

Granville Gardens Subsidy Policy

Qualifications and Procedures

Definitions

Arrears

A member's unpaid, overdue debts to the co-op. Arrears are typically the monthly housing charge, but can also include other unpaid debts to the co-op.

Child

A person who is under the age of 19 years.

Family Unit

- a person
- a person and their spouse
- a person, their spouse, and, if either person has children, any children that live with them
- and as defined in the co-op's Operating Agreement with CMHC

Income-Tested Assistance, or Rent-geared-to-income (RGI) assistance ("Subsidy")

Financial assistance provided to a qualified household so that the household pays housing charges based on their income. This dollar amount closes the gap between the member contribution (housing charge) and the maximum housing charge that would be otherwise payable.

Maximum Housing Charge

The monthly occupancy charge paid by a household that is not receiving any income-tested assistance

Recognized Educational Institution

A recognized educational institution is

- A school as defined in the *University Act*, the *Thompson Rivers University Act*, the *Open Learning Agency Act*, the *University of Northern British Columbia Act*, or the *Royal Roads University Act* as a university
- A college of applied arts and technology, established under the *College and Institute Act*
- A private career college, as defined in the *Private Career Training Institutions Act*
- A private school, as defined in the *Independent Schools Act*
- All education institutions, other than universities, which are located in Canada.

Spouses

If two individuals self-identify as “spouses”, they are considered “spouses” for the purpose of determining subsidy eligibility

Statutory Declaration

- A written statement, signed by the household member(s), witnessed and sealed by a Notary Public

Support payment

- A payment required by
 - A court order for support based on the Federal Divorce Act or the BC Family Relations Act, or
 - A legal domestic contract such as a separation agreement, a paternity agreement, a marriage contract, or a co-habitation agreement

Two person family

A two person family consists of either two spouses or a parent and child

Wheelchair Accessible Units

Units with special features to meet the needs of people with certain physical disabilities who may require wheelchair accessible housing

Basic Eligibility for Every Household

- At least one member of the household is 19 years of age or older and is a principal shareholder
- At least one member of the household is able to live independently, with or without support services
- Each member of the household is a Canadian citizen, or a permanent resident of Canada or has applied for permanent resident status
- No removal order has become enforceable against any member of a household
- No member of the household has misrepresented their income to get RGI assistance.
 - If a member of the household has misrepresented their income to get RGI assistance, that household cannot reapply for RGI assistance for two years from the date the misrepresentation occurred unless the difference in subsidy overpayment has been repaid or the member has entered into a repayment agreement.
 - A household may apply earlier if the member of the household who misrepresented their income is no longer a part of the household and the co-op is satisfied that the current members of the household did not know the former member was misrepresenting their income or could not have prevented it.
- No member of the household owes arrears to the Co-op
 - Unless a member of the household has signed and is following an agreement to repay the money owing, or
 - A member of the household has made reasonable efforts to enter into a repayment agreement to the satisfaction of the Board of Directors.

Failure to obtain income

- If the co-op is of the opinion that a household may be eligible for certain types of income, the co-op will give the household written notice stating the co-op's expectation of the member(s) to try to obtain this income. The types of income include, but are not limited to:
 - BC Employment and Assistance;
 - Support payments under the *Divorce Act*, *BC Family Relations Act* or the *Reciprocal Enforcement of Support Orders Act*;
 - Employment Insurance benefits;
 - A pension or supplement under Part 1 or II of the *Old Age Security Act*, for example, Old Age Security, Guaranteed Income Supplement, Guaranteed Annual Income System;
 - Support or maintenance from a sponsor under the *Immigration Act*
 - Other potential government income programs that may apply
- The written notice will
 - Identify the type of income the household may be eligible for
 - Set a reasonable time for the household to inform the co-op of their efforts to get this income
- The household may become ineligible for subsidy assistance if
 - They do not respond to a notice from the co-op within the time set out in the notice
 - The co-op decides that the household has not made a reasonable effort to obtain this income
- Should the member(s) be ineligible for, or unable to obtain income from the prescribed sources above, a statutory declaration must be provided by all adults residing in the unit

Ceasing to be Eligible for RGI

A household may cease to qualify for RGI assistance if

- The household does not meet an eligibility requirement.

Student living away from home

A student attending school away from home is a member of the household, if the student meets all these conditions:

- is in regular attendance at a recognized educational institution and confirmation has been provided to the co-op ;
- lives in the co-op and with the household while not attending school; and
- depends in whole or in part, on the household for financial support.

