

DIRECTIVE

EFFECTIVE DATE: November 13, 2003

NUMBER: 2003-13

The policies, procedures and County requirements in this Directive are to be implemented by housing providers that are funded under the following Programs, which are administered by the County:

Please note if your program is not checked, this Directive is not applicable to your project(s), and is for information purposes only.

<input checked="" type="checkbox"/>	Federal/Provincial Non-Profit Housing Program	<input type="checkbox"/>	Rent Supplement - Commercial
<input checked="" type="checkbox"/>	Ontario Non-Profit Housing Programs	<input type="checkbox"/>	Rent Supplement-Homelessness Initiative
<input checked="" type="checkbox"/>	Federal/Provincial & Ontario Co-operative Housing Programs	<input type="checkbox"/>	Rent Supplement-OCHAP & CSHP
<input type="checkbox"/>	Simcoe County Housing Corporation	<input type="checkbox"/>	

SUBJECT: PAYMENTS OF ADDITIONAL SUBSIDY TO HOUSING PROVIDERS

INTRODUCTION

A housing provider may apply to its service manager for subsidy in addition to that which the provider would otherwise receive. A service manager has the power to make additional subsidy payments, and to impose one or more prescribed terms and conditions for the payment of any additional subsidy.

This policy document sets out the legislated requirements respecting payment of additional subsidy by a service manager, and explains the particular procedures to be followed in the County of Simcoe.

APPLICATION FOR ADDITIONAL SUBSIDY

A housing provider who is entitled to a subsidy under s. 102 of the Social Housing Reform Act, 2000 (SHRA) may apply to its service manager for an additional subsidy in respect of its housing projects. The County of Simcoe, as service manager, requires that

such an application be supported by a written business case which details the need for the additional subsidy.

ADDITIONAL SUBSIDY

A service manager may pay an additional subsidy to a housing provider if the service manager is satisfied that the additional subsidy is appropriate by reason of the provider's financial situation.

A service manager panel shall review the business case submitted by the provider. The panel shall consist of the Manager of the Social Housing Division, the Financial Coordinator of the Social Housing Division, and the Program Supervisor of the provider who has made the request for additional subsidy. The panel may ask for any other information from the provider which it considers necessary in order to reach decisions respecting whether or not to pay any additional subsidy, how much to pay, and what terms and conditions, if any, to impose for the payment. The panel may consult with others as it considers necessary, and shall consider what circumstances have changed since the most recent funding approval.

Where the grant of additional subsidy requires expenditure beyond the approved County Social Housing Budget, the grant of additional subsidy shall require prior approval by County Council.

TERMS AND CONDITIONS

A service manager may impose any one or more of the following prescribed terms and conditions that it considers appropriate for the payment of any additional subsidy:

1. The service manager may require the housing provider to provide proof to the satisfaction of the service manager that the housing provider requires the additional subsidy.
2. The service manager may require the housing provider to repay all or part of the additional subsidy within a period of time specified by the service manager.
3. If the housing provider is required to repay all or part of the additional subsidy, the service manager may require the housing provider to establish a reasonable schedule for the repayment and to demonstrate to the satisfaction of the service manager how the housing provider intends to fund the repayment.
4. If the housing provider is required to repay all or part of the additional subsidy, the service manager may require the housing provider to submit the housing provider's annual budgets for the housing projects for review and approval by the service manager for five or fewer fiscal years after the fiscal year in which the additional subsidy is repaid or its repayment is forgiven by the service manager.

5. If the housing provider is required to repay all or part of the additional subsidy, the service manager may require the housing provider to provide reports on the following at such times as the service manager may direct during the period that ends not later than five years after the additional subsidy is repaid or its repayment is forgiven by the service manager:
 - i. the market rents established by the housing provider for units in the housing project, and
 - ii. the variances and explanations of the variances between amounts forecasted in the housing provider's budgets, as approved by the service manager, and actual amounts.
6. The service manager may require the housing provider to retain a person acceptable to the service manager to provide property management services or to terminate a contract for property management services in accordance with the terms of the contract and enter into a contract for property management services with a different person acceptable to the service manager.
7. The service manager may require the housing provider to increase its revenue by increasing occupancy charges or market rents on units, subject to any restriction imposed by the *Tenant Protection Act, 1997*.
8. The service manager may require the housing provider to obtain training for its staff or directors.
9. Subject to SHRA, and regulations made under it, the service manager may impose restrictions on the amount the housing provider may expend on eligible capital expenditures.¹
10. A service manager shall not impose a term or condition that may have the effect of requiring the housing provider to amend its targeting plan or mandate unless, in the opinion of the service manager, the implementation by the housing provider of the targeting plan or mandate contributed to the provider's financial situation. Subject to this restriction, the service manager may require the housing provider to agree to any temporary amendment to the housing provider's targeting plan for the housing project to which the additional subsidy relates or to the housing provider's mandate as the service manager may specify, including an increase or decrease in the number of rent-geared-to-income units in the housing project. Any such temporary amendment must provide that it ceases to apply and the original provisions of the targeting plan or mandate apply no later than two years after the temporary amendment takes effect.

¹ "eligible capital expenditure" means an expenditure made by a housing provider on the capital account for the construction, renovation or repair of a housing project and includes reasonable expenditures incurred by the housing provider in planning and budgeting for those expenditures.

The service manager panel shall consider on a case by case basis which, if any, of the prescribed terms and conditions it is appropriate to impose for the payment of any additional subsidy.

DECISION FINAL

The service manager's decision is final and binding on both the service manager and the housing provider with respect to,

- a) whether to pay an additional subsidy to the housing provider;
- b) the amount of any additional subsidy the service manager pays; and
- c) any prescribed terms and conditions the service manager imposes on the payment.

LEGISLATIVE REFERENCES

SHRA s. 111, Ontario Regulation 339/01 s. 34.