



Session #707:  
**RGI for Tenants:  
Adding it Up**

Presented by the Ontario Non-Profit Housing  
Association



## Learning Objectives

- To see the steps your housing provider goes through when calculating your rent
- To have an opportunity to ask questions
- To understand your rights under RGI rules

## RGI Guidelines

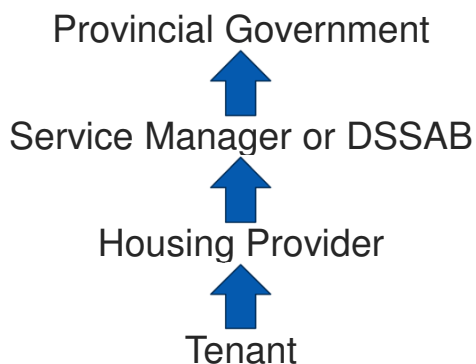
- Housing providers follow rules that are set by either:
  - Housing Services Act (HSA)
  - Federal Operating Agreement
- The HSA does not apply to:
  - federal non-profit and urban native housing
  - Co-ops developed under federal government programs



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Responsibilities



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Ontario Government

- renews mortgages
- monitors administration of social housing



2015 ONPHA Conference & Trade Show

#ONPHAconf

## Service Manager

- funds social housing program
- makes sure housing providers follow HSA and the Regulations, their RGI Service Agreements or Operating Agreements
- sets local rules and guidelines for social housing
- reports to Province



2015 ONPHA Conference & Trade Show

#ONPHAconf

## Housing Provider

- day-to-day property management
- maintains internal transfer list, market waiting list
- fills vacancies using local waiting list system
- RGI administration under RGI Service Agreements
- reports to service manager



2015 ONPHA Conference & Trade Show

#ONPHAconf

## Tenants

- provides accurate and complete documents
- reports changes on time
- complies with lease/occupancy agreement – Residential Tenancies Act
- keeps unit in good condition



2015 ONPHA Conference & Trade Show

#ONPHAconf

# Reporting Income: When What How

## When do I report income?

- Tenants are responsible for reporting all of their income:
  - when you accept a unit
  - at Annual Review time
  - Whenever there is a change in income



**The HSA requires tenants to report changes within at least 30 days**

## What is Income?

- Employment
- Pension, RRIF, Support (child or spousal)
- Social Assistance: OW/ODSP
- Income from Assets or Investments
  - Income Producing
  - Non Income Producing



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## How do I prove my income?

Type of Income	Documents required
Regular Employment	<ul style="list-style-type: none"> <li>•Consecutive pay stubs for an 8-week period or</li> <li>•Letter from employer outlining terms of employment – including gross salary</li> </ul>
Social Assistance	<ul style="list-style-type: none"> <li>•Current income statement and</li> <li>•drug card or letter</li> </ul>
OSAP	•Copy of Assessment form and registration at school
CPP	Cheque stub or copy of 3 month's direct deposit on bank statement
Child/Spousal Support Payments	<ul style="list-style-type: none"> <li>•Court approved agreement</li> <li>•Family Responsibility Office Statement</li> </ul>
Employment Insurance	•Current Statement



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

# Calculations

## What's included in my rent?

- Base rent calculated using my income or scale
- Deductions listed in the Housing Services Act
- Charges and allowances for some utilities listed in the HSA
- Charges for utilities not listed in the HSA
- Charges I've agreed to (ex. parking)

## Deductions from gross income

- Payment of Spousal or Child Support
  - deduct the amount of court-ordered support payments paid from the gross monthly income.
- Employment-Related Income Deduction
  - each family is allowed a deduction for employment-related income.
  - this includes EI benefits, short-term WSIB benefits, and government training allowances.



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## How is rent calculated?