Eligibility Review

The co-op will undertake reviews of RGI eligibility as follows:

- Annually, for (OA) all recipients of RGI assistance
- When the co-op is notified of a change in income, assets, or household size or composition, or existing RGI households being considered for a transfer of units within the co-op
- If CMHC requires a review
- Before approving RGI assistance to a unit

Determining RGI Assistance Level

Annual Income Verification

All members of a household, including children who are 16 years of age or older and not in full time attendance at a recognized educational institution, must report all of their income and income producing assets. Applicants must also provide the required supporting documents, as determined from time to time and confirmed by the Board of Directors, including a CRA Tax Notice of Assessment for all residents 18 or over. Housing charge calculations are based on the total, annual gross income of the household paid in monthly installments.

Included Income

Income from Regular Employment

- consecutive pay stubs covering an 8-week period. The pay stubs must include the employer's name and address and which pay periods are covered, or
- a letter from an employer stating gross annual income and any overtime pay or bonuses. This letter must be on company letterhead, recently dated, and contain the telephone number and signature of the letter writer.

Income from Irregular Employment (seasonal, intermittent)

- current income documents such as payroll stubs, a letter from an employer, or a record of EI benefits, and
- a copy of the Notice of Assessment from the previous tax year (available from Canada Revenue Agency).

Income from Self-Employment

- Self-employment includes
 - freelance workers
 - independent contractors
 - sole proprietors of a business
 - a partner in a business operated as a LLP
 - a owner/shareholder in an incorporated company
- If the member of the household has been self-employed **for less than one year**, the member must provide a financial statement every 3 months
- after the first year of business, if not incorporated, the Member must provide the working copy of the income tax return, including the Statement of Business Activities and a Notice of Assessment (available from Canada Revenue Agency)
- If the business is incorporated, the member must provide, Personal Income Tax Notice of Assessment and copies of the T3, T4, T5 or any other documentation of income from the incorporated business

Employment Insurance (EI)

- a copy of a benefit statement showing the gross weekly amount and period of payment

Workers Compensation Income Replacement Benefits

- a copy of a benefit statement showing the gross amount and period of payment

Pension, long-term disability, or annuity income, including the liquidation or payout of RIFs

- a copy of a current cheque stub which shows the gross amount of income and how often it is paid, or
- a slip issued for income tax purposes showing the annual amount of the pension, disability or annuity income, or
- a letter from the pension manager stating the amount of the payment

Income-producing assets

- Income-producing assets are investments which produce income such as interest, dividends, rental property income or any other form of asset which generates income paid to the member(s).

Interest-bearing bank or credit union accounts

Term deposits, GICs, treasury bills, bonds or debentures

Stocks, shares or mutual funds

Receiving child or spousal support payments

- a copy of the support agreement, separation agreement, paternity agreement, marriage contract, co-habitation agreement, or court order, and
- a letter or account statement from a lawyer or the Family Maintenance Enforcement Office, or
- a statutory declaration stating how much the member receives and how often they receive it

BC Employment and Assistance Benefits or Disability Support Program payments

- a copy of the benefit statement, unless the housing charge is paid directly to the co-op by the Province

Excluded Income

Payments, refunds, or credits from the provincial or federal government such as

- Income tax refunds
- Canada Child Tax Benefits, Universal Child Care Benefit, Working Income Tax Benefit
- Rebates of any Additional Property Tax Grant paid to eligible members additional grant is available to other categories in addition to the over 65
- A child benefit received from the Canada Pension Plan
- A survivor's death benefit received from Canada Pension Plan
- A special allowance for resettlement assistance
- Student loans
- Insurance settlements, inheritances, disability awards and sale of effects
- Earnings of children in regular attendance at recognized institutions of learning; funds for tuition including scholarships, bursaries, and contributions from non-resident family members.

