



Program Instructions

This Program Instruction applies to the following:

- ✓ Tony Wong Place, Mount Albert United Church Senior Citizen Foundation, Hesperus Fellowship Village, Larry Todd Place
- ✓ **Housing York**
 - ✓ Mackenzie Green, Lakeside Residence, Richmond Hill Hub, Woodbridge Lane

LOCAL ELIGIBILITY RULE: INCOME AND ASSET LIMITS

This Program Instruction repeals and replaces Program Instruction 2018-02 [AHP/IAH]

Effective Date: January 1, 2021

Summary

York Region has local eligibility rules that restrict households with high incomes and/or assets from qualifying for subsidized housing in York Region. The income and asset limits help ensure that available housing subsidies are targeted to those with the greatest need.

- Households with incomes over \$80,000 are not eligible to be on York Region's subsidized housing wait list or to receive a rent subsidy.
- Applicants with assets over \$75,000 are not eligible for the Regional Rent Assistance Program (Rent Assistance).
- Tenants who began receiving Rent Assistance on or after the asset limit came into effect on October 1, 2018 will cease to be eligible and will be required to pay market rent for their unit if their assets increase above \$75,000.
- Tenants who were receiving Rent Assistance before October 1, 2018 will cease to be eligible for a rent subsidy and will be required to pay market rent for their unit if their assets increase above \$150,000.

This Program Instruction provides guidelines for housing providers who offer Rent Assistance to verify the value of household assets and determine which assets are counted toward the asset limit.

Background

Under [O. Reg. 367/11, section 35](#), Service Managers may establish local eligibility rules that require a household's assets to be below a maximum value to be eligible for a housing subsidy. York Region established local asset limits that came into effect on October 1, 2018.

The asset limits apply to both applicants and tenants receiving Rent Assistance.

INCOME LIMIT

Housing providers verify household income at the time of offer, when completing annual reviews, and during in-year reviews.

Housing providers apply the income limit only at the time of offer. If an applicant is determined to have income above \$80,000 at the time of offer, the housing provider may not offer the unit and must notify the Housing Access Unit that the household is not eligible for a subsidy.

In some cases, applicants with income equal to or less than \$80,000 may be eligible to be on the wait list but will not qualify for Rent Assistance because their tenant contribution would be equal to or greater than the market rent for the unit. These applicants may remain on the wait list and may be offered market rent units, if available.

During annual and in-year reviews, housing providers calculate the tenant contribution and amount of the rent assistance subsidy according to the process set out in the [Rent Assistance Guide](#).

ASSET LIMIT

Housing providers verify a household's assets and determine if the household is within the limit when filling a vacancy, at the time they complete an annual review, and during an in-year review required because a new member has joined the household.

Included Assets

Assets that count toward York Region's local asset limits are "included assets". Some examples of included assets are:

- Bank accounts such as a chequing or savings accounts
- Investments such as Guaranteed Investment Certificates (GICs), stocks or bonds
- Equity in any form of real estate (including properties not suitable for year-round occupancy)

Excluded Assets

Assets that do not count toward York Region's local asset limits are "excluded assets". The province has identified certain assets that must be excluded from local asset limits in [O. Reg. 367/11, section 35\(5\)](#). Service Managers may also exclude additional assets in their local eligibility rules.

In addition to the assets named in the regulation, the following are excluded from York Region's asset limit:

- Registered Retirement Savings Plans, Registered Retirement Income Funds, Locked-in Retirement Accounts and Life Income Funds
- Money received as a compensation award for pain and suffering due to the injury or death of a household member; expenses reasonably incurred as a result of the injury or death of a household member; loss of care, guidance and companionship under the Family Law Act; non-economic loss under the Workplace Safety And Insurance Act, 1997 or the Workers' Compensation Act

Excluded assets are listed in Appendix A. The list of excluded assets is not exhaustive and may be updated from time to time.

