SUBSIDY BY-LAW

A BY-LAW RESPECTING THE PROVISION OF SUBSIDIES TO MEMBERS OF THE CO-OPERATIVE

BE IT ENACTED as a By-law of BURNHAMWOOD CO-OPERATIVE HOMES INC. (hereinafter referred to as "the Co-operative") as follows:

1. DEFINITIONS:

For the purpose of this agreement, the following definitions shall apply:

(a) **"Income Tested"** – means those occupants paying the occupancy charge determined by the rent-geared-to-income scale, but less than the maximum project occupancy charge, and whose incomes are subject to an annual review, and\or the units occupied by such occupants.

(b) **"Rent-to-Income Scale"** – means the schedule of occupancy charges, charged in accordance with the income of the occupants as contained in this agreement or such revised or amended schedule of occupancy charges as directed by the Corporation from time to time. This schedule will only be applied to income-tested occupants.

(c) **"Income"** – for the purposes of this agreement, "income" shall refer to the aggregate gross income, in whatever form received of all members of the family, Long-Term Guests, Co-Occupants, or of an individual where applicable,

Including:

1. Gross salaries, wages, overtime payments, commissions, bonuses, tips, gratuities;
2. Grants, scholarships or bursary payments;
3. Gross annual income from any form of self-employment;
4. Gross amounts of unemployment insurance benefits;
5. Gross amount of workers' compensation payments, or accident insurance or illness or disability;
6. Gross amount of Old age security, income supplement, and Gains;
7. Gross amount of CPP and any kind of pension, benefit and annuity;
8. Gross amount of alimony, separation, maintenance or Support payments; (If member declares that they do not receive support payments for their children or themselves, then the co-op needs legal documented proof);
9. Gross amount of gains from investments including dividends, stocks, shares and other securities;
10. Gross interest income from savings or chequing accounts in a bank, trust company or credit union, Bonds, debentures, term deposits or investments, certificates mortgages, capital gains or lump sum payments or other assets;

Excluding:

1. Earnings of children who are still attending school\college\university.
2. Living out or travelling allowances of a family head.
3. Earnings of a working spouse of up to $900 per annum.
4. Income from any source other than social assistance payments of a one-parent family of up to $900 per annum.
5. Child Tax Credit.
6. GST
7. Working income tax benefit
8. Provincial credits
9. Ontario Energy Credit
10. Ontario Trillium Benefits

(d) **Rent Reductions for Children:**
A reduction of $2 per month is allowable for each child.

2. OCCUPANCY CHARGES:

(a) All applications for subsidy and all subsidy agreements entered into by prospective income-tested occupants shall be in a form acceptable to the Corporation and shall be signed by at least one of the members or by all occupants (except dependents) if the occupants are not a family.

(b) The Co-operative shall obtain evidence of the income of the income-tested occupants at the time of initial application for subsidy and on an **annual anniversary date** as established by the Co-operative thereafter and adjust the amount of occupancy charge to be paid by the occupant in accordance with the change in income.

(c) The occupancy charge to be paid by the income-tested occupants need not be increased more frequently than annually.

(d) **"Monthly Subsidy"** - means that the Co-operative may reduce the occupancy charge of an income-tested occupant who provides adequate evidence that the income has decreased since the last annual income review. The charge shall be reinstated when the income of the occupant increases to its original amount. All occupants who are receiving subsidy on a monthly basis must provide their proof of income by the 8th of the month for which subsidy is required.

This "proof of income" must show any and all funds received in the prior month.

3. ELEGIBILITY:

(a) Only members of the Co-operative shall be eligible for subsidy.

(b) Regulations governing specific criteria for eligibility shall be approved from time to time by the Board of Directors and the Membership at Large and distributed to all members.

(c) **Maximum & Minimum Subsidy Available:**
In no case shall the subsidy amount exceed 35% of the Gross Household Income.
In no case shall the minimum subsidy amount be less than $100 per adult living in the unit.

4. APPLICATION PROCESS:

(a) All subsidy monies shall be allocated on a monthly or annual basis depending on the fluctuation of gross income.

(b) All applications for subsidy must be accompanied by appropriate documentation verifying the income of the applicant(s).

(c) **No subsidy shall be granted retroactively.**

(d) All subsidies shall terminate automatically at the end of each fiscal year of the Co-operative.

