (2)

For everything else:

- June 1, 2017 or when the agreement is fully executed
-

Annual claims and reconciliations

Damage claims for ILMs

Mid-year adjustments

46





Effective Dates (3)

Co-ops will have one year to make necessary changes to its occupancy agreement, policies and procedures

For June 1, 2018



Ontario Rent Supplement Agreements

Start working on your co-op by-laws, policies and procedures now

A new fair and consistent subsidy by-law

Rules about overhousing

New subsidy application form

New occupancy agreement - Schedule to your occupancy by-law

48

Conflict of interest and privacy rules

Inspection procedures



Ontario Rent Supplement Agreements

Co-ops will call their Relationship Manager for more information





Ontario Rent Supplement Agreements



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Ontario Rent Supplement Agreements

