

CITY GUIDELINE

Number: 2015-9

Date Issued: August 14, 2015

Effective Date: January 1, 2016

The policies and procedures in this City Guideline are to be implemented under the following programs:

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|-------------------------------------------------------------------|----------------------------------------------------------------|
| <input type="checkbox"/> HSA*, Section 78 Market and RGI** | <input type="checkbox"/> Non-Profit Housing Section 95 |
| <input checked="" type="checkbox"/> HSA, Section 78, 100% RGI | <input type="checkbox"/> Rent Supplement Programs |
| <input type="checkbox"/> Federal Non-Profit Housing Section 26/27 | <input type="checkbox"/> Toronto Community Housing Corporation |

Please note: If your program is not checked, this City Guideline does not apply to your project.

** Housing Services Act, formerly section 110 of the Social Housing Reform Act **Rent-Geared-to-Income*

Subject: Factors to be used in 2016 Fiscal Year to Calculate Subsidies

Cost Factors are inflationary factors that housing providers use to calculate

- ✓ the indexed benchmarked operating costs within the operating subsidy calculation,
- ✓ the operating subsidy in their budgets, and
- ✓ their capital replacement reserve fund allocations.

The Ontario Ministry of Municipal Affairs and Housing (MMAH) reviews these factors each year and adjusts them to reflect changes in the Consumer Price Indices.

Housing providers must use the following cost factors when calculating their subsidies for fiscal year beginning January 1, 2016:

Benchmark Costs	Administration & maintenance	1.0095
	Insurance	1.1471
	Bad Debt	1.0095
	Electricity	1.0716
	Water	1.0616
	Natural Gas	0.8323
	Oil and Other Fuel	1.8484
	Capital Reserves	1.0095

Action Required:

1. Housing providers must use the appropriate Cost Factor for each benchmarked category to calculate indexed benchmarked costs and revenues for fiscal years beginning in 2016.

Helpful Hint:

- ✓ A Budget Tool is available on the Social Housing Unit website. <www.toronto.ca/housing/social_housing>. Go to *Housing Provider Information and Training*, then *Other Resources*.
- ✓ Note that housing providers are not required to submit budget forms to the Social Housing Unit, but may continue to submit these forms if they prefer. If they do not submit budget forms, they must at least submit the following information.
 - i. Property taxes
 - ii. Total RGI rent revenue
 - iii. Market rents on RGI units (broken down by unit type)
 - iv. Number of RGI units (broken down by unit type)

For more information, or if you have questions or concerns, please contact your Social Housing Consultant.

Original Signed

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