

## Introduction

A Canada-Ontario Housing Benefit (COHB) provides a monthly benefit payment directly to approved applicant households to assist with the cost of rental housing. The COHB benefit is tied to an applicant household instead of a specific housing unit. Other benefits of a COHB benefit include:

- Provides a potential option to receive a housing benefit that provides more flexibility and choice about where you live. If approved the COHB benefit is portable across Ontario.
- It may help individuals and households who like where they currently live and face affordability challenges to stay in their current accommodations.
- The COHB benefit calculation is based on 80% of Average Market Rent for the area less monthly Adjusted Family Net Income multiplied by 30 percent.
- COHB is reassessed annually using income tax information.

## Applicant Eligibility

Applicants must meet the following criteria to be eligible to apply for a COHB benefit:

- Be a renter household in Leeds Grenville.
- Be eligible for rent-geared-to-income assistance.
- Is not receiving, or part of a household receiving rent-geared-to-income (RGI) assistance, or any other government-funded housing benefit (i.e. Housing Allowance under the Investment in Affordable Housing (IAH) Program) with the exception of shelter payments under Ontario Works or the Ontario Disability Support Program.
- Must consent to being removed from the social housing waiting list once a COHB benefit is approved.

Eligible applicants in the program will be approved on a **first-come, first-served** basis, and subject to available funding.

## In-Year Changes

Recipients of the COHB benefit must report any changes in personal information (i.e. household composition, address) as soon as possible to the ServiceOntario Information Centre. Recipients are not required to report an increase in income during the year; however, the Ministry of Finance (MOF) will complete an in-year reassessment of eligibility and/or monthly benefits under the following circumstances:

- A recipient requests a reassessment due to a significant decrease in household income of at least 20 per cent. A reassessment based on significantly reduced income is limited to one in-year reassessment per year.
- A recipient advises of a move to a different Service Manager area.
- A recipient advises of a permanent change in household composition.

- A recipient advises that they have started or stopped receiving assistance under the *Ontario Works Act, 1997*, or the *Ontario Disability Support Program Act, 1997*.
- A recipient in receipt of social assistance advises of a change (increase or decrease) in shelter costs.
- A Service Manager or recipient advises that they are no longer eligible for a COHB benefit based on certain grounds (i.e. the recipient is receiving rent-geared-to-income assistance or another government-funded housing benefit).

### **Ongoing Eligibility (Annual Reviews)**

To continue to be eligible for the COHB benefit, households must submit a federal income tax return to the Canada Revenue Agency (CRA) by **April 30<sup>th</sup>** each year to enable the Ministry of Finance (MOF) to re-calculate the monthly benefit based on household income.

Households receiving monthly benefits must complete an annual renewal form each Spring to confirm their ongoing eligibility, and to update the MOF of any changes in household composition, address, and other relevant information. To continue to be eligible for the program each year, household members must meet the following criteria:

- Reside in Ontario.
- Be a renter household.
- Not be in receipt of, or be part of a household in receipt of, RGI assistance, more than one COHB benefit (only one member in each household may receive the benefit), or any other government-funded housing benefit, with the exception of shelter payments from Ontario Works or Ontario Disability Support Program.

Failure to submit an annual renewal form by the renewal deadline may result in the household no longer being eligible for the COHB Program.

Households who receive a "nil" benefit payment for 24 consecutive months will no longer be eligible under the program.

### **Payments to Applicants**

The MOF will provide COHB benefit payments by direct deposit near the end of each month to the individual who applied for the benefit on behalf of the household. Alternately, the applicant may choose to have the funds deposited directly to a landlord by submitting a Schedule 6 (Landlord Consent to Receive Payment). Payments will be made by direct deposit only, except for extenuating circumstances.

Applicants may be eligible for first and last month’s rent in accordance with program guidelines. Eligibility for first and last month’s rent, and the amount payable, shall be determined by the Housing Department. First and last month’s rent will be payable directly to the Landlord.

**Overview of Rent-Geared-to-Income (RGI) Assistance**

Rent-geared-to-income (RGI) assistance is applicable to specific units and communities, and eligible unit size is determined by local occupancy standards (i.e. one bedroom for head of household and spouse or partner, and one bedroom for each additional household member). Beginning in July, 2020 RGI is approximately 30% of net household income plus a utility charge (if utilities are included), or minus a utility allowance (if the tenant is responsible to pay for utilities).

