

Program Instructions



This Program Instruction applies to the following:

- ✓ HSA Part VII Housing Providers (Provincial Reform)
- ✓ Rent Supplement – Social Housing Rent Supplement Program
- ✓ Rent Supplement – Commercial Rent Supplement and Homelessness Prevention Program
- ✓ Former Federal Program Housing Providers (s. 15.1/27, s. 56.1/95)
- ✓ York Region Portable Housing Benefit
- ✓ **Housing York**
 - ✓ Public Housing
 - ✓ HSA Part VII

LOCAL ELIGIBILITY RULE: ASSET LIMIT

This Program Instruction repeals and replaces Program Instruction 2021-02 [HSA]

Effective Date: January 1, 2023

Summary

York Region has a local eligibility rule in accordance with the *Housing Services Act, 2011* that restricts households with high assets from qualifying for subsidized housing.

The asset limits are as follows:

- Households with assets over \$75,000 are not eligible for the wait list or for a rent subsidy.
- Tenants and co-operative members who began receiving a rent subsidy on or after York Region's asset limit came into effect on October 1, 2018 will cease to be eligible and will be required to pay market rent for their unit if their assets increase above \$75,000.

Community and Health Services

Housing Services

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- Tenants and co-operative members who were receiving a rent subsidy before October 1, 2018 will cease to be eligible and will be required to pay market rent for their unit if their assets increase above \$150,000.

This Program Instruction outlines York Region’s asset limit and provides guidelines for housing providers on applying the asset limit. York Region will periodically review the asset limit.

Background

Under *O. Reg. 367/11*, s. 32.5 of the *Housing Services Act, 2011*, Service Managers are required to establish local eligibility rules that require a household’s assets to be below a maximum value to be eligible for a rent subsidy. The asset limit applies to wait list applicants, tenants and co-operative members receiving a rent subsidy, and households receiving the York Region Portable Housing Benefit.

In accordance with provincial requirements, households are exempt from the asset limit, including reporting and verification requirements, if all members belong to a benefit unit under Ontario Works (OW) or Ontario Disability Support Program (ODSP) as both programs include their own prescribed asset limits and reporting requirements.

ASSET LIMIT

The asset limit applies to all household members 16 years or older.

York Region may determine that a household over the asset limit is eligible for subsidy if there are extenuating circumstances.

Included Assets

Assets that count toward York Region’s asset limits are considered “included assets.” Examples include:

- Bank accounts such as a chequing or savings account
- Investments such as Guaranteed Investment Certificates (GICs), stocks or bonds
- Equity in any form of real estate (including properties not suitable for year-round occupancy)

Excluded Assets

Assets that do not count toward York Region’s asset limits are considered “excluded assets.” The Province of Ontario has identified certain assets that must be excluded from local asset limits in *O. Reg 367/11* s. 32.5(5). Service Managers may exclude additional assets in their local eligibility rules.

In addition to the assets named in the regulation, York Region has excluded the following assets:

- Money received as a compensation award for pain and suffering due to the injury or death of a household member; expenses reasonably incurred as a result of the injury or death of a household member; loss of care, guidance and companionship under the *Family Law Act*, noneconomic loss under the *Workplace Safety and Insurance Act, 1997* or the *Workers’ Compensation Act*

All excluded assets are listed in Appendix A: Determining Asset Value. The list of excluded assets may be updated from time to time. Housing providers must consult with their Program Coordinator if a tenant or member reports an asset type that is not listed.

Procedures

APPLYING FOR HOUSING

Applicants must report the assets owned by each household member over 16 years of age at the time of application and must update their asset information once every 12 months. The Housing Access Unit will review the information and may request verification documents as outlined in Appendix A: Determining Asset Value. Households where all members belong to an OW or ODSP benefit unit are not required to report their assets.

If the household's assets are deemed to be over the asset limit, Housing Access will issue a Decision Letter advising the applicant that they are not eligible for the subsidized housing wait list. The applicant may request a Decision Review.

