

## SERVICE MANAGER DIRECTIVE 21-05

### **SUBJECT: TREATMENT OF TEMPORARY COVID-19 BENEFITS FOR RGI CALCULATIONS**

The policies and procedures in this Directive are to be implemented by Housing Providers funded by the City of Ottawa for the programs checked below:

<input checked="" type="checkbox"/>	Public Housing Program
<input checked="" type="checkbox"/>	Rent Supplement Program (commercial)
<input checked="" type="checkbox"/>	Ontario Community Housing Assistance Program (OCHAP)
<input checked="" type="checkbox"/>	Community Sponsored Housing Program (CSHP)
<input checked="" type="checkbox"/>	Provincial Reformed ( <i>Provincial, Federal/Provincial Non-Profit</i> )
<input checked="" type="checkbox"/>	Provincial Reformed ( <i>Provincial Co-operative</i> )
<input type="checkbox"/>	Limited Dividend Program
<input type="checkbox"/>	Section 26/27
<input type="checkbox"/>	Section 95 – Private
<input type="checkbox"/>	Section 95 – Pre 86 MNP
<input type="checkbox"/>	Pre-86 Urban Native Housing Program
<input type="checkbox"/>	Post-85 Urban Native Housing Program
<input type="checkbox"/>	Centralized Wait List (CWL) Administrator

If your program is not checked, this Directive does not apply to your project(s).

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#### **PURPOSE:**

The purpose of this Directive is to provide notification to Housing Providers regarding the treatment of temporary COVID-19 emergency and recovery benefits for Rent-Geared-to-Income (RGI) calculations.

#### **LEGISLATIVE AUTHORITY:**

Housing Services Act, 2011 sections 50, 52  
HSA O. Reg. 316/19 sections 6(4), 11

#### **BACKGROUND:**

As Service Manager under the *Housing Services Act, 2011 (HSA)*, the City has the responsibility to determine the amount of rent payable by a household receiving Rent-Geared-to-Income assistance for a unit in a housing project in the service manager service area.

New geared-to-income rent rules as prescribed within Ontario Regulation 316/19 under the Housing Services Act, 2011 took effect on July 1, 2020. The most recently assessed income tax return became the primary source used to determine the adjusted net income of a household member.

On August 20, 2021 the Province of Ontario issued *SH Notification 21-05 Rent-Geared-To-Income Calculations – Treatment of Temporary Benefits* to Service Managers. This Service Manager Directive outlines the information the Province has provided regarding the treatment of temporary COVID-19 emergency and recovery benefits for Rent-Geared-to-Income (RGI) calculations.

**DIRECTIVE:**

Annual Review:

Section 6(4) of Ontario Regulation 316/19 allows Housing Providers to project income and deductions for the upcoming 12-month period when the net income amount on the most recent income tax return is not reflective of a household's current financial position. Starting July 1, 2021 annual RGI reviews conducted under Ontario Regulation 316/19 would normally utilize the net income amount found under a household member's 2020 income tax return which includes COVID-19 emergency and/or recovery benefits received.

Starting July 1, 2021 where short-term COVID-19 emergency benefits received in the 2020 tax year are not reflective of a household's current financial position Housing Providers shall use the 'best estimate' method described in *Service Manager Directive 21-02 Determination of Geared-To-Income Rent* to determine geared-to-income rent at annual review.

Short-term COVID-19 emergency benefits received include:

- Canada Emergency Response Benefit (CERB)
- Canada Emergency Student Benefit (CESB)
- Canada Recovery Benefit (CRB)
- Canada Recovery Caregiver Benefit (CRCB)
- Canada Recovery Sickness Benefit (CRSB)
- Temporary additional payments for seniors in receipt of Guaranteed Annual Income System (GAINS) payments, Old Age Security (OAS), and/or Guaranteed Income Supplement (GIS)

In-Year Reviews:

Section 11 of Ontario Regulation 316/19 allows households to request an in-year RGI recalculation if their household income has decreased by twenty percent (20%) or more since their last review. RGI households are limited to one in-year recalculation for loss of income between annual reviews.

Housing Providers shall the utilize the 'best estimate' method described in *Service Manager Directive 21-02 Determination of Geared-To-Income Rent* to project income and deductions when a substantive in-year change in income or income type has occurred since the 2020 Notice of Assessment was issued. This flexibility allows Housing Providers to exclude short-term COVID-19 emergency benefits from the calculation of geared-to-income rent.

In the situation where an RGI household continues to receive a COVID-19-related emergency benefit beyond July 1, 2021, the RGI household has the ability to request an in-year recalculation once the benefit is exhausted, if their household income decreased by twenty percent (20%) or more since their last annual review and no previous in-year review since the last annual review has occurred.

**ACTION REQUIRED:**

Implement the Treatment of COVID-19 Temporary Benefits for RGI Calculation Rules as outlined in this Directive immediately.

Lisa Goodfellow

Manager, Social Housing

Dated: September 1, 2021