

# Directive

## Directive: 2016 Affordable Housing Rent Increase Guideline

<b>Issue Date:</b>	<b>April 28, 2016</b>	<b>Directive No.:</b>	<b>AHDIR2016-04</b>
<b>Revision Date:</b>		<b>Revision No.:</b>	

**Applicable Policy:** N/A

**Type:** Legislative/Operational

*The policies and procedures in this Directive are applicable to all affordable units funded by the Canada-Ontario Affordable Housing program.*

- Elgin Seniors Housing Development
- 2049515 Ontario Inc.
- United Counties of Leeds and Grenville

### BACKGROUND

Each year the Ontario government announces the rent increase guideline applicable to all residential tenancies for the following year. The annual rent increase guideline is based on the Ontario Consumer Price Index (CPI) increased monthly by Statistics Canada and is the maximum percentage by which a landlord can increase the rent for current residential tenants without approval from the Landlord and Tenant Board. The guideline is designed to take into account increases in building operating and maintenance costs incurred to protect the health and safety of tenants.

The rent increase guideline applies to any rent increase for current tenancies effective between January 1, 2016 and December 31, 2016. The 2016 rent increase guideline is 2.0 per cent.

Affordable housing providers must also maintain "affordable" rents. This means that the increased rent cannot be higher than 80% of the average market rent for the area.

### PURPOSE

The purpose of this directive is to notify all affordable housing providers within the United Counties of Leeds and Grenville of the 2016 rent increase guideline and the allowable average market rent as published by Canada Mortgage and Housing Corporation and the Ministry of Community and Social Services.

Each affordable housing provider is directed to increase the Market Rent for all units in accordance with the 2016 rent increase guideline up to the allowable rent under the Affordable Housing Program (AHP) by Service Manager area. The rent increase must be approved in a motion by the Board of Directors prior to notifying tenants of the Market rent increase. Allowable rents under the AHP by provider, unit type and size are as follows:

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**PURPOSE**

**Allowable Rents for 2016**

<b>Affordable Housing Provider</b>	<b>Unit Type</b>	<b>Unit Size</b>	<b>Average Market Rent (AMR)</b>	<b>Allowable Rent per Unit per Month</b>
Elgin Seniors Housing	Apartment	1 bedroom	\$710	\$568
2049515 Ontario Inc.	Apartment	2 bedroom	\$836	\$695
Leeds Grenville	Semi-detached	2 bedroom	\$836	\$695

All in-situ tenants must be given written notice of the rent increase at least **90 days** before the rent increase takes effect. At least 12 months must have passed since the tenant first moved in or since the previous rent increase. Units may be re-rented at the allowable rent per unit per month.

**REFERENCES**

Landlord and Tenant Board 1-800-332-3234 or [www.ltb.gov.on.ca](http://www.ltb.gov.on.ca)  
Ministry of Municipal Affairs and Housing  
2016 Allowable Rents for 1- and 2-Bedroom Apartments – AHP and IAH

If you have any questions, please contact the following:

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**Date**