AT TIME OF OFFER

1. Housing providers are required to verify assets at time of offer. Verification documents must be provided by the applicant for each asset showing the asset value and ownership. Applicants must be given a minimum of three business days to submit their documents. Households where all members belong to an OW or ODSP benefit unit are not required to report or verify their assets, as they are not subject to the asset limit.
2. If the housing provider determines that the applicant's household assets are over \$75,000, the housing provider will not offer the unit. Complete the process specified under Housing Provider Denies an Applicant in the [Offer Process for Housing Providers Job Aid](#), indicating that the applicant is not eligible under the asset limit.
3. The Housing Access Unit will verify eligibility and issue a Decision Letter to the applicant to advise them that they are not eligible and complete a Decision Review if requested by the applicant.

ANNUAL REVIEWS

At annual review, household members are only required to provide verification documents for any new assets they acquired or assets where the value has changed since their last review. Households where all members belong to an OW or ODSP benefit unit are not required to report or verify their assets.

1. The household must declare all assets on the Rent Subsidy Review Form and provide verification documents showing the value for each asset owned by a member of the household if they have acquired any new assets or if the values of their assets have changed.
2. The housing provider must confirm that the total value of the household's included assets is less than:

- a. \$150,000, if the household was receiving a subsidy before October 1, 2018
 - b. \$75,000, if the household began receiving a subsidy on or after October 1, 2018
3. If the household's included assets exceed the applicable limit, the housing provider must issue a Decision Letter notifying the household that they are no longer eligible for a rent subsidy and will begin to pay the market rent for their unit after 90 days. The letter must include information on the process to request a Decision Review.

IN-YEAR REVIEWS

Housing providers are required to verify that a household remains below the applicable asset limit during an in-year review only if the review occurs because a new member has joined the household, as part of their eligibility assessment. Household members belonging to an OW or ODSP benefit unit are not required to report or verify assets if all members of the household are part of a benefit unit. In all other circumstances, tenants and members are not required to report changes in assets between annual reviews.

1. The new household member must declare all assets on the Rent Subsidy Review Form and provide verification documents showing the value for each asset.
2. The housing provider must confirm that the total value of the household's included assets is less than:
 - a. \$150,000, if the household was receiving a subsidy before October 1, 2018
 - b. \$75,000, if the household began receiving a subsidy on or after October 1, 2018
3. If the household's included assets exceed the applicable limit, the housing provider must issue a Decision Letter notifying the household that they are no longer eligible for a rent subsidy and will begin to pay the market rent for their unit after 90 days. The letter must include information on the process to request a Decision Review.

Authority: *Housing Services Act, 2011*
O. Reg 367/11, s. 32.5

Please contact your Program Coordinator with any questions.

May 2023

This notice will be available in an accessible format or with communication supports upon request from
1-877-464-9675 or 905-830-4444 ext. 72119

APPENDIX A: DETERMINING ASSET VALUE

Asset Types

The lists of included and excluded assets are not exhaustive. If an applicant or tenant/co-operative member declares an asset that is not on the list, contact your Program Coordinator for assistance.

INCLUDED ASSETS

The following asset types **count toward** York Region's asset limit:

- Bank account balances
- Market value of non-registered investments including term deposits, GICs, stocks and bonds
- Real estate equity (the total value of a property minus any mortgage(s) and any balance(s) owed on loans/lines of credit secured against the property)
 - Tenants and members are required to divest themselves of any interest in a property that is suitable for year-round occupancy within six months of beginning to receive a rent subsidy. The proceeds from the divestment do not count as income for the purposes of calculating a rent subsidy but may be counted toward the asset limit.
 - Tenants and members do not need to divest properties that are not suited for year-round occupancy (e.g. non-winterized cottage), but their equity in the property will count toward the asset limit.

EXCLUDED ASSETS

The asset types listed below **do not count** toward York Region's asset limit.

