

COMMERCIAL    REGULAR    MOHLTC    MCSS    OCHAP    CSHP

## RENT SUPPLEMENT AGREEMENT

THIS AGREEMENT made as of the \_\_\_\_ day of October, 2017.

B E T W E E N:

**VICTORIA PARK COMMUNITY HOMES INC.**  
(the "Owner")

- and -

**CITY OF HAMILTON**  
(the "Service Manager")

**WHEREAS** the Service Manager wishes to provide Rent Supplement Program benefits to qualifying households;

**AND WHEREAS** the Owner has agreed to provide accommodation to qualifying households, on condition that the Service Manager pays to it the difference between the full market rent for the units so occupied and the geared to income portion of the rent paid by such households;

**AND WHEREAS** the Service Manager may authorize an agent to administer the Rent Supplement Program on its behalf; and

**NOW THEREFORE** in consideration of the payments and terms contained in this Agreement, the Owner and the Service Manager Provider agree as follows:

### DEFINITIONS AND INTERPRETATIONS

1. Whenever, in this Agreement, the following words or phrases are used, they shall have attributed to them the following meanings:

"Act" means the *Housing Services Act, 2011*, S.O. 2011, c. 6, Sched. 1, as amended.

"initial payment date" means the date set out in Schedule "A", on which the Service Manager's obligation to make rent supplement payments for a unit commences under this Agreement;

"market rent" means the monthly market rent attributable from time to time to each rent supplement unit for the purpose of calculating rent supplement, as set out in Schedule "A";

"Owner" means Victoria Park Community Homes Inc., the private landlord that is the owner of the residential accommodation used in whole or in part under this Agreement and which is located at the address set out in Schedule "A";

"PIPEDA" means the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5;

"PIPEDA Protected Information" means any "Personal Information" or "Personal Health Information", as defined in PIPEDA;

"redecorate" means paint, plaster, refinish floors and repair appliances, plumbing fixtures, lighting fixtures, tile, doors, windows, screens, counter-tops, cupboards, and carpets;

"rent" means rent as defined in the *Residential Tenancies Act, 2008* ("RTA")

"rent supplement" means the difference between the monthly geared to income rent calculated for the tenant and the full market rent approved by the Service Manager for that rent supplement unit or any other amount that the Service Manager agrees to pay in relation to the full market rent approved by the Service Manager for that rent supplement unit;

"Rent Supplement Program" means any of the following: Strong Communities Rent Supplement Program ("Regular"), the Strong Communities Initiative for clients of the Ministry of Health and Long Term Care ("MOHLTC"), the Strong Communities Special Needs Initiative for clients of the Ministry of Community and Social Services ("MCSS"), the Ontario Community Housing Assistance Program ("OCHAP") or the Community Sponsored Housing Program ("CSHP");

"rent supplement tenant" means a tenant or household for whom a rent supplement will be paid to the Owner, in accordance with section 5, and to whom a unit has been leased;

"RTA" means the *Residential Tenancies Act*

"Schedule "A" is attached to and forms part of this Agreement, and can be amended from time to time by addendum duly signed by both parties;

"tenant" means a tenant of a unit selected from the wait list in accordance with this Agreement;

"unit" means a unit of accommodation listed in Schedule "A", to which this Agreement applies; and

"wait list" means the Service Manager's centralized waiting list system for access for social housing, as required under the Act.

- 2.(1) The laws of the Province of Ontario shall apply to the interpretation of this Agreement and any reference to a statute in this Agreement includes any subsequent amendments or replacement and substitution of that statute.
- (2) Whenever used in this Agreement, the word "shall" shall be construed as mandatory and the word "may" shall be construed as permissive.
- (3) The titles in this Agreement have been inserted for convenience and for reference only and in no way define, limit or enlarge the scope or meaning of any provision of this Agreement.
- (4) Where the context permits or requires, the singular shall include the plural and the plural shall include the singular.
- (5) All information relating to rent supplement tenants that is provided to, collected or maintained by the Service Manager is subject to the provisions of the *Municipal Freedom of Information and Protection of Privacy Act*, ("MFIPPA").
- 3.(1) Any notice, consent or approval, required or permitted to be given pursuant to this Agreement, shall be in writing and shall be delivered by personal service, ordinary mail, or by email, to the Owner or the Service Manager, as the case may be, at such address as the parties may designate, in writing, from time to time.
- (2) Any notice or communication delivered by personal service shall be deemed to have been given and received on the day it is delivered, provided that if such day is not a business day, the notice or other communication shall be deemed to have been given and received on the next business day. Any notice or other communication delivered by regular mail shall be deemed to have been received on the fifth business day after the day it was mailed. Any notice or other communication delivered by email shall be deemed to have been given and received on the day of its transmission, provided that such day is a business day and the transmission is completed before 4:30 p.m. on that day, failing which, the notice or other communication shall be deemed to have been given and received on the next business day.

