



Hastings County
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**Hastings County Community and Human Services
Hastings Local Housing Corporation
Administrative Policies and Procedures**

SUBJECT: Asset Limit Policy		
APPROVED BY: Hastings County Council		
POLICY #: HP / HLHC 18		
ORIGINAL ISSUED	SUPERCEDES	CURRENT VERSION
March 2020	October 2022	January 2025

PURPOSE

The purpose of this policy is to determine asset limits for rent geared-to-income tenants in Hastings County. The asset limit is intended to ensure that available housing subsidies are targeted for those with the greatest financial need.

SCOPE

This policy will apply to former Federal/Provincial Non-Profit and Co-operative housing, rent supplement, affordable housing and the Hastings Local Housing Corporation.

REQUIREMENT

- In September of 2019, as a result of the 2019 Auditor General’s Report, the Provincial Government announced changes to the *Housing Services Act, 2011* (HSA) requiring Service Managers (SM) to introduce asset limits in determining eligibility for rent-geared-to-income (RGI) housing.
- Applicants applying for rental subsidies will only be able to be on the centralized waiting list for Hastings County if they are eligible to receive a rental subsidy.
- The household asset amount cannot be more than \$50,000 (excluding value of assets listed in O. Reg. 367/11, s. 32 (5), *Housing Services Act, 2011*). See attached list.
- Tenancies started before November 1, 2020 will not be affected by the introduction of an asset limit providing they do not *acquire* an asset valued at \$50,000 or more (excluding exempt assets).
- Social assistance clients (i.e., Ontario Works and Ontario Disability Support Program clients) will be exempt from local asset rules in cases where all household members are part of a social assistance benefit unit.

Disposal of Assets:

- When a household disposes of assets, the Service Manager/Provider can undertake a determination regarding both the adequacy and the intent of the disposal.
 - If determined that the assets were disposed of inadequately (i.e., for less than fair market value) or for the purpose of qualifying for RGI assistance, the Service Manager/Provider must proceed to deem the household ineligible for the waitlist or RGI assistance for a period of two (2) years.
- Fair market value means the money that would have been received if the asset(s) were sold in a competitive situation, taking into consideration the conditions of the market and the attributes of the asset, such as age, condition e.g., operational status), demand for and location of the asset.
- When non-exempt assets are transferred to exempt assets (i.e., inheritance to a pre-paid funeral) the new exempt asset will not be considered when determining eligibility. When exempt assets are transferred to non-exempt assets (i.e., the value of funds in a RRSP to a bank account) then that non-exempt asset will be considered for the purposes of determining eligibility. When an improper transfer of assets has occurred, the transferred assets may be considered non-exempt.
- When determining value of a home, it will be determined by:
 - Current MPAC assessment (verified by MPAC)
 - Minus Mortgage Balance (verified by bank)
 - = Equals Potential equity
 - Once property is actual, proceeds of sale will be considered equity

Excluded Assets:

1. The value of the interest of a member of the household in a motor vehicle that is not used primarily for the operation of a business by a member of the household.
2. The value of tools of a trade that are essential to the work of a member of the household as an employee.
3. The value of assets of a member of the household that are necessary to the operation of a business that the member operates or has an interest in.
4. The value of a prepaid funeral.
5. The cash surrender value of a life insurance policy.
6. The proceeds of a loan taken against a life insurance policy that will be used for disability-related items or services.
7. If a member of the household has received a payment under the *Ministry of Community and Social Services Act* for the successful participation in a program of activities described in paragraph 9 of section 26 of Ontario Regulation 134/98 (General) made under the *Ontario Works Act, 1997*, the value of any portion of that payment that, within a time that is reasonable in the opinion of the service manager, will be used for the member's post-secondary education.
8. The value of funds held in a Registered Education Savings Plan, as defined in section 146.1 of the *Income Tax Act* (Canada), for a child of a member of the household.

9. The value of funds held in a Registered Retirement Savings Plan (RRSP) or Registered Retirement Income Fund (RRIF), as per Ontario Regulation, 367/11, s. 32 (5).
10. The value of funds held in a Locked-In Retirement Account (LIRA) or a Life Income Fund (LIF).
11. The value of the clothing, jewellery and other personal effects of a member of the household.
12. The value of the furnishings in the accommodation used by the household, including decorative or artistic items, but not including anything used primarily for the operation of a business.
13. The value of the beneficial interest in a trust of a member of the household who has a disability if the capital of the trust was derived from an inheritance or from the proceeds of a life insurance policy.
14. The value of funds held in a Registered Disability Savings Plan, as defined in section 146.4 of the *Income Tax Act* (Canada), if the beneficiary of the plan is a member of the household.
15. The value of funds held in an account of a member of the household in conjunction with an initiative under which the service manager or an entity approved by the service manager commits to contribute funds towards the member's savings goals.

RESPONSIBILITY

Households with assets above the asset limit will not be eligible for a rent geared-to-income subsidy.

REFERENCES

Housing Services Act, 2011
O. Reg. 367/11, s. 32.5