Procedures

Housing providers are required to verify a household's assets when filling a Rent Assistance unit vacancy, at the time they complete an annual review, and during an in-year review required because a new member has joined the household.

FILLING A VACANCY

1. The housing provider will review the applicant's information in Rent Café and contact the Housing Access Unit to confirm if the income and asset information is current and request any available documentation.
2. The housing provider will obtain a list of all household assets from the applicant, and a verification document for each asset that shows the asset value and ownership. Applicants must be given a minimum of three business days to submit their documents.
3. If the housing provider determines that the applicant's household assets are over \$75,000 or the household income is over \$80,000, the housing provider will not offer the unit:
 - a. Complete and submit an [Applicant Activity Report – Housing Provider Refused to Offer](#) to the Housing Access Unit within seven business days, indicating that the applicant is not eligible under the income and/or asset limits.
 - b. Issue a Decision Letter to the applicant stating that the housing provider will not offer the unit because the applicant exceeds the income and/or asset limits.
 - c. Document the reason for the refusal in Rent Café notes.
4. The Housing Access Unit will be responsible to advise the applicant that they are not eligible and complete a decision review if requested.

ANNUAL REVIEWS

Housing providers must calculate the value of the assets belonging to a household at the time of their annual review.

1. The housing provider must obtain a list of assets and a verification document that provides the value for each asset owned by a member of the household.

2. The housing provider must confirm that the total value of the household's included assets is less than:
 - a. \$150,000, if the household was receiving a subsidy before October 1, 2018
 - b. \$75,000, if the household began receiving a subsidy on or after October 1, 2018
2. If the household's included assets exceed the applicable limit, the housing provider must issue a Decision Letter, notifying the household that they are no longer eligible for Rent Assistance and will begin to pay the market rent for their unit after 90 days and informing them of the process to request a Decision Review.

IN-YEAR REVIEWS

Housing providers are only required to verify that a household remains below the applicable asset limit during an in-year review if the review occurs because a new member has joined the household.

1. The housing provider must obtain a list of assets and a verification document that provides the value for each asset owned by the new member of the household.
2. The housing provider must confirm that the total value of the household's included assets is less than:
 - a. \$150,000, if the household was receiving a subsidy before October 1, 2018
 - b. \$75,000, if the household began receiving a subsidy on or after October 1, 2018
3. If the household's included assets exceed the applicable limit, the housing provider must issue a Decision Letter, notifying the household that they are no longer eligible for Rent Assistance and will begin to pay the market rent for their unit after 90 days and informing them of the process to request a Decision Review.

Authority: Housing Services Act, 2011 – section 42(1)
Ontario Regulation 367/11 – sections 34 and 35
[CoW 2018:4\(14\): Modernization of the Subsidized Housing Wait List](#)

Please contact your Program Coordinator with any questions.

This notice will be available in an accessible format or with communication supports upon request from 1-877-464-9675 or 905-830-4444 ext. 72119

January 2021

eDOCS#12275815

APPENDIX A: DETERMINING ASSET VALUE

Asset Types

The lists of included and excluded assets are not exhaustive. If an applicant or tenant declares an asset that isn't on the list, contact your Program Coordinator for assistance.

INCLUDED ASSETS

The following asset types **count toward** York Region's asset limit:

- Bank account balances
- Market value of non-registered investments including term deposits, GICs, stocks and bonds
- Real estate equity (The total value of a property minus any mortgage(s) and any balance(s) owed on loans/lines of credit secured against the property)
 - Tenants are still required to divest themselves of any interest in a property that is suitable for year-round occupancy within six months of beginning to receive a rent subsidy. The proceeds from the divestment do not count as income but may be counted toward the asset limit.
 - Tenants do not need to divest properties that are not suited for year-round occupancy (e.g. non-winterized cottage), but their equity in the property will count toward the asset limit.

EXCLUDED ASSETS

The asset types listed below **do not count** toward York Region's local asset limit.

