



Durham Community Housing Directives

Housing Services Division | Financial Housing Services
605 Rossland Rd E, Whitby L1N 6A3
905-668-7711 | 1-800-372-1102 | www.durham.ca

Subject:	Indemnity and Insurance Coverage
Directive Number:	FIN 2021-02
Date:	April 20, 2021

Purpose

The purpose of this directive is to set out the mandatory insurance requirements for community housing providers with projects under Part VII and Part VII.1 of the Housing Services Act (HSA), as well as all community housing providers and other landlords with properties subject to an agreement with the Region of Durham for the provision of modified housing units, rent-geared-to-income (RGI), or other form of housing assistance.

Background

The Region of Durham is the service manager under the Housing Services Act (HSA) responsible for the oversight of community housing and housing assistance in the region.

Community housing providers are required to maintain insurance coverage to the satisfaction of the Region of Durham for:

- Designated housing projects under Part VII of the HSA
- Housing projects under Part VII.1 of the HSA that are subject to a service agreement with the Region of Durham
- Housing projects subject to an agreement with the Region of Durham for the provision of modified housing units, rent-geared-to-income (RGI), or other forms of housing assistance.

Other landlords under agreement with the Region of Durham for the provision of modified housing units, rent-geared-to-income (RGI), or other forms of housing assistance are also required to maintain insurance coverage to the satisfaction of the Region of Durham.

Community housing providers and other landlords must maintain sufficient insurance to cover their responsibilities under the HSA and any delegated responsibilities under service agreements with the Region of Durham. The insurance policy must include indemnification of the Region of Durham and contain specific coverage as set out in this directive.

Indemnity

Community housing providers and other landlords under agreement with the Region of Durham will, both during and following the term of any agreement, defend, indemnify and save harmless the Region of Durham and its elected officials, officers, agents, affiliates and employees from and against all claims of any nature, actions, causes of actions, losses, expenses, fines, costs, interest or damages of every nature and kind whatsoever, arising out of or allegedly attributable to the negligent acts, errors, omissions, misfeasance, nonfeasance, fraud or willful misconduct of the community housing provider, its directors, officers, employees, agents, or volunteers in connection with the services provided, purported to be provided or required to be provided by the community housing provider in relation to the HSA or an agreement with the Region of Durham.

Insurance Coverage

Every community housing provider and landlord under agreement with the Region of Durham, at its sole cost and expense, shall acquire and maintain the following forms of insurance on or in respect of its housing projects under the HSA or subject to agreement with the Region of Durham in such amounts and with such deductibles as a prudent owner of a similar building would insure having regard for the housing project's size, age and location:

- commercial general liability insurance including personal injury, broad form contractual liability, owners and contractors protective, contingent employers liability, employers liability, medical payments, completed operations, non-owned automobile liability, all coverages with respect to the housing project and the use of the common areas and facilities, in an amount not less than five million dollars (\$5,000,000.00) for claims arising out of one occurrence
- "all perils" insurance (including flood and earthquake) on the housing project (including the foundations and excavations and other parts of the structure) and the equipment contained in or servicing the housing project, in an amount at least equal to the full replacement cost thereof, insuring all property of the housing provider, property for which the housing provider is legally liable or property installed by or on behalf of the housing provider and the leasehold improvements
- where applicable, broad form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in an amount of at least the replacement cost of all leasehold improvements and contents, and of all boilers, pressure vessels, air-conditioning equipment and miscellaneous apparatus owned or operated by the housing provider or by others on behalf of the housing provider in the housing project
- other forms of insurance as would be carried by a prudent owner of a similar building and exposures.

Such insurance policies shall contain an endorsement to provide the parties with sixty (60) days written notice of cancellation.

The commercial general liability policies shall be in the name of the community housing provider or landlord and shall name the Region of Durham as an additional insured thereunder.

The community housing providers or landlord under agreement with the Region of Durham will not change in any material way the coverages provided by the insurance policy, or adjust coverages below those minimum standards and coverages as set out by the Region of Durham, and will not do or permit to be done anything which may void the insurance policy.

Proof of Coverage

Community housing providers and other landlords under agreement with the Region of Durham will provide the Region of Durham annually, and as requested, with proof of the required insurance coverage in the form provided by the Region of Durham or as accepted by the Region of Durham.

Community housing providers subject to Part VII of the HSA are required to provide proof of current insurance, on a form acceptable to the Region of Durham, with their audited statements and Annual Information Return (AIR).

Housing Services Corporation

Under the HSA, the Housing Services Corporation (HSC) is required to establish and manage insurance programs for prescribed members.

Community housing providers listed in Schedule 6 of Ontario Regulation 367/11 are required to participate in the HSC insurance programs. This schedule does not include co-operative community housing providers.

Effective Date

This directive is effective on the date it is issued.

Repealed Rules

This directive replaces Directive 2007-03 Indemnity and Insurance Coverage.

Legislative Authority

Housing Services Act, s. 124, 151
Ontario Regulation 367/11, s. 99, 136 and Schedule 6