

SCHEDULE E

INVESTMENT IN AFFORDABLE HOUSING FOR ONTARIO

Housing Allowance Component

1. INTERPRETATION

1.1 In this Schedule, unless the context requires otherwise, the following terms have the meanings set out in this Section.

- **“Administration Agreement”** means the Administration Agreement between the Minister and the Service Manager to which this Schedule forms a part;
- **“Eligible Renter Household”** means a household that either is on or is eligible to be on a social housing waiting list; that is leasing a Unit; that does not own a home suitable for year-round occupancy; and that meets the criteria in the Program Guidelines and in Appendix “B”;
- **“Housing Allowance”** is a monthly subsidy paid directly to an Eligible Renter Household;
- **“Housing Allowance Application Form”** means an application form designed by the Service Manager that meets the criteria described in Appendix “A”, and that a Program applicant must submit to the Service Manager to be considered for a monthly subsidy (“Housing Allowance”) under the Program;
- **“Housing Allowance Component”** means the Housing Allowance Component described in the Program Guidelines;
- **“IAH Components”** has the meaning given to it in the main body of the Administration Agreement;
- **“Program”** means the Housing Allowance Component, as set out in the Program Guidelines;
- **“Program Guidelines”** means the Program Guidelines for the IAH Components;
- **“Unit”** means a self-contained residential dwelling that meets the eligibility criteria outlined in the Program Guidelines.

1.2 The following Appendices are attached to and form part of this Schedule:

Appendix “A” - Housing Allowance Application Process and Form

Appendix "B" - Household Eligibility Criteria

Appendix "C" - Annual Funding Adjustments

- 1.3 In the event of a conflict or inconsistency between the provisions of this Schedule and the provisions of an Appendix, the provisions of this Schedule shall prevail.
- 1.4 All references in this Schedule to section numbers are references to sections of this Schedule, unless stated otherwise.
- 1.5 All references in this Schedule to Appendices are references to Appendices in this Schedule, unless stated otherwise.

2. PROGRAM GUIDELINES

- 2.1 The Service Manager agrees to administer the Housing Allowance Component in accordance with the Agreement and the Program Guidelines.

3. PROVISION OF FUNDS BY THE MINISTER

- 3.1 Subject to Sections 3.4, 3.5 and 3.7, upon approval by the Minister of the Service Manager's updated PDFP, the Minister shall transfer to the Service Manager on a quarterly basis, the amount of funding (the "**Housing Allowance Funding**") requested in the Service Manager's PDFP, based on the number of approved and signed Program applications.
- 3.2 The Minister shall transfer Housing Allowance Funding to the Service Manager on April 1, July 1, October 1 and January 20 of each fiscal year. Fourth quarter payments will be made on January 20, instead of January 1, to allow for any annual adjustments to Service Manager Payments, as outlined in Appendix "C".
- 3.3 The transfer of all Housing Allowance Funding will be made by electronic funds transfer, based on the Service Manager's entitlement for the period, as indicated in the PDFP.
- 3.4 In no event may any request for Housing Allowance Funding be submitted under this Schedule after March 31, 2015, or such earlier date as may be determined by the Minister and communicated by the Minister to the Service Manager by notice in writing.
- 3.5 The Service Manager shall use the Housing Allowance Funding transferred to it by the Minister solely for the purpose of providing Housing Allowance Funding to an Eligible Renter Household in accordance with this Schedule, or as the Minister may direct, in writing.
- 3.6 All interest that accrues on Housing Allowance Funding while held by the Service Manager shall be used by the Service Manager for the purpose of administering and delivering Affordable Housing.

- 3.7 For greater certainty, should the Minister, in his or her sole discretion, believe at any point in time that the Service Manager is not likely to comply with section 3.5, the Minister may refuse to provide funding under section 3.1.

