



RENT-GEARED-TO INCOME (RGI) SERVICE AGREEMENT

THIS AGREEMENT MADE IN DUPLICATE

BETWEEN

**The Corporation of the United Counties of Leeds and Grenville
("Counties" / "Service Manager")**

OF THE FIRST PART

AND

**NPP Name
("Housing Provider")**

OF THE SECOND PART

This Agreement made effective the DAY day of Month, Year.

WHEREAS the *Housing Services Act 2011, Part VII.1*, and provisions in *Ontario Regulation 367/11* outline the framework that allows service managers and Housing Providers to enter into Service Agreements as the Housing Provider's mortgage(s) or Operator Agreement ends.

AND WHEREAS the Housing Provider has agreed to participate in the Service Agreement administered by The Corporation of the United Counties of Leeds and Grenville.

AND WHEREAS the Housing Provider has agreed to provide **ADD #** rent-geared-to-income units for a period of **ten (10) years** from the date of execution of this agreement.

AND WHEREAS The Counties has established its municipal interests in ensuring the provision of **##** rent-geared-to-income units in recognition of the end of the Operating Agreement, and to maintain service level standards in the service area.

NOW THEREFORE WITNESSETH in consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

Part I

DEFINITIONS UNDER THIS AGREEMENT

1.01 "Act" means the *Housing Services Act, 2011*.

"Agreement" means this agreement, as may be amended from time to time, duly signed by both parties.

"Market Rent" means the residential rent for a unit without a subsidy applied, it may or may not include utilities. Market rents are typically set based on the average rate in the community and go up every year, reflecting the Government of Ontario's Rent Increase Guidelines.

"MFIPPA" means the *Municipal Freedom of Information and Protection of Privacy Act*.

"PIPEDA" means the *Personal Information Protection and Electronic Documents Act S.C. 2000, c. 5*.

"Rent-geared-to-income" (RGI) means the rent payable by the tenant based on net household income.

"Schedule A" is the schedule entitled "Schedule A – Service Description" attached to and forming part of this Agreement, as amended from time to time by addendum duly signed by both parties.

"Schedule B" is the schedule entitled "Rules Related to RGI Tenants".

"Schedule C" is the schedule entitled "Five-Year Financial Plan

"Schedule D" is the schedule entitled "In the Event of Default"

"Schedule E" is the schedule entitled "Other Current Agreements"

"Service Manager" means the municipality designated by the *Housing Services Act, 2011*, that in accordance with its housing and homelessness plan, carries out measures to meet the objectives and targets relating to housing needs within the service manager's service area. The United Counties of Leeds and Grenville is the Service Manager for the Leeds and Grenville service area.

"Tenant" means a person(s) to whom a rent-geared-to-income unit has been leased.

"Unit" means a unit of accommodation listed in Schedule A, to which this Agreement applies.

Part II **INTERPRETATION**

- 2.01 The laws of the Province of Ontario shall apply to the interpretation of this Agreement, and any reference to a statute in this Agreement includes any subsequent amendments or replacement and substitution of that statute.
- 2.02 Whenever used in this Agreement, the word "shall" shall be construed as mandatory, and the word "may" shall be understood as permissive.
- 2.03 The titles in this Agreement have been inserted for convenience and reference only, and in no way shall define, limit, or enlarge the scope or meaning of any provision of this Agreement.
- 2.04 Where the context permits, the singular shall include the plural, the plural shall include the singular, the masculine shall include the feminine, and the feminine shall include the masculine.
- 2.05 Any notice, consent or approval, required or permitted to be given pursuant to this Agreement, shall be in writing, and shall be delivered by personal service, or ordinary mail, to the Counties at such address as the parties may designate in writing from time to time.
- 2.06 Any notice, consent or approval shall be deemed to have been delivered on the date of such personal service, or if mailed, on the fifth (5th) day after the day on which it was mailed.
- 2.07 Any reference to a statute shall mean the statute in force as at the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute thereto, unless otherwise expressly provided herein.