(e) The terms and conditions under which any subsidy is granted shall be the subject of an agreement signed by the member requesting and the Co-operative, and no monies shall be allocated unless and until such agreement is signed.

(f) Not later than two months prior to the end of the Fiscal Year, written notification will be circulated to all members stating that all subsidy applications and income verifications for the coming fiscal year must be received in the Co-operative office within thirty (30) days.

(g) Written notice shall be given to all applicants for subsidy of the decision of their application and the amount, if any, of any subsidy allocated in respect to the application.

(h) New applications for subsidy may be submitted by members at any time during the Fiscal Year, with the understanding that any agreement that may be signed will terminated at the end of the fiscal year in which it was signed.

(i) Any applicant who is denied subsidy may appeal the decision of the Board of Directors or to a committee designated by the Board of Directors to hear such appeals.

5. EARLY TERMINATION:

1. Any subsidy agreement may be terminated prior to the end of the Fiscal Year by resolution of the Board of Directors for any one of the following reasons:

   (a) failure to abide by the By-laws of the Co-operative

   (b) failure to abide by the Housing Agreement

   (c) failure to abide by the Subsidy Agreement

   (d) willful falsification of the income verification

   (e) failure to report additional household income within thirty (30) days of any such change

6. ADMINISTRATION:

1. The Co-operative's co-ordinator or manager shall be responsible for the day-to-day administration of the funds in the Subsidy Pool, as well as allocating those funds to applicants for subsidy.

2. The Co-operative's Treasurer shall review the operations of the Subsidy Pool and make periodic reports to the Board of Directors regarding the number of families receiving subsidy, as well as summarizing the income and expenses of the Subsidy Pool for that period.

7. AMENDMENT:

This By-law may be amended by resolution of the general members at a meeting called for that purpose. Written notice of such meeting containing the details of proposed amendments shall be given to the members ten days in advance of the meeting. The quorum for such a meeting shall be 30% of the members, and in order to pass, 66 2\3% of the valid votes cast must be cast in favour of the resolution to amend.

This By-law was passed by the Board of Directors of BURNHAMWOOD CO-OPERATIVE HOMES INC., on **February 23, 2016** and the Members at Large on **April 16, 2016**.

Authorized Signing Officer

Authorized Signing Officer

This By-law was confirmed by at least two-thirds of the votes cast by the General Membership at a meeting called for that purpose on **April 26, 2016**.

Authorized Signing Officer

Authorized Signing Officer

Terms of the Member's Housing Charge Subsidy

1. The co-op members decide on the housing charge as stated in the Occupancy By-law. The co-op will reduce the member's housing charge by the amount of the subsidy that the member is entitled to. This amount is determined under the Housing Charge Subsidy By-law or in a decision of the co-op. This Housing Charge Subsidy By-law has priority.
2. Once a year, the member will have to update the record of all persons in the member's household and their incomes. The member will have to give proof of current household income. The member must include the income of **all** member of the household, Long Term Guests and any Co-Occupants. The members on a Monthly or Temporary Subsidy must report their income on or before the 8th of the month for which subsidy is required.
3. The co-op will investigate the member's financial situation when it decides on the member's subsidy. The member must give the co-op any and all information it needs for this investigation.
4. All members of the household agree that the co-op can receive, through its employees or agents, credit information from any credit agency or other sources.
5. The Board can end the member's right to subsidy if the member or anyone in the member's household does not give the co-op the requested information. The member's subsidy ends if the member or anyone in the member's household breaks any term of the Housing Charge Subsidy By-law.
6. All personal information that the co-op receives during its investigation must be kept confidential.
7. The member must pay back all or part of the member's subsidy if the member:
   a) fails to report an increase in household income, or receives a larger subsidy that the member is entitled to.
   b) gives false information about household income - if all income is not declared in order to obtain more subsidy, they will **immediately and permanently** be removed from receiving any subsidy funds in the future.
8. If the member is required to pay back any subsidy, the member will still be held responsible for this repayment even after the member's Occupancy or co-op membership ends.
9. **You must be living in the Co-op for 1 year before you can apply for subsidy**

I agree to abide by the Housing Charge Subsidy By-law, and the terms of the above.

Signature of Members:

Member 1. _____ Date: _____

Member 2. _____ Date: _____

Member 3. _____ Date: _____

FAILURE TO COMPLY WITH THIS "BY-LAW" COULD RESULT IN EVICTION THROUGH THE LANDLORD AND TENNANT BOARD