## **TERM**

4. Notwithstanding the execution date of this Agreement, the Term of this Agreement is for five years commencing on January 1, 2017 and ending on December 31, 2022.

## LEASING OF UNITS

- 5.(1) The Owner shall lease the units only to such persons selected from the Service Manager's centralized wait list for rent-geared-to-income housing, unless otherwise referred to it, during the term, by the Service Manager.
- (2) The Owner shall select an applicant from the wait list every time a unit becomes available up to the maximum number of rent supplement units funded under this agreement.
- (3) The Owner shall only select applicants in accordance with the Service Manager's local rules and priorities.
- (4) The Owner and the Service Manager may amend Schedule "A", to add or delete units, adjust rental rates or make other adjustments as necessary from time to time with mutual consent.

## OWNER'S RESPONSIBILITIES

- 6.(1) The Owner shall:
  - (a) in respect of a tenant, prepare and have executed a lease, in its standard form, and provide a copy of the same to the Service Manager upon written request;
  - (b) collect from the tenants only the geared-to-income rent as determined by the Service Manager or its agent in accordance with the Act and any additional charges not prohibited by the RTA;
  - (c) not require the payment of the last month's rent in advance from any rent supplement tenant;
  - (d) change the geared-to-income rent collected from each rent supplement tenant, as directed by the Service Manager in accordance with the Act;
  - (e) serve each rent supplement tenant with notice of each and every increase in the full market rent for the unit, in the form, manner and within the time prescribed by the *Resident Tenancies Act, 2008* ("RTA");
  - (f) provide the Service Manager with a schedule detailing the rent supplement tenants served with a notice of increase, which includes the affected units and effective date, the new market rent and the percentage increase. Notification must be received by the Service Manager, at least 90 days prior to its effective date;
  - (g) give one copy to the Service Manager of any application affecting a unit, made by the Owner, under the RTA, within ten days of filing it;
  - (h) give one copy to the Service Manager of any order affecting a unit, made under the RTA, within 14 days of receipt by the Owner;
  - (i) not allow a rent supplement tenant to sublet or assign the lease;
  - (j) permit a rent supplement tenant to terminate their tenancy, at any time during the term, by giving written notice in accordance with the RTA, and forward to the Service Manager a copy of any notice given to the Owner, by the tenant, within five business days;
  - (k) notify the Service Manager in writing, if the Owner gives a notice of termination to a rent supplement tenant, receives a notice of termination from a rent supplement tenant, discovers that a unit has been abandoned by a rent supplement tenant or evicts a rent supplement tenant from a unit, within five business days of the event;
  - (l) treat the rent supplement tenants in the same manner and afford them the same privileges as are afforded to all other tenants;
  - (m) treat as confidential and shall not divulge to anyone, except the Service Manager, at any time, during or following the term of this Agreement or any renewal or extension thereof, any information or document given to or acquired by it, relating to the rent supplement tenants, without the prior

written consent of the Service Manager or except as otherwise required by law;

- (n) comply with PIPEDA in respect of all PIPEDA Protected Information collected, used or disclosed in connection with this Agreement;
- (o) provide the Service Manager with current rent rolls, when requested, for the building(s) in which the rent supplement units are located;
- (p) reconcile the rent supplement payments received on a monthly basis and notify the Service Manager of any discrepancies within 60 days; and,
- (q) for the OCHAP and CSHP programs only, submit annually to the Service Manager within four months following the end of the fiscal year an audited statement consisting of a balance sheet and a statement of revenue and expenditure for the year's operation, including an Annual Project Data Report consisting of:
  - a list of the incomes and family composition of the assisted tenants in all assisted units whether OCHAP/CSHP Certified or Federally Assisted;
  - a statement of rents in respect of each assisted unit indicating the project rent, rental assistance and the geared-to-income amount charged to each assisted tenant by the Owner;
  - the period of the tenancy of each assisted tenant of an assisted unit; and,
  - evidence acceptable to the Service Manager that income has been verified.

7. The Owner shall keep the units and the building in which the units are located, clean and fit for habitation, in a satisfactory state of repair, and in compliance with applicable Building Code and Fire Code requirements.

