



Housing Services Notice

Date: September 8, 2020

HSN#: 2020-17

This applicable legislation/policy is to be implemented effective this date by the housing provider(s) under the following programs:

Please note if your program is **not checked**, this change is **not applicable** to your project.

- Federal Section 95 Non-Profit Housing Program
- Federal Section 26/27 Housing Program
- Federal Urban Native Non-Profit Housing Program
- Private Non-Profit Housing Program (Provincial Reformed)
- Municipal Non-Profit Housing Program (Pre-1986)
- Local Housing Corporation
- Rent Supplement Programs
- Affordable Housing Program (AHP)/Investment in Affordable Housing Program (IAH)/Social Infrastructure Fund (SIF)
- Housing Access (Centralized Waiting List Services)

Subject: 2021 Rent Increase Guideline

Reference:

- 2021 Rent Increase Guideline:
 - English: <https://www.ontario.ca/page/rent-increase-guideline>
 - French: <https://www.ontario.ca/fr/page/le-taux-legal-daugmentation-des-loyers-pour-lontario>
- Ontario Gazette: https://files.ontario.ca/books/ontariogazette_153-35.pdf (Page 7)
- Residential Tenancies Act, 2006

Background:

The annual rent increase guideline is the maximum amount that most landlords can increase a tenant's rent without making an application to the Landlord and Tenant Board. The 2021 guideline was calculated under the Residential Tenancies Act, 2006 and is based on the Ontario

Consumer Price Index. Annual rent guidelines are designed to recognize changes in building operating costs, so that housing providers can properly maintain properties and protect tenant health and safety, while at the same time ensuring that tenants can still pay their rent.

The 2021 rent increase guideline is 1.5 per cent and has been published in the Ontario Gazette in the August 29, 2020 edition as required under the Residential Tenancies Act (https://files.ontario.ca/books/ontariogazette_153-35.pdf). Please see page 7 of the Gazette.

PLEASE NOTE HOWEVER: On August 28, 2020, the provincial government announced that it will be bringing forward legislation this fall that, if passed, would freeze rents at 2020 levels so that the vast majority of tenants will not face an increase in 2021. The legislation would apply to all renters covered by the Residential Tenancies Act, including those who did not have rent-controlled units before.

The government will be engaging landlord and tenant groups to ensure the legislation is fair and balanced. This work is still underway and more details will be shared by the province once available.

Interested persons may also wish to visit the Legislative Assembly of Ontario's website for more information on how to get involved in the legislative process here: <https://www.ola.org/en/get-involved>

Action:

The 2021 guideline applies to a rent increase that will take place between January 1, 2021 and December 31, 2021.

Effective January 1, 2021 to December 31, 2021, increases to market rent must not exceed 1.5% as per the 2021 Rent Increase Guideline.

NOTE: Should the proposed legislation be passed this fall, increases to market rent must not exceed 0.0% for the period of January 1, 2021 to December 31, 2021. Please watch for new information over the coming weeks. The DNSSAB will issue an update to this notice if necessary.

If you have any questions or concerns regarding this or any other Housing Services Notice, please contact the Housing Services Administrator assigned to your portfolio:

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