Part III
Agreement Participation

3.01 By entering into this agreement, the service manager and Housing Provider confirm their intent for the Project at **NPP Address** be governed by Part VII.I of the *Housing Services Act, 2011* (the "**Act**") and cease to be a 'designated housing project' under the Act. It is understood that the Project is no longer subject to a pre-reform operating agreement or mortgage guaranteed by the Province that relates to a transferred housing program. The service manager and Housing Provider agree that they shall continue to comply with the applicable terms of the Act.

3.02 **The term of the agreement shall be for ten (10) years, being Agreement Term**

The agreement shall remain in effect after the end of Term until:

- a) The agreement is replaced by a new service agreement, or
- b) The service manager and Housing Provider enter into an exit agreement and the exit agreement takes effect.

The Service Manager acknowledges that the mandate of the Housing Provider is to serve seniors. The Housing Provider may refuse a wait list applicant that does not meet this mandate. The Housing Provider agrees to select households for the RGI units from the service manager's centralized waiting list in accordance with this agreement, following all protocols and policies as established by the service manager from time to time, at the service manager's sole discretion, including but not limited to:

- a) The type, quality and nature of information and documents required of an applicant or any member of a household;
- b) The type of verification required of an applicant or member of a household regarding any income or assets;
- c) Whether an appraisal or other information is required by an applicant or others to verify the value of certain assets, and if so, the type of appraisal or information that is acceptable;
- d) The circumstances pursuant to section 43 of O.Reg 367/11, under which an applicant need not comply with subsection 44(2)(b) of the Act; and
- e) The circumstances, pursuant to section 43 of O.Reg 367/11, under which a household or a third party shall not be required to provide information or a document

3.03 The Housing Provider agrees to provide **ADD # units** in the Project where households shall receive rent-geared-to-income assistance ("**RGI units**"), subject to the eligibility rules and household selection rules outlined in the Act.

3.04 The Housing Provider agrees that all households in the Project that are in receipt of any form of rent-geared-to-income assistance [under Part V of the Act or otherwise] as of the date prior to the effective date of this Agreement shall continue to receive such assistance until such time as they cease to qualify for such assistance

3.05 The Housing Provider must ensure that all RGI units are occupied by eligible households in accordance with the Act and the policies established by the service manager from time to time, at the service manager's sole discretion.

3.06 The Housing Provider shall collect from the tenant only the RGI payable, and any additional charges not prohibited by the *Residential Tenancies Act, 2006*.

3.07 The Housing Provider shall keep the building in which the units are located clean, in a satisfactory state of repair, fit for habitation, and in compliance with all applicable legislation, regulatory requirements, applicable municipal by-laws, Building Code and Fire Code requirements. Notwithstanding the foregoing, the Tenant is responsible to

keep the Unit (including any appliances and other areas or facilities rented to them) neat and tidy, clean and maintained, in the same condition it was in when the Tenant moved in, except for normal wear and tear.

