

This Program Instruction applies to the following:

- ✓ AHP Wave 1 Mapleglen Residences, Tony Wong Place, Mount Albert United Church Senior Citizen Foundation, Hesperus Fellowship Village, Reena
- ✓ AHP 2009 Extension Kingview Court Expansion, Mackenzie Green, Voice of Vedas Cultural Sabha Inc., DeafBlind Ontario Services (Hertick and Treffry)
- ✓ IAH DeafBlind Ontario Services (St. George), Lakeside Residences, Crescent Village
- ✓ IAH Extension Richmond Hill Hub, Woodbridge Lane, Larry Todd Place

ACHIEVING AFFORDABLE RENTS FOR AHP/IAH COMMUNITIES

Note: This Program Instruction replaces Program Instruction N°2020-02 [AHP/IAH]

Effective Date: April 1, 2021

Summary

This Program Instruction provides direction to housing providers for setting rents for new tenants in 2021. It applies to buildings constructed under the Canada-Ontario Affordable Housing Program (AHP) Wave 1 and 2009 Extension, the Investment in Affordable Housing Program (IAH), and the IAH Extension. Canada Mortgage and Housing Corporation (CMHC) has released average market rents (AMR) for Fall 2020.

For current tenants, rent increases are prohibited in 2021 due to the provincial rent freeze.

Background

The AHP, IAH and IAH-E programs were designed to increase the supply of affordable housing. Contribution agreements outline the specific rent rules that must be followed during the 20-year affordability period.

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To achieve affordability, rents must remain at or below the applicable CMHC AMRs while also maintaining an average rent for the entire building at or below 80% of AMR.

Action Required

Housing providers must follow the applicable rent rules based on their contribution agreements.

- Buildings must achieve an overall average rent at or below 80% of CMHC AMR. Individual unit rents cannot exceed the applicable AMR.
- When calculating the building's overall average rent, housing providers must use the tenant contribution to rent (the portion paid by the tenant) for subsidized tenants.
- Rents for new tenants: Rents for new tenants in 2021 must be at or below the most recent CMHC AMR, provided in Table 1.

Table 1
Fall 2020 CMHC Average Market Rents for York Region

Fall 2020 CMHC Average Market Rents for York Region				
Zone	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom
Zone 25 Richmond Hill, Vaughan, King	\$1,109	\$1,383	\$1,591	\$1,842
Zone 26 Aurora, Newmarket, Whitchurch- Stouffville, East Gwillimbury, Georgina	\$764	\$1,312	\$1,420	\$1,716
Zone 27 Markham	\$1,029*	\$1,440	\$1,600	\$1,668
York Region (Zones 25-27)	\$995	\$1,370	\$1,537	\$1,465

^{*}Note: The Zone 27 bachelor rent has been supressed by CMHC. The Fall 2019 bachelor rate has been provided for use in 2021.

 Rents for current tenants who started rental agreements prior to 2021 cannot be increased in 2021, as the Government of Ontario has frozen most residential rents for the period of January 1, 2021 and December 31, 2021. For more information refer to Program Instruction 2020-08: Setting Market Rents for Current Tenants in AHP/IAH-Funded Communities During the 2021 Provincial Rent Freeze.

Note on Annual CMHC AMR Data Release

CMHC has started releasing annual rental market reports and AMR data in late January each year. Housing providers are encouraged to consider this timing in determining annual budgets and planning for market rent increases, as well as the requirements relating to rent increases under the *Residential Tenancies Act*, 2006. Each year, the Region will continue to release these program instructions as soon as possible once CMHC data is made available.

Authority: Contribution Agreement

Please contact your Program Coordinator with any questions.

April 2021

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

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