Employment related payments

- An allowance or payment for childcare, transportation, tuition, or other expenses for a person enrolled in a job training or employment related program
- An allowance for travel expenses related to employment while away from home
- An allowance for room and board expenses if a person is employed away from home
- Allowances for uniform laundering, employee provided transport and similar employer compensation for expenses incurred by the employee as a condition of employment
- A loan from a government agency or financial institution used to support a business

Assets

- Registered Retirement Savings Plan (RRSP) and Registered Education Savings Plan (RESP), although any interest paid out or funds withdrawn from an RRSP is income
- a lump sum payment received as the result of a decision by a court or tribunal
- a lump sum insurance payment
- money received on the death or injury of a household member as damages or compensation for
 - pain and suffering
 - reasonable expenses
- an inheritance
- lottery winnings
- a loan to the individual

Excluded Income from Disposal of Assets

- the proceeds from the sale of personal assets such as furniture, equipment, or an automobile

Excluded Gifts

- a casual gift or casual payment of small value
- a donation from a religious, charitable, or benevolent organization (not on an ongoing basis)

Excluded Interest Income

- interest accrued on a prepaid funeral plan
- interest, income, or dividends earned on a RRSP or on a RESP which remain within the RRSP or RESP

Excluded Education or Training Income

- income received by a full-time student at a recognized primary or secondary institution if the student
 - is a child of a member of the household
 - has always lived with the household with the exception of short periods while in full-time attendance at a recognized educational institution
 - does not have a spouse
 - does not have dependant children

- income received by a full-time student, up to the age of 25, in a recognized educational institution.
 - has always lived with the household with the exception of short periods while in full-time attendance at a recognized educational institution
 - does not have a spouse
 - does not have dependent children
 - has not been out of secondary school for more than 5 years at the start of the current period of study
- bursary for a full-time secondary school student
- an award or grant from the Ministry of Advanced Education for a student at a post-secondary institution. This includes a loan or grant from Student Aid BC.
- a grant under the federal Employment Insurance Act received by a person receiving social assistance. This grant must be used to pay for a training course approved under the provincial Employment and Assistance Act
- a Canada Education Savings Grant if it was paid into a Registered Education Savings Plan for a child of a member of a family unit
- Proceeds of an RESP where the named beneficiary is the student.

Excluded Home Care Allowances

- attendant care allowances if the attendant does not have employment elsewhere.
- disabled children's allowances
- subsidies for adoptive parents
- expense portion of foster care payments
- allowances paid for Children in Care of Relative
- payments from a trust or life insurance policy or gifts or voluntary payments made on behalf of a disabled person, that will not be reimbursed, including
 - expenses for items or services needed because of the household member's disability
 - education or training expenses incurred because of the household member's disability

Excluded Income for Veterans and Victims of War

- a periodic or lump sum war reparation payment
- a benefit from Veterans Affairs Canada under the Veterans Independence Program or a special allowance under the Veterans Disability Pension Program

Excluded Income for Aboriginal People

- a payment received from the federal government or a bank for board and lodging of a student attending secondary school off the reserve

Calculating Income

- Income will be verified and averaged to convert to provide a total, annual amount, which then can be attributed to a monthly average.
- Income will be applied to the year in which the Member received it.

Regular employment income

- The housing charge percentage calculation is based on gross monthly income, less Employment Related Allowances Gross income is the employee's income before

deductions for income tax, EI payments, RSP contributions, CPP payments, union dues, and so on. To find an employee's gross annual income, find out how often the person is paid and convert the amount to annual income.

- Regular employees are usually paid
 - at the middle and the end of each month (semi-monthly), or
 - every 2 weeks (bi-weekly)
- Semi-monthly pay is received 24 times a year. Bi-weekly pay is received 26 times a year. Use the following table to determine gross annual average amounts.

Income Frequency	Calculation Factor
Annual	Use total amount
Semi-monthly (twice a month)	X24, then divide by 12
Weekly	X52, then divide by 12
Bi-weekly	X26, then divide by 12
Daily	X5, X52, then divide by 12

Fluctuating income

- A household member's income may change from month to month. For the first year of fluctuating income, the housing charge will be calculated every three months based on the income verification provided for the previous three months.
- After the first year, the subsidy assistance will be calculated based on the income from the previous year's tax return. If there is a change in income greater than 5% during the year, the Member must notify the co-op so that the RGI assistance may be recalculated. A statutory declaration should be provided stating the amount of tips or gratuities, or commissions, if any, received during the period and at the discretion of the co-op

Determining Percentage of Income to Calculate Housing Charges

- Review the income verification form for completeness
- Determine who lives in the household and the level of assistance the member qualifies for based on the household composition and the unit size
- Calculate the average annual income for each person in the household
- Determine the adjusted annual income by deducting support payments, if any, and employment related allowances
- Apply the approved percentage charged rate to the income using monthly averages

Tax Assessment Requirement

- All income-tested members must provide the co-op with their tax assessment prior to May 1 for the preceding year. If the income amount is greater than declared the member will be charged back the difference between subsidy received and the amount that would have been received using the income on the tax notice.