- Personal motor vehicles
- The value of funds held in:
 - Registered Retirement Savings Plan (RRSP)
 - Registered Retirement Income Fund (RRIF)
 - Locked-in Retirement Account (LIRA)
 - Life Income Fund (LIF)
- Funds held in a Registered Disability Savings Plan (RDSP), as defined in section 146.4 of the *Income Tax Act* (Canada), if the beneficiary of the plan is a member of the household.
- The value of funds held in a Registered Education Savings Plan, as defined in section 146.1 of the *Income Tax Act* (Canada), for a child of a member of the household.
- The value of tools of a trade that are essential to the work of a member of the household as an employee.

- The value of assets of a member of the household that are necessary to the operation of a business that the member operates or has an interest in, up to \$20,000 in assets for the member of the household and \$20,000 for the business. This could include a business bank account.
- The value of a prepaid funeral.
- The cash surrender value of a life insurance policy, up to \$100,000 for the household.
- The proceeds of a loan taken against a life insurance policy that will be used for disability-related items or services.
- The value of the clothing, jewelry and other personal effects of a member of the household.
- The value of the furnishings in the accommodation used by the household, including decorative or artistic items, but not including anything used primarily for the operation of a business.
- The value of the beneficial interest in a trust of a member of the household who has a disability if the capital of the trust was derived from an inheritance or from the proceeds of a life insurance policy, up to \$100,000 for that member.
- Funds held in an account of a member of the household in conjunction with an initiative under which the Region or an entity approved by the Region commits to contribute funds towards the member's savings goals.
- If a member of the household has received a payment under the *Ministry of Community and Social Services Act* for the successful participation in a program of activities described in paragraph 9 of section 26 of Ontario Regulation 134/98 (General) made under the *Ontario Works Act, 1997*, the value of any portion of that payment that, within a time that is reasonable in the opinion of the Region, will be used for the member's post-secondary education.
- Money received as a compensation award for pain and suffering due to the injury or death of a household member; expenses reasonably incurred as a result of the injury or death of a household member; loss of care, guidance and companionship under the Family Law Act; non-economic loss under the Workplace Safety And Insurance Act, 1997 or the Workers' Compensation Act

NOTE: Income from excluded assets may still count toward the household's income (e.g. income from a RRIF).

Asset Verification

The information provided must be:

- **Complete:** all included and excluded assets owned by all members of the household over the age of 16 must be identified, and documentation must show both the ownership of the asset and the value of the asset
- **Current:** e.g., a bank statement for the current month, a letter obtained from the bank within the same month, or the most recently received mortgage statement for a property.

VERIFICATION DOCUMENTS

Applicants and tenants are responsible to declare any assets they own that are identified in the table below and provide appropriate verification documents for each asset. The Housing Provider is responsible to identify which assets are included and which are excluded when determining eligibility.

NOTE: The Housing Access Unit requests some verification documents during the Move-in Ready process. When determining eligibility, please contact the Housing Access Unit to obtain any current documentation for the applicant.

