

# Transition of Affordable Housing Rental Program to Social Housing Rental Program in Urban Centres

## Key Facts on Saskatchewan Housing Corporation's Affordable Housing Program

- There are approximately 2700 units under the Affordable Housing Program in urban centres.
- Affordable Housing rent is a fixed rent. The rent is to be set at slightly less than market rental rates, not based on household income.
- There is only an Income Limit. The Limit is the same for all applicants regardless of household size, or client type.
- Income is the only factor taken into consideration when prioritizing applications.

## Changes as a result of Transitioning the Affordable Housing Portfolio to the Social Housing Rental Program

### 1. Better Targeting of Housing Portfolio

- Ensuring that the program is targeted to those households in greatest need. Social Housing eligibility criteria includes income and asset limits. The limits differ based on the household size and applicant type; e.g. family, seniors, persons with disabilities.

### 2. Prioritization of Applicants

- Current prioritization of applicants only considers income. Social Housing Rental Program criteria includes things like the safety and condition of the household's existing dwelling, whether their current home is overcrowded, and consideration for those who are homeless or victims of domestic abuse.

### 3. More Client Centred

- With one program, it is easier for the public, applicants and tenants to understand.
- Housing benefit is calculated the same way for all tenants.
- Tenants with lower incomes will not have to apply for the Saskatchewan Rental Housing Supplement to make rent more affordable.

### 4. Changes to the Rent Being Charged

- Making rents more affordable for households with lower incomes. Currently, rent is based on a fixed rent not the tenant's income.

- New tenants will be charged rents at 30 per cent of adjusted household income, which is consistent with the CMHC National Affordability Standard ("adjusted" refers to the exclusion of benefits such as Federal and Provincial benefits for children, seniors or persons with disabilities such as Universal Child Care benefit or the Senior Income Plan).
  - This change will create more transparent rental rates which will be fairer for prospective and existing tenants who choose to transition to the Social Housing Rental Program.
  - Existing tenants under the Affordable Housing Rental Program may transition to the Social Housing Rental Program. Once approved for the Social Housing Rental Program, rents will be calculated based on 30 per cent of household income. This transition will reduce, or have no change, on the rent of almost 1,300 low-income households, putting more money in their pockets and ensuring that more vulnerable people have access to social housing.
- ### 5. Gradual Increases in the Affordable Housing Rental Program Rents for Existing Tenants
- Currently, Affordable Housing Rental Program rates are less than market rent levels regardless of a tenant's income.
  - About 20 per cent or approximately 600 households under the Affordable Housing Rental Program have sufficient income to afford housing in the market. Of these, a minimum of fifteen households have incomes in excess of \$100,000 per year.

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- For tenants that do not choose to transition to the Social Housing Rental Program, rents will gradually increase to incent households with higher incomes to move to the private market and create more spaces for those with the greatest housing need.

## Urban Centres

### **The transition of units from the Affordable Housing Rental Program to the Social Housing Rental Program will occur in the following communities:**

Regina, Saskatoon, Prince Albert, Moose Jaw, Estevan, Weyburn, Lloydminster, La Ronge, Air Ronge, Kindersley, Melville, Rosetown, Yorkton, Battleford, North Battleford, Canora, Creighton, Esterhazy, Humboldt, Melfort, Moosomin, Nipawin, Outlook, Tisdale, Swift Current and Warman.

**Note:** Not all communities have affordable housing. For communities that have affordable housing not listed above, the Affordable Housing Rental Program will continue to be available to them.

## Transition Plan

### **Eligibility criteria**

- No tenants will be evicted as a result of the new eligibility requirements.
- New tenants will be required to meet the eligibility criteria.

### **Prioritization of Applicants**

- All existing and new applications will be prioritized using the Social Housing Rental Program prioritization tool.

## **Rent Being Charged**

- **New Tenants** - As of March 1, 2015, all new tenants will be placed under the Social Housing Rental Program and will be required to pay rent based on 30 per cent of their household income up to the Social Housing Maximum unit rent levels.
- **Existing tenants** - Existing tenants who choose not to transfer to the Social Housing Program will continue to pay the Affordable Housing Rent.
- Tenants that choose to transfer to the Social Housing Rental Program must provide additional information to qualify for the Social Housing Rental Program. Assuming they qualify for the program, the new rent may come into effect as soon as March 1, 2015. Existing tenants will need to sign a new lease as part of the program transfer.
- Tenants may transition to the Social Housing Rental Program at any time. Once they choose to transition to Social Housing, they will not be able to revert back to the Affordable Housing Rental Program.

## **Change to Affordable Housing Rental Program Rents**

- Tenants who choose to remain under the Affordable Housing Rental Program will have gradual increases to their current rent. Tenants will receive one year notice of any rent increase in accordance with the requirements of *The Residential Tenancies Act*.
- Tenants will receive notice of a \$100 rent increase effective March 1, 2016.