4. PROVISION OF IAH HOUSING ALLOWANCES BY SERVICE MANAGER

- 4.1 In order to receive Housing Allowance Funding, the Service Manager shall update the PDFP quarterly for the Minister's approval. The PDFP shall include the number of Eligible Renter Households receiving funding under the Program, based on approved Housing Allowance Applications meeting the criteria described in Appendix "A".
- 4.2 The Service Manager shall not expend funding under the Program for an Eligible Renter Household for longer than ten (10) years, commencing from the date of the Eligible Renter Household's Housing Allowance Application, and in any event, no funding shall be expended after March 31, 2023.
- 4.3 The Service Manager or its authorized agency shall develop a client application process and use an Application Form that meets the criteria described in Appendix "A".
- 4.4 The Service Manager shall provide a monthly subsidy (Housing Allowance) in the amount indicated in the PDFP to the Eligible Renter Household.
- 4.5 The Service Manager shall determine the monthly Housing Allowance to be paid to each Eligible Renter Household.
- 4.6 The Service Manager may select Households from social housing waiting lists.
- 4.7 The Service Manager shall establish a clear set of rules to determine whether the Household's income falls below the local Household Income Limits (HILs), as published annually by CMHC. Service Managers shall put these rules in writing and make them available to the general public.
- 4.8 The Service Manager shall conduct annual (or more frequent if required) income testing of Eligible Renter Households to ensure their continued eligibility for the Program.

5. REPORTING REQUIREMENTS

- 5.1 For the period - up to ten (10) years - following the date of the Administration Agreement indicated in the Service Manager's PDFP, the Service Manager shall, between April 1 and April 15; between July 1 and July 15; between October 1 and October 15, and between January 1 and January 15, in each fiscal year (April 1 – March 31), provide the Minister with an updated PDFP indicating the number of Eligible Renter Households receiving a Housing Allowance under the Program.
- 5.2 The Service Manager may be asked to provide documentation of completed, i.e.

signed and approved, client Application Forms and/or agreements with delivery agencies.

- 5.3 The Service Manager shall provide the Minister with such additional reports as the Minister may require.
- 5.4 The Service Manager shall keep and maintain for a period of seven (7) years following March 31, 2023, all financial records (including invoices) and all non-financial documents and records relating to the Fund or otherwise to the Program.

6. MARKETING

- 6.1 Subject to section 8 of the Administration Agreement, the Service Manager shall promote and advertise the Program in the Service Manager's area as the Service Manager deems appropriate.

7. REMEDIES

- 7.1 If the Service Manager breaches any one or more of the provisions of this Schedule, and the breach is not corrected within a reasonable period of time (as determined by the Minister) after notice has been given to the Service Manager by the Minister, the Minister may, by written notice to the Service Manager,
 - (a) terminate this Schedule;
 - (b) demand immediate repayment of all or a portion of the Administration Fees paid by the Minister to the Service Manager;
 - (c) demand repayment of any Housing Allowance Funding in the possession or control of the Service Manager which has not been advanced to an Eligible Renter Household;
 - (d) demand immediate repayment of all amounts paid by the Minister to the Service Manager under this Schedule that relate to the Eligible Unit in respect of which the breach occurred;
 - (e) demand repayment of all or part of the aggregate of all monies advanced to the Service Manager under this Schedule;
 - (f) cancel all further payments of Housing Allowance Funding; and/or
 - (g) suspend further payments of Housing Allowance Funding for such period as the Minister may determine.
- 7.2 The Service Manager shall comply with a demand referred to in clauses 7.1(d) and (e), irrespective of whether it has transferred any of the relevant amounts to Eligible Renter Households.

7.3 All of the remedies available to the Minister under this Schedule, at equity and/or at law are cumulative and are not alternative and the Minister shall not be precluded from availing himself simultaneously of some or all of the said remedies.

7.4 Notwithstanding any of the terms of this Schedule, the Minister shall have the option of waiving any or all of his remedies under this Agreement, but no waiver of a provision shall be deemed to constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise provided.

