

Program Instructions



This Program Instruction applies to the following:

- ✓ **AHP Strong Start Program**
 - Tom Taylor Place

Achieving Affordable Rents for AHP Strong Start Communities

Summary

The Canada-Ontario Affordable Housing Program (AHP) has been designed to increase the supply of affordable housing. To achieve affordability, rents must remain at or below the Canada Mortgage and Housing Corporation (CMHC) Average Market Rent (AMR) while also maintaining an average rent for the entire building at or below 80% of AMR. CMHC has published new AMR rates for Fall 2015.

Housing Providers can raise rents for current tenants by the *Residential Tenancies Act, 2006* (RTA) Rent Increase Guideline during the first 10 years of the program. Housing Providers have greater flexibility with rent increases during years 11-20 of the program.

Process

AHP rules require the overall building average rent be at or below 80% of AMR

Each fall, CMHC publishes updated AMR rates for various housing market areas. Housing funded through the AHP Strong Start program must achieve a weighted average project rent which is at or below 80% of CMHC's AMR.

Table 1 provides a summary of the Fall 2015 CMHC AMR for Newmarket along with the average for all zones in York Region. A Housing Provider must refer to the table to ensure that the overall rent for all units remains at or below 80% of AMR for applicable zone.

Table 1 – Fall 2015 CMHC AMR for Newmarket and York Region Zones

Zone	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom
Zone 26 Aurora, Newmarket, Whitchurch-Stouffville, East Gwillimbury, Georgina	\$701	\$1,043	\$1,174	\$1,333
York Region (all zones)	\$833	\$1,091	\$1,262	\$1,441

For tenants receiving a rent subsidy, Housing Providers should include only the tenants' contributions to rent when calculating the building's overall average rent.



The Residential Tenancies Act (RTA) Rent Increase Guideline for 2016 is 2.0%

The rent increase guideline for 2016 is **2.0%** and applies to rent increases effective between January 1 and December 31, 2016.

The Guidelines can be found at: <http://news.ontario.ca/mah/en/2015/06/2016-ontario-rent-increase-guideline.html>

The rent for a unit can be increased if at least 12 months have passed since:

- a) the tenant first moved in or
- b) since the tenant's last rent increase.

The tenant must be given written notice of the rent increase at least 90 days before the increase takes effect.

Action Required:

After applying any rent increases, ensure that the overall rent for all units remains at or below 80% of AMR for applicable CMHC zone.

Authority: Contribution Agreement

Please contact your Program Coordinator with any questions.

- ORIGINAL SIGNED -

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