- Social assistance-based rent is based on scale
- Rent based on other income is calculated using a tenant's gross monthly income
- **30%** of gross monthly income is the income-based portion of the rent



**Gross monthly income is the income earned in a given monthly period before taxes**



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf



## Social Assistance Scale

- Use this table for a tenant with no spouse but one or more dependants:

Size of benefit unit (# of people on the drug card)	Income part of RGI for benefit unit	Non-benefit Income Limit (Monthly)
2	\$191	\$791
3	\$226	\$907
4	\$269	\$1051
5	\$311	\$1191
6	\$353	\$1331
7	\$396	\$1474



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Calculating rent using a scale

1. Verify benefit unit size
2. Compare other sources of income to non-benefit income limit
3. If other sources of income are lower than the limit use the scale to determine amount of RGI rent
4. If other sources of income are higher than the limit – use other income as the gross monthly income



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Social Assistance Scale

- Use this table for a tenant with no spouse but one or more dependants:

Size of benefit unit (# of people on the drug card)	Income part of RGI for benefit unit	Non-benefit Income Limit (Monthly)
2	\$191	\$791
3	\$226	\$907
4	\$269	\$1051
5	\$311	\$1191
6	\$353	\$1331
7	\$396	\$1474



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## More about income

## Assets & Investments

- Income-producing assets produce interest or dividends
  - Ex. GICs, stocks, interest-bearing bank accounts
- Non-income producing assets do not produce regular income or interest but do increase in value
  - Ex. property, non-interest-bearing bank accounts, cash



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Calculating Income from Assets and Investments

- For income producing assets
  - Use the actual income earned
  - If yearly interest figure out the monthly income
  - Add this amount to any other income
- For non income producing assets
  - Use the imputed rate of return to estimate the financial benefit to the person



**Imputed Rate of Return is a standard interest rate set by the government. It is currently 0% but varies each year.**



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Excluded Income

- Some income is not included in the calculation of rent
- Always report **all** income
- Not related to taxable income
- Examples of excluded income:
  - Income tax refunds
  - RRSPs
  - Child Tax Benefits, Universal Child Care Benefits



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

- More examples of excluded income:
  - A survivor's death benefit received from Canada Pension Plan (including benefits for children)
  - room and board allowance for employment away from your unit
  - a small casual gift
  - a lump sum severance payment
  - a lump sum payment from a court decision
  - a lump sum payment received under a decision of a statutory tribunal (eg. Criminal Injuries Compensation)



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

# Even more about Income: Child of the Household

## Child of the household

- A member of the household who:
  - has always lived at home except for short periods while in full-time attendance at a recognized educational institution,
  - has never had a spouse, and
  - is not the parent of a child living in the household.

## Child of the household?

1. Donnie is a 48 year old male who lives with his father. He has always lived at home except for a year when he went to College when he was 25. Three years ago he was engaged to a woman but they broke up before the wedding. Donnie earns 30,000 per year.



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Child of the household?

2. Anjula is 25 years old. She works part time and is a full time student. She had a child 10 years ago that has been adopted by another family. She has always resided in the home, except for a one month period when she stayed with her aunt.



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Child of the household?

3. Susie is 18 years old and lives with her mother and two sisters. She has always lived at home and attends school full time. Last year she had a baby who also lives with the family. She broke up with her boyfriend and he is not involved with the baby at all. She does not work.



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Rules for child of household

- Student Income (child of household only)
  - Exclude the student's income if:
    - a child of the household attends primary or secondary school
    - a child of the household is in full-time attendance at post-secondary educational institution (for example, a college, university, or vocational school) and
    - the student has not been out of secondary school for more than 5 years at the start of his or her study program.



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Rules for child of household

- Employment Income (child of household only)
  - For a child of the household who is not in school and who has employment income:
    - The first \$1000.00 is calculated at 15%
    - The additional amount is calculated at 30%



**There is no employment deduction for a child of the household**



2015 ONPHA Conference & Trade Show

#ONPHAconf

## Rules for child of household

- Example of a calculation
  - Gross monthly income is 1650.00
  - First \$1000 x 15% = \$150
  - Remaining \$650 x 30% = \$195.00
  - Portion of rent is \$345.00 to add to household rent



2015 ONPHA Conference & Trade Show

#ONPHAconf



# Allowances and Charges

## Allowances and Charges

- If you pay utility costs directly to an energy provider you will get an allowance (deduction) from your rent
- If your landlord is responsible for paying the energy costs you will need to pay an additional charge
- The amount is determined by size of unit, type of energy and region of Ontario

## Allowances and Charges

- Other charges are **not** part of the RGI calculation but are included in your rent
- These charges are added after the RGI calculation is done
- These charges can include
  - Parking
  - Cable
  - Storage locker
  - A/C fees