**Overview of COHB Benefit Calculation**

The COHB benefit amount is based on the difference between 80 per cent of Average Market Rent (AMR) as determined by the Canada Mortgage and Housing Corporation (CMHC), and 30 percent of the Adjusted Family Net Income (AFNI), divided by 12 for an appropriately sized unit, based on household composition. Households requiring more than three bedrooms will receive a benefit based on a calculation using the AMR for three bedrooms.

Occupancy standards determine the eligible unit size for each eligible household as follows: one bedroom designated for spouses/partners, and one bedroom designated for each additional person in the household, to a maximum of three bedrooms. Households may choose to live in whatever accommodation size they choose (i.e. a smaller or larger unit size than occupancy standards); however the COHB benefit will only be calculated on the eligible unit size in accordance with occupancy standards to a maximum of three bedrooms.

| <b>Rent-Geared-to-Income versus COHB Benefit</b>  |   |
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| <b>Rent-Geared-to-Income (RGI)</b>  | <b>COHB Benefit</b>   |
| Household remains on the social housing waiting list until an appropriate size unit becomes available.  | Household is removed from the social housing waiting list once the household is approved for the COHB benefit by MOF. |
| RGI is only available in specific social housing units, and in specific communities, and eligible unit size is determined by local Occupancy Standards. | COHB benefit recipient may live in any unit size, and in any community they choose.                                   |

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| RGI payable is approximately 30% of <b>net</b> household income.  | The COHB benefit is based on 80% of Average Market Rent for the area, less 30% of Adjusted Family Net Income; the amount of rent payable will be the market rent as determined by the landlord.  |
| Not required to report changes in income during the year; one in-year reassessment may be requested if income significantly <b>decreases</b> by 20% or more.  | Not required to report changes in income during the year; one in-year reassessment may be requested if income significantly <b>decreases</b> by 20% or more.   |
| Annual reviews will be conducted by the housing provider, and a Notice of Assessment is required for all household members 17 years or older and not in full-time attendance at school (i.e. an income tax return must be filed with the Canada Revenue Agency by April 30 <sup>th</sup> of each year) for continued eligibility. | Annual reviews will be conducted by the MOF, and a Notice of Assessment is required for all household members 17 years or older and not in full-time attendance at school (i.e. an income tax return must be filed with the Canada Revenue Agency by April 30 <sup>th</sup> of each year) for continued eligibility and determination of the COHB benefit. |
| Pay first month's rent only at time of move in.   | Pay first month's rent, and may be required to pay a deposit for last month's rent.  |
| RGI subsidy (difference between market rent and RGI payable) is not considered income; the amount of RGI paid in the tax year can be claimed as an Ontario tax credit.  | A T5007 will be issued to recipients of COHB benefits and/or first and last month's rent payments; these benefits are considered as income for tax purposes, but exempted as income in the calculation of the COHB benefit.  |

An estimate of RGI payable versus a COHB Benefit based on income information will be provided if you wish to pursue the COHB option. Generally the most recent Notice of Assessment for all household members 17 years or older and not in full-time attendance at school will be used in the calculations.

**Effect of the COHB Benefit on Social Assistance Benefits**

Recipients of Ontario Works and Ontario Disability Support Program benefits receive a shelter allowance as part of their monthly entitlement up to a maximum amount, based on actual shelter costs and household size. If their shelter costs exceed the maximum shelter amount, social assistance recipients are eligible to receive the maximum shelter amount.

The *Ontario Works Act, 1997* and the *Ontario Disability Support Program Act, 1997* only allow housing benefits to be exempted as income up to the difference between actual shelter costs (i.e. rent, utilities, and insurance) and the maximum shelter allowance payable. The social assistance

shelter allowance will be provided in the normal fashion; however, the COHB benefit will fill the gap between the social assistance shelter allowance and actual shelter costs, up to the maximum COHB amount.

Recipients of Ontario Works or Ontario Disability Support Program benefits are required to contact the ServiceOntario Information Centre to report any changes (increases or decreases) in their shelter costs so that their COHB benefit can be adjusted accordingly.

**Notice of COHB Benefit Amount less than \$10**

The minimum monthly benefit payable is \$10. Households with a calculated COHB benefit amount of less than \$10 per month will not be eligible for a monthly benefit payment. Households will be ineligible for the program after 24 consecutive months of receiving a nil benefit payment. Households should report to Service Ontario if their situation changes (i.e. household income decreases by more than 20%; change in household composition; household begins or stops receiving social assistance) so that their COHB benefit can be recalculated. **Applicants shall report changes in their situation as noted above directly to the ServiceOntario Information Centre at 1-888-544-5101.**