

Thank you for continuing efforts to support tenants during these trying times. The purpose of this bulletin is to give clarity about the Provincial rent freeze and where it applies and does not apply.

**The Government of BC rent freeze does not apply to tenants in subsidized housing who pay a rent-gear-to-income (RGI) rent contribution.**

---

### Why does the rent freeze not apply to subsidized housing?

Tenants in subsidized housing do not pay a market rent. They pay a contribution towards the cost of their rental unit. The amount they pay is calculated based on household composition and income and is called a Tenant Rent Contribution (TRC). The provincial moratorium on market rent increases does not apply to rent geared to income tenancies or the calculation of TRCs.

### What happens if an RGI tenant experiences an income loss?

Unlike tenants who live in market units, tenants who pay a TRC based on income, may be eligible to apply for a rent adjustment if they experience a decrease in income.

- RGI Tenant Rent Contributions should continue to be calculated annually as per regular processes.
- Please review the [Rent Calculation Guide](#) for more information on when rent adjustments can and should be processed mid review period.

### Resources to assist with communicating this information to RGI tenants

To help communicate this information to RGI tenants, BC Housing has created:

- A [poster](#) that you can post in offices or buildings.
  - An [insert](#) that can be included when returning *Application for Rent Subsidy Forms* to rent geared to income tenants advising them of new Tenant Rent Contributions.
- 

### What about Lower End of Market (LEM) or Affordable Market Rent Units?

The moratorium on rental increases **does apply** to households that pay Market Rent for their units. If you manage buildings with LEM or Affordable Market Rent units, please note that:

- Any notice of rent increase forms previously issued with an effective date between March 30, 2020 and July 9, 2021, **are no longer valid**.
- A new notice of rent increase form must be issued to all market tenants and the earliest that an increase can come into effect is August 2021.

- Landlords cannot combine 2020 rent increase and 2021 rent increases. The maximum rent increase amount in 2021 is 1.4%.

As always, when issuing a new notice of rent increase, tenants must be given no less than three full months notice before the increase takes effect. For example, for an increase to be effective August 1, 2021, a notice must be given before May 1, 2021.

Go to the RTB website for more information or to download the correct *Notice of Rent Increase* form: <https://www2.gov.bc.ca/gov/content/housing-tenancy/residential-tenancies/covid-19#RI>

### **What happens on unit turnover?**

When a LEM or market rent unit becomes vacant, the market rent can be adjusted and reset before entering into a new tenancy agreement.

### **What about LEM rents in HOMES BC and the calculation of repayable assistance?**

For HOMES BC developments with LEM units:

- BC Housing will suspend processing any scheduled LEM rent increases for the purposes of repayable assistance and budget recalculation.
- Any market rent appraisals due during the rent freeze will be postponed to the following fiscal year. Please note, your 5-year budget cycle will not be impacted.
- As noted above, continue to review and reset the LEM rents as reasonable upon unit turnover.

### **Monitoring and Reporting**

As this period of uncertainty continues, it is more important than ever that we have accurate information on the impact that COVID-19 is having on rent revenues and vacancy loss. This will allow us to plan and forecast budgets accurately.

If your operating agreement requires reporting of tenancies and TRCs to BC Housing, we are asking for your cooperation to make sure that all changes are submitted in a timely manner. We ask that all updates, including move outs, move ins, rent adjustments and Annual Reviews, are submitted/entered as soon as possible after calculating and no later than 2 weeks after the effective date of the calculation.

- Online Rent Calculation: Please make sure all tenancy changes (move outs and move ins), rent adjustments and scheduled Annual Reviews are entered into the Housing Connections database.
- Paper Rent Calculation: Please submit completed *Notification of Tenancy Change* form(s) and corresponding *Application for Rent Subsidy* forms providing effective dates and TRC amounts to BC Housing as per normal processes.