Included and Excluded Assets that Require Documentation

Assets	Document(s)
<p>Bank accounts</p> <p>Examples:</p> <ul style="list-style-type: none"> • Savings accounts and chequing accounts • Tax-Free Savings Accounts (cash) • Overseas or foreign accounts 	<p>Current bank statement showing the account balance for all accounts</p> <p>Current passbook entry showing the account balance for all accounts</p>
<p>Investments</p> <p>Examples:</p> <ul style="list-style-type: none"> • Stocks and bonds • Term Deposits • Guaranteed Investment Certificates • Mutual funds • Includes overseas or foreign investments • Tax-Free Savings Accounts (investments) 	<p>Current statement from bank/financial institution showing the amount of the investment</p> <p>Copy of a stock certificate</p> <p>NOTE: T5 and T3 tax slips document the income received from investments. They are not sufficient to determine if a household's assets are over the limit but can help validate the household's declared asset value (e.g., if the household declares 0 assets but has significant income from investments, further information is required)</p>
<p>Real estate equity (The value of the property as determined by the current MPAC assessment, minus the amount of any mortgage(s) owing and any balances owed on loans/lines of credit secured against the property)</p> <ul style="list-style-type: none"> • Includes residential and non-residential properties • Includes property in Canada and in other countries 	<p>Current MPAC assessment (property value for current year) or appraisal</p> <p>Current mortgage statement</p> <p>Home Equity Line of Credit (HELOC) statement</p>
<p>Registered accounts/investments</p> <ul style="list-style-type: none"> • Registered Disability Savings Plan (RDSP) • Registered Retirement Savings Plan (RRSP) • Registered Retirement Income Fund (RRIF) • Locked-in Retirement Account (LIRA) • Life Income Fund (LIF) • Registered Education Savings Plan (RESP) 	<p>Current bank statement showing value of the account, ownership and beneficiary</p>
<p>Life insurance (up to \$100,000 for the household)</p>	<p>Insurance policy that states the cash surrender value</p>
<p>Prepaid funeral</p>	<p>Contract with insurance company or service provider</p>

Assets	Document(s)
Business assets (up to \$20,000 for individual and \$20,000 for the business) <ul style="list-style-type: none"> • Business bank accounts • Business property • Business vehicle • Taxi license 	Documentation depends on type of asset
Trust fund for a person with a disability, up to \$100,000 <ul style="list-style-type: none"> • The capital in the trust fund must come from an inheritance or a life insurance payment 	Will Insurance documents Trust fund documents Trust account bank statement showing the amount and beneficiary
Compensation Awards <ul style="list-style-type: none"> • Awards for pain and suffering, or expenses actually or reasonably occurred, as a result of an injury to or the death of a member of the household; • Loss of care, guidance and companionship due to an injury to or the death of a family member under the Family Law Act • Non-economic loss under section 46 of the Workplace Safety and Insurance Act, 1997 or section 42 of the Workers' Compensation Act. 	Notice of the legal settlement

Documentation is not required for personal belongings (e.g. clothing, jewelry and furniture), personal motor vehicles, and tools of a trade (e.g. electrician's tools, hairstylists' tools).

CALCULATING THE VALUE OF JOINT ASSETS

“Joint assets” are assets where two or more people have ownership rights. In the case of joint bank accounts, all account holders can deposit, withdraw or deal with the funds in the account no matter who puts the money in the account, and all account holders are responsible for the money in the account. Joint owners are often married or common-law spouses or an older person and their adult child(ren).

For the purpose of determining whether a household's assets are within the asset limit, if an asset is jointly owned with someone outside of the household, half of the value of the asset will be counted toward the asset limit.

- Some household members may have joint ownership of an asset such as a bank account to allow them to manage another person's finances. In this situation, the household member must provide documentation, such as a Power of Attorney or trust account documents, to confirm that the asset legally does not belong to them. A letter or informal agreement provided by the joint account holder is not sufficient.

Exception for Special Priority Applicants

The only exception to this rule is for Special Priority applicants in certain circumstances:

- When assets to which the Special Priority applicant may have rights are solely in the name of the abuser (e.g. a matrimonial home). The Special Priority applicant must verify the ownership of the asset, within reason.
- When assets that are jointly owned with the abuser are being divided through the separation and divorce process and the amount that will be awarded to the Special Priority applicant is unknown. The Special Priority applicant must provide verification that a court proceeding is underway.

In these circumstances, the value of the asset(s) will not be included in the Special Priority applicant's assets until the sale of property and/or division of matrimonial assets is completed. The Special Priority applicant must be advised that they could lose their eligibility for subsidy and be required to pay market rent if the division of matrimonial assets results in being over the limit.

Assets that are solely in the name of the Special Priority applicant or that are joint with someone other than the abuser will count toward the asset limit.