

# ***DIRECTIVE # 2004- 03***

**Date: July 6, 2004**

*The policies, procedures and service manager requirements in this Directive are to be implemented by all housing providers in the Region of Durham included under the provisions of the Social Housing Reform Act and its associated Regulations.*

*Please note: If your housing corporation is not covered by the Social Housing Reform Act, this Directive is for information purposes only.*

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## **SUBJECT**

**Critical Priority Status**

## **BACKGROUND**

In accordance with sections 41 to 43 of Ontario Regulation 298/01 of the *Social Housing Reform Act*, applicants are generally placed on the centralized waiting list according to the date that they originally applied for RGI assistance. Applicants may receive higher priority on the centralized waiting list if they are eligible for inclusion in:

- the provincial Special Priority category for victims of abuse; or
- a category of local priority.

One local priority is the Critical Priority category. It follows the Special Priority category, the Overhoused category and the In-situ Priority category in order of precedence.

The Critical Priority category is intended to assist households that have extraordinary and unusual costs that make the payment of market rent unreasonable. These costs are in addition to normal day-to-day expenses that may be incurred by others on the centralized waiting list.

The Critical Priority category is intended to assist applicants in exceptional circumstances. It is anticipated that few applicants will be eligible for this status.

## **ACTION REQUIRED**

The Housing Access Center (Durham Region) Co-operative Inc. (HAC) will assess eligibility for the Critical Priority category at the request of the applicant. Before eligibility for Critical Priority is considered, the applicant's eligibility for rent-geared-to-income (RGI) assistance and inclusion on the centralized wait must be established. HAC is not responsible to determine the Critical Priority status of applicants that are ineligible for RGI.

Households are eligible for Critical Priority if they have extraordinary and unusual costs that make the payment of market rent unreasonable. It must be only the additional expense that compromises the households' ability to meet its basic needs.

When reviewing the extraordinary expense incurred by the household, HAC will consider all of the following factors:

### **1. Nature of the expense**

HAC will verify the type and amount of the expense before determining Critical Priority status.

The expense must be one that is relatively high in relation to the applicant's gross income and not normally incurred by the average household on the centralized waiting list. Such costs might include, but are not limited to:

- Extraordinary drug costs that are not included under any private or public drug payment program (e.g. Trillium).
- Programming or services for a disabled or sick member of the household where costs are not adequately covered through a public or private program.

Normal day-to-day expenses such as food, rent, child care, car payments, debt payments, etc. are not considered even if they are high.

In addition, unusual costs that are relatively low in relation to the applicant's gross income are not cause for Critical Priority status (e.g. \$50 per month cost for diabetes supplies incurred by a household with gross monthly income of \$1000).

### **2. Possible sources of funding for the expense**

HAC will determine if there are any private or public sources of funding available for the expense. The applicant must show that they have exhausted all available resources for the expense before Critical Priority status is granted.

Funding sources vary depending on the nature of the expense but may come from the provincial government, the federal government, the Region of Durham, an

employer or a private agency. Drug costs may be covered under the Ontario Drug Benefit: Trillium Drug Program.

In all circumstances, the applicant's savings/assets must also be reviewed to determine if they are adequate to cover the costs of the extraordinary expense. Although the applicant may be within the allowable asset limit for RGI assistance, Critical Priority status should not be granted if the applicant has sufficient assets to pay for the expense.

### **3. Person to whom the expense relates**

The extraordinary expense must be paid by the applicant in relation to a member of the household. Costs that are not associated with someone in the household are not considered in determining eligibility for Critical Priority status (e.g. nursing home payments for a spouse or parent).

### **4. Financial circumstances of the household after the expense is paid**

HAC will consider the income of the household after the extraordinary expense is paid. Although the applicant may be within the high needs income limits, this does not automatically mean that the household is eligible for Critical Priority status. HAC must also determine that the extraordinary expense that has led to the request for Critical Priority status severely disadvantages the household as compared to other high needs households on the centralized waiting list.

By definition, high need households have maximum gross annual income of:

<b>Bachelor</b>	<b>1 Bedroom</b>	<b>2 Bedroom</b>	<b>3 Bedroom</b>	<b>4 Bedroom</b>
\$11, 700	\$14, 700	\$18, 000	\$21, 900	\$24, 000

However, eligible Critical Priority households will likely have income (after the payment of their extraordinary expense) that is far less than these amounts.

HAC staff must notify all applicants for Critical Priority status of the outcome of their decision. If the Critical Priority status is denied, the applicant must also be notified of their right of appeal.

If you have any questions please contact your Housing Co-ordinator.

Shirley Van Steen  
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