

Directive

Directive: 2021 Residential Rent Freeze for Affordable Housing Providers

Issue Date:	October 27, 2020	Directive No.:	AHDIR2020-03
Revision Date:		Revision No.:	

Applicable Policy:

Type:

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	☒ Community Living North Grenville
☒ Community Involvement Legacy Homes	☒ Marguerita Residence Corp. Wall Street Village

BACKGROUND

On August 28, 2020, the provincial government announced its intention to stabilize rent by introducing legislation to ensure that the vast majority of Ontarians do not see a rent increase in 2021.

On October 1, 2020, the *Helping Tenants and Small Businesses Act, 2020* received Royal Assent. The Act amends the *Residential Tenancies Act, 2006 (RTA)*, to freeze residential rent increases in 2021, to give the vast majority of Ontario tenants some relief and financial security as we continue to recover from the pandemic.

The amendments set the 2021 Rent Increase Guideline to zero per cent, and freeze annual rent increases starting January 1, 2021 and lasting until December 31, 2021. The rent freeze applies to the majority of rental units that are covered by the RTA, including:

- Newly built units occupied for the first time on or after November 15, 2018, which are typically exempt from the rent increase guideline.
- Purpose-built rental apartments, condos, houses and basement apartments.
- Rented sites in mobile home parks and land lease communities.
- Care homes, including retirement homes.
- Affordable housing units created through various federally and/or provincially funded programs.

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Households living in community housing that receive rent-geared-to-income (RGI) assistance, or pay the low end of market rent, with the exception of non-profit housing co-op members who pay market rates.

PURPOSE

The purpose of this Directive is to advise housing providers of the 2021 residential rent freeze, and the implications for implementation.

ACTION TO BE TAKEN

1. The residential rent freeze period is from January 1, 2021 to December 31, 2021. Any notices that have been issued with a rent increase during this period must be revised with a zero percent rent increase.
2. Replace the previously communicated 2021 rent increase with a zero percent rent increase in the 2020 Affordable Housing Rent Increase Guideline AHDIR2020-02. The 2020 Allowable Rents Table will continue to be used during the rent freeze period for any new leases signed (i.e. move-ins), until a 2021 Rent Table has been communicated by Directive.

REFERENCES

Helping Tenants and Small Businesses Act, 2020, S.O. 2020, c. 23 – Bill 204

If you have any questions, please contact the following:

Caroline Rigutto, Policy and Program Review Analyst

Phone: 613-342-3840, ext. 2368

E-mail: Caroline.Rigutto@uclg.on.ca

Fax: 613-342-8908

Chris Morrison, Manager, Housing Department

Phone: 613-342-3840, ext. 2328

E-mail: Chris.Morrison@uclg.on.ca

Fax: 613-342-8908



**Chris Morrison, Manager
Housing Department**

October 27, 2020

Date