- Personal motor vehicles
- The value of funds held in:
 - Registered Retirement Savings Plan (RRSP), as defined in section 146 of the *Income Tax Act* (Canada)
 - Registered Retirement Income Fund (RRIF), as defined in section 146.3 of the *Income Tax Act* (Canada)
 - Locked-in Retirement Account (LIRA)
 - Life Income Fund (LIF)
- Funds held in a Registered Disability Savings Plan (RDSP), as defined in section 146.4 of the *Income Tax Act* (Canada), if the beneficiary of the plan is a member of the household.
- The value of funds held in a Registered Education Savings Plan, as defined in section 146.1 of the *Income Tax Act* (Canada), for a child of a member of the household.

- The value of tools of a trade that are essential to the work of a member of the household as an employee.
- The value of assets of a member of the household that are necessary to the operation of a business that the member operates or has an interest in, up to \$20,000 in assets for the member of the household and \$20,000 for the business. This could include a business bank account.
- The value of a prepaid funeral.
- The cash surrender value of a life insurance policy, up to \$100,000 for the household.
- The proceeds of a loan taken against a life insurance policy that will be used for disability-related items or services.
- The value of the clothing, jewelry and other personal effects of a member of the household.
- The value of the furnishings in the accommodation used by the household, including decorative or artistic items, but not including anything used primarily for the operation of a business.
- The value of the beneficial interest in a trust of a member of the household who has a disability if the capital of the trust was derived from an inheritance or from the proceeds of a life insurance policy, up to \$100,000 for that member.
- Funds held in an account of a member of the household in conjunction with an initiative under which the Region or an entity approved by the Region commits to contribute funds toward the member's savings goals.
- If a member of the household has received a payment under the *Ministry of Community and Social Services Act* for the successful participation in a program of activities described in paragraph 9 of section 26 of Ontario Regulation 134/98 (General) made under the *Ontario Works Act, 1997*, the value of any portion of that payment that, within a time that is reasonable in the opinion of the Region, will be used for the member's post-secondary education.
- Money received as a compensation award for pain and suffering due to the injury or death of a household member; expenses reasonably incurred as a result of the injury or death of a household member; loss of care, guidance and companionship under the Family Law Act; non-economic loss under the Workplace Safety And Insurance Act, 1997 or the Workers' Compensation Act

Note: Income from excluded assets may still count toward the household's income for the purposes of calculating a rent subsidy (e.g., income from a RRIF).

Asset Verification

The information provided must be:

- **Complete:** all included and excluded assets owned by all members of the household over the age of 16 must be identified, and documentation must show both the ownership of the asset and the value of the asset
- **Current:** e.g., a bank statement for the current month, a letter obtained from the bank within the same month, or the most recently received mortgage statement for a property.

VERIFICATION DOCUMENTS

Applicants, tenants and co-operative members are responsible to declare any assets they own that are identified in the table below and provide appropriate verification documents for each asset. The housing provider is responsible to identify which assets are included and which are excluded when determining eligibility.

