

Supplementary Budget – Briefing Note

2022 Budget

Decrease in RGI Subsidy for Private Non-Profits (PNP)

Briefing Note required for:

- items +/- \$50,000 or more
- changes in FTE
- Council Priority requests

Dept	Division	Item	Base Supp	Amount	FTE Impact
CHS	Housing Services	Decrease in RGI Subsidy for Private Non-Profits	B	(\$64,578)	

Background:

Each year the rent geared to income (RGI) subsidy for the private non-profit projects is adjusted to the corresponding approved PNP budgets. The RGI subsidy is dependant on the actual projected RGI income. So as the private non-profits number of RGI units fluctuates from year to year this affects the amount of RGI subsidy they are entitled to receive.

Comment:

The RGI subsidy is calculated by A minus B where A and B are defined below:

- A. The lesser of:
 - I. Benchmark market rent multiplied by the number of RGI units multiplied by 12
 - II. Actual market rent multiplied by the number of RGI units multiplied by 12
- B. The actual projected RGI income

The yearly benchmark rent increases are done in accordance to the indices released each year by MMAH.