#### **SERVICE MANAGER'S RESPONSIBILITIES**

- 8.(1) Notwithstanding the payments made by the Service Manager pursuant to this Agreement, the normal relationship between landlord and tenant shall exist between the Owner and the rent supplement tenant.
- (2) The Service Manager shall not be responsible to the Owner for any breach of or failure by a rent supplement tenant to observe any of the terms of his lease with the Owner, including the covenant to pay rent.
- (3) The sole responsibility of the Service Manager to the Owner shall be limited to the payments required pursuant to this Agreement.
- (4) It is understood, for the purpose of this Agreement, that the Service Manager is not a tenant.

#### **PAYMENTS**

9. If:
- (a) upon a change of tenancy it is, in the opinion of the Service Manager with regard to industry standards, necessary to redecorate or conduct repairs to the interior of a unit, as a result of damage beyond reasonable wear-and-tear caused by the rent supplement tenant or persons permitted in the unit by them, and the landlord has obtained written authorization from the Service Manager;
  - (b) the damage is not the result of a peril which the Owner has insured against; and,
  - (c) the Owner, unless instructed to the contrary by the Service Manager, has made commercially reasonable efforts to collect the cost of repairing the damage from the rent supplement tenant, without success, then
- the Service Manager, upon receiving documentation which is satisfactory to the Service Manager acting reasonably to validate the expenses, shall reimburse the

Owner for all authorized and reasonable expenses incurred by them in repairing the damage to the unit.

- 10.(1) The Service Manager shall pay to the Owner, during the term of this Agreement, the rent supplement for each of the rent supplement units, in advance, on or before the first day of the month, for each and every month of the term of each lease.
- (2) If a rent supplement unit has been vacated, the Service Manager shall pay to the Owner, while the vacancy continues, an amount not exceeding the market rent for the month immediately following that in which the vacancy occurs. The Service Manager shall make no further payments thereafter with respect to the unit, until the unit has been leased to and occupied by a rent supplement tenant.
- (3) For participants in the OCHAP and CSHP programs the Owner shall submit its requests for rent supplement payments to the Service Manager, together with all required supporting reconciliation statements, in a form satisfactory to the Service Manager and at regular intervals established by the Service Manager, which intervals shall not be more often than monthly and not less often than annually. Following its review and approval of such requests and supporting statements, the Service Manager shall make any necessary adjustments to its applicable regular rent supplement payments to the Owner.

11. (1) Subject to subparagraph 11(3), if:

- (a) prevailing market rents for similar accommodation in the same building or complex, or where no similar accommodation exists in the same building or complex, then similar accommodation in the area have increased or decreased;
- (b) the Owner or the Service Manager requests an increase or decrease in the market rent for a unit, 90 days prior to the proposed effective date; and,
- (c) the full market rent for the unit has not been increased or decreased during the 12 calendar months immediately preceding the proposed effective date for the increase or decrease, then

the Owner and the Service Manager may negotiate and increase or decrease the full market rent for a unit to reflect the prevailing market rent for similar accommodation in the same building or complex, or where no similar accommodation exists in the same building or complex, then similar accommodation in the area. The increased or decreased full market rent for a unit shall be set forth in an addendum to Schedule "A" and incorporated into this Agreement and shall be applicable from the effective date set out in the addendum. Notwithstanding the foregoing, no increase in the full market rent for a unit shall be made unless the increase is in accordance with the provisions of the RTA.

- (2) In the event agreement is not reached 45 days prior to the effective date for the change in the market rent, the parties shall be bound by the determination of an independent appraiser, who shall determine the current full market rent for the units, as defined in the terms of this Agreement, in accordance with the professional standards of the Appraisal Institute of Canada. The cost of the appraisal shall be shared equally by the parties.
- (3) In anticipation of a unit becoming vacant and being re-occupied by a rent supplement tenant, between anniversary dates, the Owner and the Service Manager may agree in advance of occupancy by a rent supplement tenant to an increase or decrease in the full market rent for a unit. Such a proposed increase or decrease shall be set forth in an addendum to Schedule "A".

## **TERMINATION**

12. If the Owner:

- (a) fails to maintain the units and the building in which they are located in a satisfactory state of repair, clean and fit for habitation, and in compliance with applicable Building Code and Fire Code requirements;

- (b) fails to notify the Service Manager of a vacancy in a unit, within five business days of the event; or,
- (c) commits material breach of this Agreement and, having received notice from the Service Manager to remedy such breach within a period of 30 days or such longer period as deemed appropriate by the Service Manager, fails to commence or complete the remedy of such breach in a diligent manner within the notice period, then

the Service Manager may, on the occurrence of any or all of these events, at its option, terminate this Agreement or discontinue any or all of the rent supplements.

