



Chapter 1

INTRODUCTION

The rent calculation information in this section will assist:

- Non-profit society staff and volunteers responsible for calculating tenant rent contributions for people paying rent-geared-to-income (RGI).
- Co-op members or co-op management staff responsible for calculating housing charges for members paying a housing charge geared-to-income.
- BC Housing staff responsible for calculating tenant rent contributions for people in rent-geared-to-income developments managed by BC Housing.

For convenience, we use the term “housing provider” to refer to all three groups. In addition, residents of each type of housing are referred to as “tenants,” and the term “rent” is used for tenant rent contributions and co-op housing charges.

You can use this information to calculate how much people in subsidized, or “rent-geared-to-income (RGI) housing,” will contribute for rent. But the rent calculation process does not apply to:

- Provincial Housing Program Homeless / At Risk (HAR) or Lower Income Urban Singles (LIUS) developments, where there is a flat rent at the door.
- Provincial Housing Program non-RGI tenants.
- Tenants receiving subsidy through the SAFER program.

Note: The information in this section applies to rent calculations processed as of October 1, 2000 or later. If you are reviewing or recalculating an RGI rent contribution for an earlier date, please contact the Rent Calculation Help Desk, at 604-439-4167, or 1-800-257-7756, local 4167, for assistance.

Subsidy Payments

The amount each tenant pays for rent is used to determine the subsidy BC Housing provides to the housing provider.

As tenants move in and out or experience a change in income, BC Housing adjusts the subsidy payment.

Why Calculate Rent?

Rent calculations ensure everyone who receives a rent subsidy pays an equal portion of their income towards rent.

We use BC Housing’s Rent Scale to ensure income and rent contributions are calculated consistently for everyone. The rent scale lists what income is included, what is excluded, and the minimum or flat rent charges for different types of income. (See [pages 13-17](#) for an explanation of minimum and flat rent charges.)

You should have a copy of the Rent Scale with your operating agreement. To obtain a copy, please contact our Rent Calculation Help Desk at 604-439-4167, or toll free at 1-800-257-7756, local 4167.



Tenant Rent Contribution (TRC)

Notify BC Housing

Remember to advise BC Housing whenever a TRC is calculated to ensure we pay the correct subsidy amount for the unit.

The amount a tenant pays is a contribution toward the market rent or economic rent (the estimated operating costs for the unit), and is called the Tenant Rent Contribution (TRC). BC Housing provides subsidies to make up the difference between tenant rent contributions and the operating costs. The amount people contribute to rent depends on:

INCOME SOURCES AND AMOUNT

All adults age 19 or older must declare their gross monthly income from all sources. This amount is reviewed annually. If income has increased, the tenant rent contribution will rise as well. If someone's income goes down, the rent contribution can be recalculated and lowered right away.

HOUSEHOLD COMPOSITION

Tenant rent contribution is based on the number of people in a unit and their relationship to each other, not on the number of bedrooms. We explain how to determine household composition on [page 10](#).

When to Calculate Tenant Rent Contributions

A tenant's rent contribution must be calculated in each of the following situations:

NEW TENANTS

Calculate the tenant rent contribution and submit the rent form to BC Housing each time someone moves into a subsidized unit.

TRANSFERS

If an existing tenant transfers from one subsidized unit to another, you need to fill out a new form to apply for the subsidy at the new address.

RENT ADJUSTMENTS

Rent adjustments may occur between annual reviews when there is a:

- *Decrease in income* ~ Tenants can apply for a rent reduction if their income decreases, and the decrease is expected to be permanent. The rent decrease will take effect on the first of the month after the change occurs. There is no minimum amount income must decrease before a rent adjustment can be processed.
- *Change in the family composition* ~ When new occupants who are 19 or older join or leave the unit. No adjustment is required if a child 18 or under joins or leaves the family, unless the change results in a decrease in household income.
- *Short-term adjustment* ~ A previous rent calculation was set as a short-term adjustment and has expired, when someone is receiving Employment Insurance, for example. Then the household's income and rent contribution are reviewed.