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Steps to Calculate Rent

## Steps to calculate rent

1. Review and verify income and assets
2. Determine household size
3. Determine monthly income for each person



2015 ONPHA Conference & Trade Show

#ONPHAconf

4. Adjust income if support payments were made or qualify for employment related deduction
5. Determine the income part of RGI using income or Social Assistance scale
6. Determine utility part of the rent – allowance or charge?
7. Determine Monthly RGI rent



2015 ONPHA Conference & Trade Show

#ONPHAconf

# More RGI rules

## Minimum rent

- In the rare case that a tenant has no or very low income
- The minimum rent that can be charged is \$85.00 *for the household*
  - Includes utilities
  - Does not include parking or extra charges such as cable television
  - Is for the entire household

## Pursuit of income

- Tenants may be required to pursue income if the housing provider believes the tenant is eligible for one of the following income sources:
  - Ontario Works
  - Support (child or spousal)
  - Employment Insurance
  - Pension Programs (OAS, GAINS, GIS)
  - Sponsorship



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Annual Review

- Annual Review happens every 12 months or less often if the Service Manager has a local rule to that effect.
- The review checks eligibility as well as income



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

# Let's try it!

## Scenario #1

- Mother and three children
- on OW
- earning 1120.00 per month in child support
- the non-profit pays the utilities costs
  - Is OW scale used or income?
  - Does the household qualify for an employment deduction? a support deduction?
  - Is there an allowance or charge for utilities?

## Scenario #1

- Use this table for a tenant with no spouse but one or more dependants:

Size of benefit unit (# of people on the drug card)	Income part of RGI for benefit unit	Non-benefit Income Limit (Monthly)
2	\$191	\$791
3	\$226	\$907
4	\$269	\$1051
5	\$311	\$1191
6	\$353	\$1331
7	\$396	\$1474



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Scenario #1

- Mother and three children
- on OW
- earning 1120.00 per month in child support
- the non-profit pays the utilities costs
  - Is OW scale used or income?
  - Does the household qualify for an employment deduction? a support deduction?
  - Is there an allowance or charge for utilities?



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Scenario #2

- Couple with one child
- Mother earns \$220 per week on maternity leave (Employment Insurance)
- Father earns \$400 per month working part time
  - Does the household qualify for an employment deduction?
  - What steps would you use to calculate gross monthly income?



2015 ONPHA Conference & Trade Show

#ONPHAconf

# Notices and Reviews



## Notice of Decision

- Notice must given within period set by service manager
  - Usually within 7 business days of decision
- Notice must include:
  - Date of decision
  - Right to request a review of the decision
  - How to request a review of the decision
  - Reasons for decision



2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Reviews of Decisions

- Types of decisions that can be reviewed:
  - RGI eligibility / ineligibility
  - amount of RGI payable
  - size and type of unit / occupancy standards
  - Special Needs housing eligibility / ineligibility
  - priority on RGI wait list or Special Needs wait list



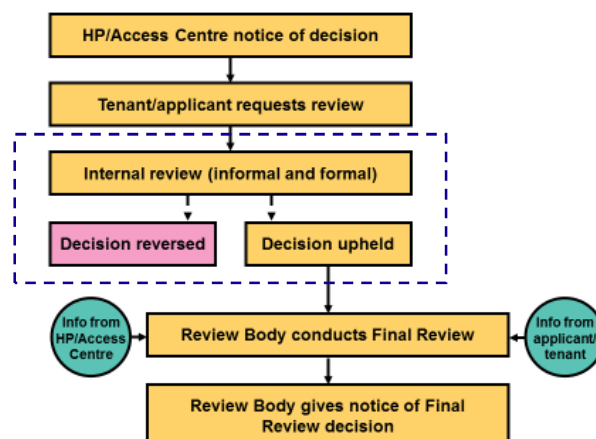
2015 ONPHA Conference &amp; Trade Show

#ONPHAconf

## Reviews of Decisions

- The Landlord Tenant Board will not hear questions related to RGI
- Reviews are done by a review body
  - Could be your Service Manager
  - In Toronto it's your housing provider
- Review body has timelines they have to follow

## Sample system for reviews



**Questions?**