- 3.08 If, at any time during the term of this Agreement, the number of rent-geared-to-income (RGI) units is below the number of RGI units agreed to in this Agreement, the Housing Provider shall offer the next vacant unit to the next eligible RGI applicant household from their waiting list, providing the household is eligible for the vacant unit under local occupancy standards. Vacant units shall be offered in such a manner, until the number of RGI units (i.e. ## units) subject to this Agreement are met.
- 3.09 Units subject to this Agreement shall be leased only to persons of low or moderate income who meet the eligibility criteria as set out in the *Housing Services Act, 2011* and regulations and any local rules established by the Counties or as the same may be revised or amended from time to time.
- 3.10 The Housing Provider agrees that in leasing any unit subject to this Agreement, it will not discriminate against any applicant based on any protected ground under the Ontario Human Rights Code (i.e. by reason of race, national or ethnic origin, place of origin, colour, creed, sex or sexual orientation, marital status or any conviction for which a pardon has been granted).
- 3.11 A Lease Agreement shall be completed and duly executed with each tenant prior to occupancy of any unit subject to this Agreement.
- 3.12 The Housing Provider shall obtain evidence of the income and family composition and determine eligibility for rent-geared-to-income assistance of each tenant pursuant to sections 44 to 46 of the *Act* and sections 24 to 26 of O. Reg. 367/11 prior to initial occupancy.
- 3.13 The Housing Provider agrees that units subject to this Agreement shall be re-rented within thirty (30) days of the unit being vacated.
- 3.14 The Housing Provider shall comply in all respects with the *Residential Tenancies Act, 2006* with the exception of sections for which social housing providers are exempt, and any other legislation affecting the subject matter of the Lease Agreement between the Housing Provider and the tenant(s) occupying any unit subject to this Agreement.
- 3.15 The Housing Provider shall ensure PIPEDA compliance for all information it collects during the course of completing its obligations pursuant to this Agreement.
- 3.16 The Housing Provider agrees to observe and comply with the occupancy standards, established by the Counties pursuant to section 43 of the *Act* and sections 37 and 38 of O. Reg. 367/11 for the purpose of determining the size and type of unit in respect of which a household with prescribed characteristics is eligible to receive rent-geared-to-income assistance, and the maximum period of time a household may be absent from the unit.
- 3.17 The Housing Provider agrees that it shall accept applications for rent-geared-to-income assistance in accordance with and subject to the priority of households determined by the Service Manager pursuant to Section 48 of the *Act*.

Part IV **FUNDING**

- 4.01 The Service Manager shall provide funding to the Housing Provider for RGI units as per Schedule A.
- 4.02 The Housing Provider and service manager have agreed that the market rent for the RGI units will be **Unit Rent Amounts/Size of Unit**, which includes the services and appliances listed in Schedule A.
- 4.03 If a new tenant moves into the Housing Project sixty (60) days before the annual Market Rent increase, the Housing Provider may negotiate with the Service Manager to charge the new tenant the forthcoming rental increase.
- 4.04 Upon vacancy of non-RGI units not subject to this agreement, the Housing Provider will set the market rent at or above the market rent in Schedule A.
- 4.05 This funding will be included in the financial plan in Schedule C and will be the difference between the rent-geared-to-income paid by a household and the established unit rents.
- 4.06 As part of the Financial Plan, a portion of the funding provided will be used to maintain an ongoing Capital Reserve Fund for the property.
- 4.07 Any in-year operating surplus with respect to the Project may be retained by the Housing Provider and placed in an operational surplus and/or the capital reserve fund to be used for the sole purpose of maintaining the physical needs of the Project.
- 4.08 The service manager shall provide the Housing Provider information and access should new additional funding opportunities be created that are intended to support the delivery of community housing
- 4.09 The Service Manager and Housing Provider confirm that they have mutually agreed to the financial plan included in Schedule "C" of this Agreement (the "Five – Year Financial Plan"). The financial plan shall be reviewed once every five years, or at such earlier frequency at the Service Manager's sole discretion.
- 4.10 The Housing Provider may request to add or drop RGI units to their housing project to ensure it's continued success. The Service Manager will have final say regarding the number of units added or dropped to the Housing Provider's project.
- 4.11 The expectation during the 10-year term it that, the Market Rent amount will be increased annually in accordance with the Government of Ontario's Rent Increase Guidelines. If the Housing Provider wishes to raise market rents beyond the guidelines it must be negotiated with the Service Manager. The annual rent increases will be included as amendments to Schedule A.

Part V **CALCULATION OF GEARED-TO-INCOME RENT**

- 5.01 The Housing Provider agrees that it shall calculate the geared-to-income rent payable by households in the designated housing project for the purpose of section 50(1) of the *Act* and *O. Reg. 316/19*. The Housing Provider shall calculate RGI rents in the manner prescribed by the *Act* and as outlined in Schedule B.

Part VI **NOTICES OF DECISIONS AND DISPUTE RESOLUTION**

- 6.01 In the event that a dispute arises between the parties out of or in connection with this Agreement, the parties agree to use the following dispute resolution process:

Either party may provide written notice to the other party, notifying them of the nature of the dispute and requesting that the parties negotiate a resolution. On receipt of such notice, the parties shall make every reasonable effort to resolve the dispute through negotiation. A meeting will be held promptly between the parties, attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to achieve a resolution to the dispute.