If a tenant receives an increase in income between annual reviews, their rent is usually not adjusted until the next review, unless household income is being reviewed for one of the above reasons.

One Less Form

A New Tenant's Previous Accommodation form is no longer required for developments built under the federal/provincial housing program between 1986 and 1992, and in ILM Co-ops.

ANNUAL REVIEW

Once a year, tenants who receive rent subsidies must declare their current income and family composition to determine if they remain eligible for subsidy.

The annual review takes place at the same time for all RGI tenants living in a non-profit or co-operative housing development. Typically, the review occurs on the anniversary date of your initial occupancy of the development.

Three and a half months prior to the review date, we send out an annual review package, which contains a printout listing all tenants and a supply of blank forms for the review. Send the annual rent review form to each tenant to complete.

For tenants in BC Housing developments, the annual review typically occurs on the anniversary of the tenant's move in date. But the review date changes if there's a change in family composition, or the tenant transfers to another unit.

There are two situations when a tenant is not required to complete a form for the annual review:

New Tenants

Tenants who move into an RGI unit within three months of the annual review date do not need to complete another rent form for the annual review. In this situation, you need to:

- Include a photocopy of the new tenant's original rent form or the rent form from move in with the annual review package, or
- Specify on the new tenant's rent form that the purpose of the form is to calculate the rent contribution and unit subsidy for both the move in and annual review dates.

Automatic Rent Calculations

BC Housing may automatically set rent for the coming year for tenants with predictable incomes that don't change from year to year. For example:

- Seniors over the age of 65 who receive Old Age Security and Guaranteed Income Supplement (OAS/GIS) and have no other income.
- Single tenants or couples whose only income is from disabled benefits through income assistance.

BC Housing will advise you if any tenants in your development qualify for an automatic rent calculation for the coming year, and the amount of the rent.

You will need to notify the tenant of the rent amount and effective date, and ask if their income source has changed since the previous year. If their income has changed and they are receiving income from a different source than last year, complete an annual review instead.

Rent Form

We use the term "rent form" to refer to the *Application for Rent Subsidy, or Declaration of Income and Assets*.



Forms Required

NON-PROFIT AND CO-OP HOUSING DEVELOPMENTS

Application for Rent Subsidy

- Includes the tenant's family composition and total household income and assets, information that's used to determine eligibility for a rent subsidy.

Notification of Tenancy Change

- Provides dates units are vacated.
- Summarizes the reasons *Application for Rent Subsidy* forms are being submitted and the effective dates for each change.

Samples of these forms are included in the appendix on [pages 60 and 61](#). We'll give you a supply of forms each year with the annual review package. If you need additional forms, please contact our Housing Services department at 604-439-4167.

BC Housing wants to ensure all residents can access the information in our forms. If you have a resident who needs assistance to complete or read the forms, please contact Housing Services and we can arrange translation services or provide electronic versions of our forms. For example, a blind tenant may wish to have an electronic version of the form to use with a screen-reading program.

DEVELOPMENTS BC HOUSING DIRECTLY MANAGES

Declaration of Income and Assets (DIA)

- Rent-Geared-to-Income DIA – This version is used for tenancies that began after November 1, 1989.
- DIA – This version is required for tenancies that began prior to November 1, 1989, or in some specific communities. Check with Housing Services if you need more information.

RENT SUPPLEMENTS

(Provided directly to tenants living in private rental accommodation)

Application for Rent Subsidy

- Includes the tenant's family composition and total household income and assets, information that's used to determine eligibility for a rent subsidy.



Need More Help?

If this section does not answer all your rent calculation questions, please call BC Housing for assistance at:

Housing Services ~ Rent Calculation Help Desk

601 – 4555 Kingsway
Burnaby, BC V5H 4V8

Phone: 604-439-4167, or toll free at 1-800-257-7756, local 4167

Email: rentdesk@bchousing.org

Hours of Operation

8:30 am to 4:30 pm
Monday – Friday
(Excluding statutory holidays)
