



Durham Community Housing Directives

Housing Services Division | Financial Housing Services
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Subject:	Maximum RGI and the 24-Month Rule
Directive Number:	RGI 2020-07
Date:	June 15, 2020

Purpose

To set out the rule regarding eligibility of rent-geared-to-income (RGI) tenants and co-op members paying maximum RGI that is equivalent to the market rate.

Background

Under the Housing Services Act, the maximum rent-geared-to-income (RGI) that an RGI tenant or co-op member can pay is equivalent to the market rent or housing charge for the unit.

Tenants and co-op members who pay maximum RGI remain eligible for RGI unless they continue to pay the maximum/equivalent to the market rate for 24 consecutive months (24-month rule).

During this 24-month period, RGI tenants and co-op members are required to comply with all RGI eligibility requirements, including filing income tax returns and completing and returning information for annual RGI reviews.

Tenants and co-op members must be notified of:

- an RGI increase to maximum RGI, including information about the 24-month rule
- RGI ineligibility after 24 consecutive months at maximum RGI.

Notice of Increase to Maximum RGI and 24-Month Rule

When an RGI tenant or co-op member's RGI increases to the maximum, they must be notified of the RGI change, including:

- the new RGI amount, including a statement that this is the maximum RGI charge/equivalent to the market rent or housing charge for the unit
- the effective date of the RGI change
- the reason for the RGI change

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2463.

- a statement that the RGI tenant or co-op member will become ineligible for RGI if the rent or housing charge remains equivalent to the market rate for 24 consecutive months
- a statement of the right to request a Regional Review of the increase in RGI, including details of how to request the review.

This is not a notice of RGI ineligibility. It is notice of an RGI change, and the tenant or co-op member may appeal the charge but not the 24-month rule.

Housing providers are required to use the [Notice of Increase to Maximum RGI and 24-Month Rule](#) template letter in the Resources for Community Housing Providers section on the Region of Durham's website.

Notice of RGI Ineligibility – 24 Month Rule

Once an RGI tenant or co-op member has been paying maximum/equivalent to market rate for 24 consecutive months, the housing provider must send notice that they are now ineligible for RGI.

The tenant or co-op member becomes ineligible as of the date of notice. There is no requirement for a 90-day notice because the rent or housing charge will not be increasing. Until the tenant or co-op member is notified that they are ineligible, they remain eligible for RGI.

This notice of RGI ineligibility must set out the following:

- the RGI tenant or co-op member is ineligible for RGI because they have been paying the maximum/equivalent to market rate for 24 consecutive months
- the effective date of RGI ineligibility – which must be the current date
- a statement of the right to request a Regional Review including details of how to request it.

Housing providers are required to use the [Notice of RGI Ineligibility – 24-Month Rule](#) template letter in the Resources for Community Housing Providers section on the Region of Durham's website.

Effective Date

This directive comes into effect on July 1, 2020.

Legislative Authority

Ontario Regulation 367/11, s. 30