



Housing Services
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London
C A N A D A

Housing Division Notice

Date: September 23, 2024

HDN# 2024 - 269

This applicable legislation/policy is to be implemented under the following programs:

- Federal Non-Profit Housing Program
- ✓ Private Non-Profit Housing Program
- ✓ Co-operative Non-Profit Housing Program
- ✓ Municipal Non-Profit Housing Program (Pre-1986)
- ✓ Local Housing Corporation
- ✓ City of London Housing Access Centre

Subject: ARREARS POLICY REGARDING ELIGIBILITY FOR RENT-GEARED-TO-INCOME (RGI) SUBSIDY (Replaces HDN# 2021 – 252)

1. PURPOSE:

To advise households applying to the waitlist for Rent Geared to Income (RGI) housing of their responsibilities and eligibility criteria for RGI housing in the City of London/County of Middlesex when arrears are incurred due to non-payment of rent or damages, with any RGI housing provider within the province of Ontario.

To advise RGI housing providers of obligations and process regarding debt owed by former tenants either for non-payment of rent or damages.

2. BACKGROUND AND COMPLIANCE STANDARD:

The Housing Services Act, 2011, [O.Reg 367/11 s. 26](#) states that a household is ineligible for RGI assistance if a member of the household owes arrears of rent or damages from a previous tenancy in social housing unless they have entered into a repayment agreement and the service manager is satisfied that the member is making or intends to make all reasonable efforts to repay the amount owing.

Under [O. Reg. 367/11 s. 27b](#) a household that has been determined to be eligible for rent-geared-to-income assistance ceases to be eligible if, the household becomes ineligible under section 25 or 26.

3. POLICY

A. Applicants to the RGI Housing Waitlist & Waiting Households

To be eligible for RGI assistance, the conditions outlined [O. Reg. 367/11 s. 24 to 32.2](#) must be met. All households have an obligation to repay debts owed to any RGI housing provider in the province of Ontario which resulted from non-payment of rent, and/or damages.

For civic administration to be reasonably satisfied that a household owing arrears to an RGI housing provider is making or intends to make all reasonable efforts to repay the amount owing, the household must meet the following conditions to be added to the RGI housing waitlist:

1. Have an amount owing to no more than one RGI community housing provider in Ontario.
2. Have submitted a repayment agreement signed by both the person owing arrears and the housing provider with verification of the repayment to date.

Once both conditions are met and verified, and all other eligibility criteria are met, a household will be placed in “pending” status on the RGI waitlist. Pending status accrues wait-time on the waitlist for the household but does not allow the house to receive an offer of housing.

Civic administration will update the RGI housing waitlist database to show agreement in good standing and update the amount owing.

When a household provides to the City of London – Housing Access Centre verification that their arrears have been repaid in full, civic administration will confirm full payment with the housing provider, and the household will be changed to eligible status on the waitlist. Eligible status allows households to receive offers of housing.

Applicant households will be required to provide verification of their ongoing repayment with each annual update to remain on the waitlist. Households who have not maintained their repayment agreement in good standing will be removed from the RGI waitlist.

Breakdown of a repayment agreement does not preclude a household from future RGI assistance if the individual re-enters into a repayment agreement and meets criteria above.

B. Process for Housing Providers

If a tenant incurs arrears, either wholly or partially due to damage to a rental unit, the following steps apply:

1. Damages Up to \$10,000

The housing provider may proceed with repair and restoration at their discretion. The housing providers must notify the City of London (Housing Access Centre) of any arrears incurred by tenants.

2. Damages Exceeding \$10,000

Before initiating repair and restoration, the housing provider must submit the following

documentation to the City of London (Municipal Housing Development):

- Photographs and records of the unit's condition before tenancy and after vacancy.
- Maintenance records and duration of occupancy.
- At least three estimates from licensed contractors.
- If the arrears include both damages and rental arrears, this documentation is mandatory.
- A vacancy extension of more than two months may be granted if necessary.
- Municipal Housing Development will verify if the damages were caused by the tenant or a household member and, if confirmed, will instruct the Housing Access Centre to assign the arrears to the tenant.

3. General Requirements for Arrears Notification

- Housing providers must retain records of arrears, payments made, and any repayment agreements for all tenants and provide this information to the City of London upon request.
- If the housing provider is aware that a tenant will incur arrears for rent or damages but does not yet know the amount, they must inform the City of London (Housing Access Centre) and update them once the final amount is determined.

4. Over-Housed Tenants with Arrears

- Over-housed tenants who have arrears at their current unit will still be eligible for an internal transfer within the same housing provider unless the provider has initiated eviction proceedings through the Landlord and Tenant Board.

5. Responsibility for Arrears Collection

- Housing providers and their respective boards are responsible for developing policies and procedures to collect payments for rental arrears and damages from current and former tenants.

a. ACTION:

Effective immediately, the policies and procedures in this Housing Division Notice are to be implemented by the City of London and housing providers in the City of London and County of Middlesex.

b. AUTHORIZATION:

*Original signed by
Matt Feldberg
Director, Municipal Housing Development*