- 6.02 If within 60 days the parties have not resolved the dispute, the parties agree to submit the matter to arbitration. The arbitration shall be conducted under the following parameters:
- i. The parties shall refer the dispute to a single arbitrator.
 - ii. If the parties cannot agree on an arbitrator, then an arbitrator shall be appointed pursuant to the *Arbitration Act, 1991, S.O. 1991, c.17*.
 - iii. The arbitration shall be conducted in accordance with the *Arbitration Act, 1991, S.O. 1991, c.17*, as may be amended or replaced from time to time.
 - iv. Each party shall bear its own costs and half of the fees and expenses of the arbitrator unless the arbitrator determines otherwise.

Part VII **GENERAL**

- 7.01 The Housing Provider acknowledges and agrees that the Counties may amend, modify or withdraw any existing policy, procedure, guideline or directive previously issued, or introduce any new policy, procedure, guideline, or directive as it deems necessary or desirable from time to time in connection with any matter or issue contemplated in this Agreement and within thirty (30) days following written notice of issuance by the Counties in accordance with this Agreement, the Housing Provider agrees to implement, follow, adhere and comply with all such supplemented or new policy, procedure, guideline or directive, as the case may be.
- 7.02 In addition, subject to the *Act* and the regulations, the *Freedom of Information and Protection of Privacy Act*, and the *Municipal Freedom of Information and Protection of Privacy Act*, the Housing Provider agrees to make all information and documentation collected or received by it in respect of the services provided hereunder available for inspection and copying by the Counties, as it reasonably requests or requires from time to time.
- 7.03 The Housing Provider shall not undertake any of the following activities without prior written consent of the service manager:
- change Articles of Incorporation;
 - sell, transfer or otherwise dispose of any interest in the Project;
 - demolish any buildings or conduct any renovation that has the effect of reducing the number of RGI Units;
 - mortgage, refinance or encumber the Project;
 - develop or re-develop the Project; and/or
 - re-organize, amalgamate, merge, consolidate or otherwise enter into any other form of business combination with any other person.

Part VIII **RECORDS AND REPORTS**

Records

- 8.01 The Housing Provider shall keep each of the following records for at least the number of years specified after the end of the fiscal year to which the record relates:
- i. Financial records and all records of the Housing Provider's housing project other than records referred to in paragraphs ii and iii below for at least seven years after the end of the fiscal year to which the record relate. O. Reg. 367 s. 102 (2)
 - ii. Records of a household that occupies a unit subject to this Agreement including applications, reviews, notices, agreements, documents, papers and information which it receives or produces in respect of the occupancy, must be kept for at least five years after the household last resides in the unit in accordance with O. Reg. 367/11 s. 102 (3).
 - iii. If a Housing Provider refuses to offer a unit to a household, the Housing Provider shall keep a record of the decision to refuse to offer the unit, including a copy of the notice given to the household and the information

- used by the Housing Provider to make its decision for at least seven years beginning on the date the household was given notice of the decision to refuse to offer the unit in accordance with O. Reg. 367/11 s. 102 (4).
- 8.02 In each year, not later than 5 months following the Housing Provider's fiscal year-end, the Housing Provider shall submit to the service manager:
- i. Financial statement for the preceding year i.e. Review Engagement from a third party or Audited Financial Statement, *whichever is required by the non-profit provider's board.*
 - ii. An Annual Information Return, *if required to submit.*
 - iii. An annual subsidy reconciliation for the Project.
 - iv. A statement of capital reserve investments for the Project.
 - v. Proof of insurance.
 - vi. Such other information or documentation as the service manager may request from time to time.
- 8.03 Upon forty-eight (48) hours' prior written notice from the service manager, the Housing Provider shall give the service manager or its representative(s) unrestricted access to documents, books, records and accounts for the purpose of verifying compliance with this Agreement. Such review may be completed by the service manager or by a third party appointed by the service manager. The Housing provider shall permit the service manager or their third-party representative(s) to make copies of any materials reviewed. The Housing Provider agrees that it shall cooperate with the service manager and/or their third-party representative(s) in the performance of any such review.
- 8.04 In each year, no later than December the Housing Provider shall submit to the service manager:
- i. Information on the household income and household composition of all units in the Project rented to households during the preceding year (EOM-AIR).
 - ii. Annual Budget.