Included and Excluded Assets that Require Documentation

Assets	Document(s)
<p>Bank accounts</p> <p>Examples:</p> <ul style="list-style-type: none"> • Savings accounts and chequing accounts • Tax-Free Savings Accounts (cash) • Overseas or foreign accounts 	<ul style="list-style-type: none"> • Current bank statement showing the account balance for all accounts • Current passbook entry showing the account balance for all accounts
<p>Investments</p> <p>Examples:</p> <ul style="list-style-type: none"> • Stocks and bonds • Term Deposits • Guaranteed Investment Certificates • Mutual funds • Includes overseas or foreign investments • Tax-Free Savings Accounts (investments) 	<ul style="list-style-type: none"> • Current statement from bank/financial institution showing the amount of the investment • Copy of a stock certificate <p>Note: T5 and T3 tax slips document the income received from investments. They are not sufficient to determine if a household's assets are over the limit but can help validate the household's declared asset value (e.g., if the household declares no assets but has significant income from investments, further information is required)</p>
<p>Real estate equity (The value of the property as determined by the current MPAC assessment, minus the amount of any mortgage(s) owing and any balances owed on loans/lines of credit secured against the property)</p> <ul style="list-style-type: none"> • Includes residential and non-residential properties • Includes property in Canada and in other countries 	<ul style="list-style-type: none"> • Current MPAC assessment (property value for current year) or appraisal • Current mortgage statement • Home Equity Line of Credit (HELOC) statement
<p>Registered accounts/investments</p> <ul style="list-style-type: none"> • Registered Disability Savings Plan (RDSP) • Registered Retirement Savings Plan (RRSP) • Registered Retirement Income Fund (RRIF) • Locked-in Retirement Account (LIRA) • Life Income Fund (LIF) • Registered Education Savings Plan (RESP) 	<ul style="list-style-type: none"> • Current bank statement showing value of the account, ownership and beneficiary
<p>Life insurance (up to \$100,000 for the household)</p>	<ul style="list-style-type: none"> • Insurance policy that states the cash surrender value
<p>Prepaid funeral</p>	<ul style="list-style-type: none"> • Contract with insurance company or service provider
<p>Business assets (up to \$20,000 for individual and \$20,000 for the business)</p> <ul style="list-style-type: none"> • Business bank accounts 	<ul style="list-style-type: none"> • Documentation depends on type of asset

Assets	Document(s)
<ul style="list-style-type: none"> • Business property • Business vehicle • Taxi license 	
Trust fund for a person with a disability, up to \$100,000 <ul style="list-style-type: none"> • The capital in the trust fund must come from an inheritance or a life insurance payment 	<ul style="list-style-type: none"> • Will • Insurance documents • Trust fund documents • Trust account bank statement showing the amount and beneficiary
Compensation Awards <ul style="list-style-type: none"> • Awards for pain and suffering, or expenses actually or reasonably occurred, as a result of an injury to or the death of a member of the household; • Loss of care, guidance and companionship due to an injury to or the death of a family member under the <i>Family Law Act</i>; • Non-economic loss under section 46 of the <i>Workplace Safety and Insurance Act, 1997</i> or section 42 of the <i>Workers' Compensation Act</i>. 	<ul style="list-style-type: none"> • Notice of the legal settlement

Documentation is not required for personal belongings (e.g., clothing, jewelry and furniture), personal motor vehicles, and tools of a trade (e.g., electrician's tools, hairstylists' tools).

CALCULATING THE VALUE OF JOINT ASSETS

Joint assets are assets where two or more people have ownership rights. In the case of joint bank accounts, all account holders can deposit, withdraw or deal with the funds in the account no matter who puts the money in the account, and all account holders are responsible for the money in the account. Joint owners are often married or common-law spouses or an older person and their adult child(ren).

For the purpose of determining whether a household's assets are within the asset limit, if an asset is jointly owned with someone outside of the household, half of the value of the asset will be counted toward the asset limit.

Some household members may have joint ownership of an asset such as a bank account to allow them to manage another person's finances. In this situation, the household member must provide documentation, such as a Power of Attorney or trust account documents, to confirm that the asset legally does not belong to them. A letter or informal agreement provided by the joint account holder is not sufficient.

Exception for Special Priority Applicants

The only exception to this rule is for Special Priority applicants in certain circumstances:

- When assets to which the Special Priority applicant may have rights are solely in the name of the abuser (e.g., a matrimonial home). The Special Priority applicant must verify the ownership of the asset, within reason.

- When assets that are jointly owned with the abuser are being divided through the separation and divorce process and the amount that will be awarded to the Special Priority applicant is unknown. The Special Priority applicant must provide verification that a court proceeding is underway.

In these circumstances, the value of the asset(s) will not be counted toward the Special Priority applicant's assets until the sale of property and/or division of matrimonial assets is completed. The Special Priority applicant must be advised that they could lose their eligibility for subsidy and be required to pay market rent if the division of matrimonial assets results in being over the asset limit.

Assets that are solely in the name of the Special Priority applicant or that are joint with someone other than the abuser are counted toward the asset limit.