



Housing Services Notice

Date: September 20, 2019

HSN#: 2019-10

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: 2019 Minimum Market Rent for Municipal Non-Profits (Section 95)

Background:

Starting with the 1997 fiscal year, the Ministry developed an annual Rent Inflation Factor, which is to be used in the calculation of subsidy for projects subsidized under the Municipal Non-Profit Program (1978-1985). The Rent Inflation Factor is used to determine the Minimum Market rent that is expected to be charged. If a non-profit housing provider does not increase market rents by this rent inflation factor, it will be subjected to a reduction in subsidy.

Non-Profit's Responsibility:

The applicable Rent Inflation Factor is inserted on line 441, page 3a, of the Municipal Non-Profit Operating Budget Form 819 (01/95). When used on the budget form, the factor is expressed as 1 plus a decimal number (e.g. 2.2% would be 1.022). The Rent Inflation Factor is then multiplied by the Minimum Market Rent for 2019 to determine the Minimum Market Rent for 2020.

If a provider feels that it cannot charge market rents at this Minimum Market Rent level, an application may be made to the DNSSAB for an exemption when the 2020 budget is submitted. The application must include supporting evidence to clearly demonstrate the ability to charge Minimum Market Rent.

Action:

Municipal Non-Profit Housing Corporations are to use the 2020 Rent Inflation Factors to determine the Minimum Market Rent Level for the 2020 market rents.

If an exception for the Minimum Market Rent level is required, an application must be submitted along with the 2020 budget. The application must include evidence to clearly support the inability to charge the Minimum Market Rent

2020 Rent Inflation Factors:

REGION	APARTMENTS	TOWNHOUSES
STURGEON FALLS	1.022	1.022
NORTH BAY	1.022	1.022

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:

Dan Malette
Bill Guilfoyle

705-474-2151 ext. 3149
705-474-2151 ext. 3351

dan.malette@dnssab.ca
bill.guilfoyle@dnssab.ca

Tyler Venable
Supervisor, Housing Programs
Housing Services, DNSSAB