- 13. Either party may terminate this Subsidy Agreement at any time without cause, upon not less than 30 days' prior written notice to the other party.
- 14. If this Agreement is terminated under paragraph 12 or paragraph 13, the Owner shall permit the rent supplement tenants occupancy until their tenancy is terminated or until they cease to qualify for rent supplement program benefits, whichever first occurs, under the same conditions as to the payment of the rent supplement by the Service Manager and the Agreement shall remain binding on both parties, as if it were still in force, with the exception of ~~sub~~paragraph 5(b).

**Commented [A1]:** What section is this meant to refer to? There is no subparagraph 5b

**Commented [AS2]:** I believe this should have read paragraph 5 – which would release the Owner from the provisions of the agreement dealing with rent the units from the wait list etc.

## DISPUTE RESOLUTION

- 15. The parties agree that open and direct communication on an ongoing basis is the optimal method to mitigate serious conflicts developing under this Agreement. In the event that there is disagreement between the Owner and the Service Manager concerning either party's performance or any of its responsibilities under this Agreement, the following dispute resolution process, subject to section 16, shall be followed:

Stage 1:

- the problem shall be clearly identified by the parties
- the parties shall discuss possible resolutions to the problem
- resolution is determined by consensus

Stage 2:

- If the dispute is not resolved at Stage 1, the issue shall be escalated to the supervisor/managers of the individuals involved in the dispute
- the supervisors/managers shall discuss possible resolutions to the problem
- resolution is determined by consensus

Stage 3:

- If the dispute is not resolved at Stage 2, the issue shall be escalated to senior management of the parties
- resolution is determined by consensus, if possible

- 16. The parties agree that nothing contained in paragraph 15 shall affect or modify the rights of early termination under this Agreement or any other remedies that may be available at law.

## Indemnification

- 17. The Owners acknowledges that the Service Manager shall not be liable to the Owner or any other party in relation to the provision of the rent supplements under this Agreement and the parties agree that the Owner shall not be deemed an agent of the City for any purpose.
- 18. The Owner covenants and agrees to defend, indemnify and save harmless the Service Manager from any and all claims, demands, losses, charges, liabilities, actions, causes of action and any other proceeding of any nature made or brought against, suffered or imposed upon the Service Manager or its property in respect of any loss, damage, injury or death to any person or property directly or indirectly

arising out of, resulting from or sustained by reason of the Owner's failure to perform its obligations under this Agreement.

**Commented [A3]:** I don't understand why the housing provider would indemnify the City for following the terms of this Agreement. I'd think it should be a failure to perform. If the City intended something else, I'll need further explanation re their intention

**Independent Contractor**

- 19. It is expressly understood by the parties that the Owner is acting as an independent contractor in the performance of this Agreement and that the Owner, its officers, directors, employees or agents shall not be deemed to be the employees, agents, partners of, or in a joint venture with the City.
- 20. This Agreement revokes and replaces all previous agreements.
- 21. This Agreement shall extend to, be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns, as the case may be.

**Commented [AS4R3]:** I would expect to see this actually. The City is often named or co-named in actions or claims by tenants (usually via the Legal Clinics) regarding matters that may or may not be solely the responsibility of the Owner.

In Witness Whereof the parties hereto have executed this Agreement.

Signed this \_\_\_\_\_ of \_\_\_\_\_ 2017

**Victoria Park Community Homes Inc.**

Per: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Per: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I / We have the authority to bind the corporation

**City of Hamilton**

Per: \_\_\_\_\_  
Print Name: Vicki Woodcox  
Title: Acting General Manager, Community & Emergency Service

**Schedule "A"**

**Victoria Park Community Homes Inc.**

**Commented [A5]:** To be completed by Vic Park the week of November 27 and provided to the City for review

Municipal Address	No. of Units	Unit Size (No. of Bedrooms)	Market Rent	Initial Payment Date
2 Greig Street; or 1247 – 1255 Fennell Avenue East (VP10)	1			
15-27 Lotus Street; 75-19 Caledon (VP11)	3			
151 Queen Street North (VP25)	25			
40 Oxford Street (VP26)	20			
Techumseh (VP29)	1			

Note: Tenants pay for their own hydro

The following services and appliances shall be provided by the Owner and shall be included in the full market rent: Heat; Water; Hot Water; Refrigerator; Stove.  
The Service Manager shall not pay for any parking charges.