

Program Instructions

**This Program Instruction applies to the following:**

- ✓ **AHP Community Rental Housing Program Pilot**
 - Sutton Youth Shelter
 - Blue Willow Terrace
 - Armitage Gardens

Rent Increases for Community Rental Housing Program (CRHP) Pilot Funded Units

Residential Tenancies Act (RTA) Rent Increase Guideline

Every June, the Ministry of Municipal Affairs releases Ontario's rent increase guideline. The guideline is the maximum amount that most landlords can increase a tenant's rent during the year without making an application to the Landlord and Tenant Board. Contribution Agreements require that rent increases in Canada-Ontario Affordable Housing Program funded units follow the RTA rent increase guideline.

The guideline for **2015 is 1.6 %**, and applies to rent increases effective between January 1 and December 31, 2015.

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

The guideline can be found at: http://news.ontario.ca/mah/en/2015/06/ontarios-2016-rent-increase-guideline-set-at-21-per-cent.html?_ga=1.211839766.32241875.1418320220

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:

- 1) Use the Rent Increase Guideline to increase rent during the first 10 years of the program.**



To increase rents for existing tenants:

- i) Identify the current rent charge for the unit.
- ii) Multiply the current rent charge by the rent increase guideline and add it to the current rent charge.

Example using the 2015 guideline increase:

An existing tenant's rent is \$800.

Multiply \$800 by the 2015 rent increase guideline of 1.6%.

$\$800 \times 1.6\% = \$12.80.$

$\$800 + \$12.80 = \mathbf{\$813.00}$ (rounded from \$812.80) is the maximum rent charge for this existing tenant.

2) In years 11-15 of the program, an additional 0.55% can be added to the guideline increase.

Housing Providers who are entering years 11-15 of CRHP are able to charge an additional 0.55% in addition to the most current guideline increase. With an initial occupancy of 2004, Armitage Gardens rents can apply both increases.

3) In years 16-20 of the program, rent increases are capped for sitting tenants.

In years 16-20, sitting tenants' rents cannot be increased beyond the rent increase guideline and the 0.55% increase. When a unit is turned over in years 16-20, there are no restrictions on rent increases.

Authority: Contribution Agreement

Any questions relating to this program instruction should be directed to your Program Coordinator.

-ORIGINAL SIGNED-

Rick Farrell
General Manager
Housing Services Branch
Community and Health Services Department

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

Community and Health Services

Housing Services



www.york.ca



6728