8. GENERAL

8.1 The Program is available from the date of the Service Manager Administration Agreement until March 31, 2015, or a date after that, but no later than March 31, 2023, as reported in the Service Manager's PDFP.

8.2 The Service Manager may engage a third party subcontractor (delivery agency) to assist it in the performance of this Agreement. Such assistance shall be limited to but may include the provision of Housing Allowance Funding to Eligible Renter Households, in each case, by the third party subcontractor but otherwise in accordance with this Schedule. Notwithstanding any such arrangement, the Service Manager shall remain in possession and control of all Housing Allowance Funding until such funds are advanced to an Eligible Renter Household, and shall remain directly responsible to the Minister under and for the performance of this Schedule. The Service Manager shall also ensure that any third party subcontractor is bound by the same terms and conditions relating to the assistance to be provided by it as are binding on the Service Manager under this Schedule. The procurement of any such third party subcontractor shall be done in accordance with the procurement policies of the Service Manager.

8.3 The disbursement of Housing Allowance Funding by the Minister to the Service Manager under section 3.1 is subject to the necessary appropriations from the Federal Parliament and the Provincial Legislature. Neither the Minister nor CMHC shall have any liability in the event the respective appropriations are insufficient to meet the funding obligations of the Minister.

8.4 The Service Manager agrees to maintain the records and documentation that it is required to maintain under the Program Guidelines for the time period set out in the Program Guidelines.

APPENDIX “A”
HOUSING ALLOWANCE APPLICATION PROCESS AND FORM

1. The Service Manager shall develop the application process that suits its local needs and make it available to the public.
2. The Service Manager shall design the Application Form. The Application Form shall include, but not be limited to, the following sections:
 - (a) A definition of “Household Income”;
 - (b) Household Income declaration;
 - (c) Explicit list of eligibility criteria;
 - (d) Consent regarding personal information sharing;
 - (e) Monthly Housing Allowance subsidy amount;
 - (f) Dates for disbursement of Housing Allowance subsidy to Eligible Renter Household;
 - (g) Applicant signature and date; and
 - (h) Such other requirements as are set out in the Program Guidelines and/or as the Service Manager may establish.

APPENDIX "B"
HOUSEHOLD ELIGIBILITY CRITERIA

1. Each household seeking to be approved as an Eligible Household must meet each of the following criteria at the time the primary applicant submits an application:
 - (a) The primary applicant must be at least 18 years old;
 - (b) Be renting a Unit and not own a home suitable for year-round occupancy;
 - (c) The primary applicant cannot be living in a spousal relationship (including a common-law or same-sex spousal relationship) with a person who owns the Unit or who has an ownership interest in a unit;
 - (d) Have a household income that does not exceed the Household Income Limits (HILs) for the Service Manager area, as published annually by CMHC;
 - (e) Not be in receipt of rent-geared-to-income (RGI) assistance or reside in an RGI rental unit; and
 - (f) Not reside in a unit in receipt of funding under the IAH Rent Supplement Component.
2. The Service Manager shall define "household income".
3. The Service Manager may establish such additional criteria as may be required to administer this component, provided they are not inconsistent with the requirements of this component.

APPENDIX "C"
ANNUAL FUNDING ADJUSTMENTS

1. The Minister shall review the Service Manager's progress under the Program at the end of the third quarter of each fiscal year, that is the period ending December 31.
2. The Minister shall expect a larger Service Manager (fifty (50) or more Housing Allowance clients, i.e. Eligible Renter Households), to achieve a ninety per cent (90%) take-up of its planned annual allocation, as indicated in the PDFP.
3. The Minister shall expect a smaller Service Manager (forty-nine (49) or fewer Housing Allowance clients i.e. Eligible Renter Households), to achieve an eighty per cent (80%) take-up of its planned annual allocation, as indicated in the PDFP.
4. Should a Service Manager not meet the above targets, its payment may be adjusted in the fourth quarter of each fiscal year, beginning January 1 of the fiscal year in which the target was not met.