



Corporation of the City of London
 Housing, Social Services & Dearthness Home
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Housing Division Notice

Date: October 1, 2023

HDN# 2023-267

This applicable legislation/policy is to be implemented by the housing provider(s) under the following programs:

Please note, if your program is **not checked**, this change is **not applicable** to your project.

<input type="checkbox"/>	Federal Non-Profit Housing Program
<input checked="" type="checkbox"/>	Private Non-Profit Housing Program
<input checked="" type="checkbox"/>	Co-operative Non-Profit Housing Program
<input type="checkbox"/>	Municipal Non-Profit Housing Program (Pre-1986)
<input type="checkbox"/>	Local Housing Corporation

Subject: 2024 REVENUE AND COST INDICES (REPLACES HDN# 2022-260)

Background:

The Ministry of Municipal Affairs and Housing has issued the 2023 indices for costs and revenues used in the calculation of subsidies to housing providers under the *Housing Services Act, 2011* (HSA). [O. Reg. 369/11.](#) The City of London Housing Division has developed the attached tables for housing providers that are to be used in the calculation of subsidies for 2024 year-end.

2024 Indices for Benchmark Costs and Revenues				
Table 1	Mixed Non-Profit Projects	Benchmark Itemized	%	Factor
Table 2	100% RGI Non-Profit Projects	Benchmark Costs	%	Factor
Table 3	Mixed Non-Profit Projects by Housing Provider	Market Rent, Vacancy	% *Weighted if applicable	
Table 4	Mixed Non-Profit Projects by Housing Provider	Loss, Bad Debt	Factor *Weighted if applicable	
* Housing Providers with units in different zones must use the weighted average as provided on Table 3 and Table 4.				

Guidelines on using these tables are listed below.

Table 1 – 2024 Indices Mixed Non-Profit Projects HSA O. Reg. 369/11

The 2024 Indices for Mixed Non-Profit Projects (Table 1) presents benchmark cost and revenue items with their corresponding indices. Mixed non-profit projects are housing providers who are subject to part II of O. Reg. 369/11 of the HSA. Housing providers are required to update the prior year indexed revenue and cost amounts by the appropriate current year indices when calculating their subsidy estimations.

Most of the indices are listed as percentages on Table 1; however, some benchmark revenue and cost items must use the Market Rent Index (MRI). This information is found on Table 3 (for percentage values) or Table 4 (for factor values) and is housing provider specific.

Table 2 – 2024 Indices 100% RGI Non-Profit Projects HSA O. Reg. 369/11

The 2024 Indices for 100% RGI Non-Profit Projects (Table 2) presents benchmark costs and revenue items with their corresponding indices. 100% RGI non-profit projects are housing providers who are subject to part III of O. Reg. 369/11. Housing providers are required to update the prior year indexed revenue and cost amounts by the appropriate current year indices when calculating their subsidy estimations.

Table 3 – 2024 Market Rent Index Percentages (MRI) Schedule

The current year Market Rent Index must be applied to the prior year indexed amounts for bad debt, vacancy loss and market rent. If a housing provider has projects in multiple zones, the weighted average index is to be used for both “Apartments” and “Townhouses.” On an annual basis, housing providers should review their actual market rent in comparison to the current year’s indexed market rent to ensure that their actual market rent amount is appropriate. The indexed market rent amount represents the minimum market rent charge and the intent is that the indexed market rent amount be as close as possible to the real market rent for that unit.

The numbers provided in Table 3 are percentages. To apply these indices in the subsidy calculation process, the number provided in Table 3 will need to be converted into an “index factor”, as instructed in HSA O. Reg. 369/11 section 7.

Table 4 - 2024 Market Rent Index Factors (MRI) Schedule

Table 4 lists the Market Rent Index Factors specific to each housing provider located within the City of London and County of Middlesex.

Action:

Housing providers are required under O. Reg. 369/11 of the *Housing Services Act, 2011* to use the appropriate table of 2024 Indices applicable to their project in the preparation of subsidy estimation calculations and the Annual Information Return (AIR) for the fiscal years beginning in 2024.

Housing providers are required under section [103 \(2\) of the O. Reg. 367/11](#) to annually submit information needed to enable the service manager to calculate the amount of any subsidy payable to the housing provider for the fiscal year under section 78 of the HSA.

Housing providers should ensure that their auditor receives a copy of this HDN.

Original signed by

Dave Purdy,
Manager, Housing Services

Attachments: Table 1 - 2024 Indices Mixed Non-Profit Projects HSA O. Reg. 369/11
Table 2 - 2024 Indices 100% RGI Non-Profit Projects HSA O. Reg. 369/11
Table 3 - 2024 Market Rent Index Percentages (MRI) Schedule
Table 4 - 2024 Market Rent Index Factors (MRI) Schedule