

## City Guideline – 2019-6: RGI Target Increase

Date issued	Effective date
August 1, 2019	October 1, 2019

### Applicability to Social Housing Programs

The City Guideline is applicable to the programs indicated in the table below.

#### Applicability Program

Yes	Housing Services Act, Part VII Housing Projects, Market and Rent-Geared-to-Income, Section 78 Housing Providers (formerly 110)
	Housing Services Act, Part VII Housing Projects, 100% Rent-Geared-to-Income, Section 78 Housing Providers (formerly 110)
	Federal Non-Profit Housing, Section 26/27
	Federal Non-Profit Housing, Section 95
	Rent Supplement Programs for Sections 26, 27, 95 and New Affordable Housing Providers
	Toronto Community Housing Corporation

If your program is not checked in the Applicability column, this City Guideline does not apply.

### About City Guidelines

Under the authority of the Housing Services Act, the City of Toronto, Shelter, Support and Housing Administration (SSHA) Division City Guidelines and Rent-Geared-to-Income (RGI) Manual are the authority for housing administration and RGI administration for social housing providers in the City of Toronto.

City Guidelines are the City of Toronto's mandatory policies and procedures that social housing providers must follow. City Guidelines are most often issued when a Local Rule is established by the City of Toronto, the Rent-Geared-to-Income (RGI) manual is updated, or other relevant legislative changes or operational requirements occur. City Guidelines which impact RGI have been incorporated into the RGI Manual.

Please see [www.toronto.ca/socialhousing](http://www.toronto.ca/socialhousing) for more information.

## Background

The *Housing Services Act, 2011* (HSA), requires that the City of Toronto maintain a minimum number of Rent-Geared-to-Income (RGI) units. The number of RGI units provided by the Housing Providers mandated in Section 78 of the HSA has been declining for a number of years. As per the HSA, Part VII, Section 77(5), the City as Service Manager has authority to change the RGI targets.

The HSA restricts increases to RGI targets. The increase must not result in the number of non-RGI units in the project changing by more than 10 per cent from their initial target (O. Reg. 367/11, s. 101 (1-2)), unless agreed to by both the City and the housing provider.

The minimum number of RGI and market units for each housing provider's building(s) is indicated in their Project Information Forms. Prior to the effective date of this City Guideline, most providers had a minimum of 50% of their units designated as RGI and 25% as market, leaving another 25% as undesignated or flexible. Since RGI targets may be increased by 10% for most providers, the new minimum number of RGI units will be 55%. The minimum number of market units will not change.

<b>Target type</b>	<b>Current average target %</b>	<b>New average target %</b>
RGI	<b>50%</b>	<b>55%</b>
Market	25%	25%
Undesignated / flexible	<b>25%</b>	<b>20%</b>

- The City will be exercising its authority to increase RGI targets by 10%. This change will be effective October 1, 2019.
- Housing providers will not be required to meet their new target by October 1<sup>st</sup>. As of October 1, 2019, housing providers will be required to fill all vacancies with households eligible for RGI assistance until their new target is reached. There is no deadline to reach the new target, but after September 30, 2019, all vacancies must be filled with a household receiving RGI assistance until the new target is reached.
- Housing providers must continue to follow the rules for providing RGI assistance to market households who live in their building.
- Housing providers will be considered in "good standing" for the purposes of City Guideline 2013-3 (Surplus Sharing), even if they have not met their new target, if all vacancies after September 30, 2019, are filled with a household receiving RGI assistance.
- Housing providers who are below their *current* RGI target can begin to qualify for surplus sharing once they have reached their current target for an entire fiscal year,

provided they continue to fill all vacancies with households receiving RGI assistance until their new target is reached or exceeded.

- Once their new target is reached, housing providers must remain at or above their new target to remain in compliance, or provide evidence that they have continued to fill all vacancies with households receiving RGI assistance.

## Actions required

1. As of October 1<sup>st</sup>, 2019, housing providers must fill all vacancies with households receiving RGI assistance until their new RGI target is reached or exceeded. The new RGI target for each housing provider can be found in the Notice of Change letter sent out by email to housing providers along with this City Guideline.
2. Once their new RGI target is reached, housing providers must remain at or above their new target at all times to remain in compliance with the *Housing Services Act, 2011*, and to remain in "good standing" for the purposes of City Guideline 2013-3.

## Questions

If you have any questions, please contact your Housing Consultant or HSS:

### **Housing Stability Services**

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