Part IX **MISCELLANEOUS**

Dealing with Information

- 9.01 The Housing Provider agrees to comply with *section 169 (1), 174 and 175 of the Act* and in particular, the prescribed standards for the collection, use, disclosure and safe-guarding of personal information and for a person's access to his or her personal information in accordance with *sections 146 and 147 of O. Reg. 367/11.*

Part X **TERMS**

- 10.01 This Agreement will be effective the **Effective date** and duly executed by all parties.
- 10.02 During the term of this Agreement, the Counties hereby agrees as follows:
- a) To pay to the Housing Provider monthly fees as set out in Schedule A.
 - b) This amount shall be reviewed in accordance with existing tenants by **date** of each year and an updated **Rent Roll** to be submitted to The Counties by **date**.
 - c) Following the initial Schedule A Term from **as appears on Schedule A** all subsequent Schedule A Terms will be in effect from **date** each year.
- 10.03 In anticipation of a unit becoming vacant between anniversary dates, the housing provider and the Counties may agree in advance to an increase or decrease in the full market rent for a unit, in the event it becomes vacant and is re-occupied by a different tenant. Such a proposed increase or decrease shall be set forth in an addendum to Schedule A, duly signed by both parties, and shall be applicable as set out in the addendum.

- 10.04 The service manager and Housing Provider confirm that they have mutually agreed to the financial plan included in Schedule C of this Agreement (the "Financial Plan"). The financial plan shall be reviewed at least once every five years or at such earlier frequency at the service manager's sole discretion
- 10.05 The service manager shall provide funding to the Housing Provider for RGI units. This funding will be included in the financial plan and will be the difference between the RGI paid by a household and the established unit rents.
- 10.06 The Market Rents will be agreed to by both parties and included in a Schedule A.
- 10.07 The Housing Provider agrees that it shall not increase the rent charged to tenants by more than the prevailing rent increase guideline established each calendar year pursuant to the *Residential Tenancies Act, 2006 (RTA)*, as may be amended or replaced from time to time, unless approval to increase rent above such guideline amount is granted by the service manager and permitted under applicable law. The Housing Provider agrees to adopt and apply the RTA rent increase guideline to the Project notwithstanding that such guideline may not apply to the Project pursuant to the *RTA*.
- 10.08 The parties hereto acknowledge and agree that this Agreement may not be altered or amended unless done so in writing and signed by the authorized signing officers of both parties.
- 10.09 The Housing Provider covenants to comply with the terms of all previous agreements entered into with the service manager including, without limitation, those existing agreements i.e. SHIP, listed in Schedule E. The Housing Provider agrees that a default or event of default by the Housing Provider under any of the Additional Contracts, shall constitute an Event of Default under this Agreement.
- 10.10 Failure by either party to require performance of any term, agreement, obligation or condition herein contained shall not be deemed to be a waiver of such term, agreement, obligation or condition or of any subsequent breach of the same or of any other term, agreement, obligation or condition herein contained. No term, agreement, obligation or condition of this Agreement shall be deemed to have been waived by either party, unless such waiver is in writing and signed by both parties.
- 10.11 This Agreement and the schedule(s) attached hereto and forming a part hereof, set forth all the terms, obligations, covenants, promises, agreements, conditions and understandings between the Counties and the Housing Provider concerning the duties, responsibilities and functions to be performed by the Housing Provider and there are no covenants, promises, agreements, conditions or representations, either oral or written, between them other than are herein. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon either party unless agreed to in writing and signed by both parties.
- 10.12 Any damage to any Unit subject to this Agreement by fire, explosion, flood or any other unavoidable catastrophe which renders it uninhabitable shall not constitute grounds for cancellation of this Agreement, either in whole or in part, if the Housing Provider proceeds diligently to repair, restore and make the damaged Unit habitable.
- 10.13 Either party has the right to terminate this service agreement upon 120 days written notice to the other party. Notwithstanding anything else in this agreement, termination of this agreement is subject to both parties entering into an Exit Agreement, as required pursuant to the *Housing Services Act, 2011*, as may be replaced or amended from time to time, duly signed by both parties.
- 10.14 Any notice to be given under the terms of this Agreement shall be sufficiently given if it is in writing and delivered by hand, telefax or mailed to the parties at the following addresses:

Housing Provider Name

Housing Provider Address

Attention: Name, Administrator

The Corporation of the United Counties of Leeds and Grenville

Community and Social Services Division

Housing Department

25 Central Avenue West, Suite 200

Brockville, ON K6V 4N6

Attention: Housing Administrative Assistant

Phone: 613-342-3840, ext. 2122

If any notice so given, it shall be deemed to have been received on the date of delivery if delivered by hand, or on the fifth (5th business day following the date of mailing. Any party may from time to time by notice given as provided above, change its address for the purposes of this section. In the event of an actual or threatened postal disruption, notice hereunder shall not be given by mail but shall be given by fax or personal delivery. Notice with respect to matters dealing with PIPEDA Protected Information may not be given by fax.

Part XI

INDEMNIFICATION

- 11.01 The Housing Provider shall indemnify and save harmless the Service Manager, its elected officials, officers, directors, employees, agents, representatives, successors and assigns, from all claims, costs, losses, damages, expenses, injury, disability, duties, dues, accounts, covenants, demands all matter of actions, causes of action, or other proceedings of every kind or nature whatsoever at law or in equity arising out of this agreement, or project, or out of the operation of the units, including, but not limited to, claims arising out of negligence of any party to this agreement, and specifically, all claims arising out of the intentional or criminal acts of any officers or directors, employees, agents, volunteers or independent contractors or subcontractors of the Housing Provider. Such indemnification shall survive the termination of this agreement for claims arising from, or out of incidents occurring during the term of this agreement.
- 11.02 The service manager is in no way responsible for any environmental or pollution matters related to this agreement, or project, or arising out of the operation of the RGI units.
- 11.03 The Housing Provider shall maintain any required licenses, accreditations and appropriate levels of insurance and provide proof thereof to Leeds Grenville annually, and otherwise upon written request.
- 11.04 The Housing Provider shall keep in force for the duration of the Agreement, Public Liability and Property Damage Insurance in an amount **not less than \$5,000,000.00** liability for any one (1) occurrence or accident for all claims arising from out of bodily injury, property damage, personal injury and non-owned automobiles. Without limiting the foregoing, such insurance coverage shall include Comprehensive General Liability; Contractual Liability; Personal Injury; and Contingent Liability with respect to sub-contractors. The Housing Provider shall submit proof of same in the form of an Insurance Certificate.
- 11.05 Leeds Grenville shall be added as an additional insured with a cross-liability clause on each policy of comprehensive liability insurance with an undertaking from the insurance company that such insurance will not be cancelled or reduced in coverage without thirty (30) days written notice prior to any cancellation.

IN WITNESS WHEREOF The Counties and the Housing Provider have signed and sealed this Agreement as of the day and year first above written.

IN WITNESS WHEREOF, the parties have duly executed this agreement under seal.

For: NPP Name

Name and Title of Authorized Signing Officer
(Please Print)

Name and Title of Authorized Signing Officer
(Please Print)

Signature of Authorized Signing Officer

Signature of Authorized Signing Officer

Date

Date

SIGNED, SEALED, AND DELIVERED
in the presence of:

SIGNED, SEALED, AND DELIVERED
in the presence of:

Name and Title of Witness
(Please Print)

Name and Title of Witness
(Please Print)

Signature of Witness

Signature of Witness

Date

Date

For: The Corporation of the United Counties of Leeds and Grenville

Alison Tutak, Director
Community and Social Services Division
The Corporation of the United Counties of Leeds and Grenville

Date