

Rental Assistance Program

Over-Housing under the Rental Assistance Program

What is over-housing?

Every household paying a reduced charge under CMHC's Rental Assistance Program must declare its income and composition once a year. The household must promptly report changes to either one that occur between annual reviews.

A household receiving assistance is considered over-housed if it has a unit with more bedrooms than the co-op's occupancy standards permit.

What are the occupancy standards?

Occupancy standards spell out the number of bedrooms each size of household should have. The National Occupancy Standards apply to households assisted under the Rental Assistance Program unless the co-op expressly adopts a different standard. (You will find the National Occupancy Standards in the program [Reference Guide](#).) Many co-ops will choose to apply a one-person-per-bedroom standard for simplicity. Your co-op is free to set a different standard as long as it is not more generous than the simple rule of one person per bedroom.

Whatever they are, your co-op's standards need to be set out in its rules (B.C.), by-laws, policies or written occupancy agreements.

Are exceptions allowed?

Certain exceptions to the National Occupancy Standards are allowed. A person with a disability may need more space for storing essential equipment. They may need a bedroom for an attendant who regularly provides care at night but is not a household member. (Note that an attendant who has no other residence *is* a

household member and is counted when the standards are applied. Their income is counted too.)

An extra bedroom may also be needed for a child, according to a parent's custody agreement, or when a household is preparing to foster or adopt. The co-op should ask for documentation to support such requests and save it in the member's file. Co-ops with more generous occupancy standards will find that most such needs are covered. Exceptions will be very rare.

What happens when a household is over-housed?

An assisted household that is ready to pay an over-housing charge may choose to live in a larger unit than the co-op's occupancy standards allow. It does not need to prove that it needs the space. If the household would prefer to move to a smaller unit, the co-op must offer it one. The household does not have to pay an over-housing charge while waiting for the smaller unit. It has thirty days from the date of the co-op's offer to accept or refuse the move. If it accepts, no over-housing charge is payable. If it declines, it must pay an over-housing charge, starting six months after the date of the co-op's original offer.

Over-housing charges are a fair and respectful alternative to asking households to move. They let co-ops strike a balance between making full use of the housing available and letting assisted members decide for themselves how to spend their money. They also protect against any charge that low-income households have extra living space at public expense.

How much is the over-housing charge?

The over-housing charge is the difference between the full housing charge for the household's current unit and the full charge for the unit the co-op's occupancy standards would give the household. Where the housing charge varies for units with the same number of bedrooms, the co-op must use the average charge for that unit size. The over-housing charge will need to change whenever the co-op's full housing charges change.

What if the co-op has no units of the right size?

If your co-op has no units of the right size, you may offer the household a unit of the size closest to it. Let's take the case of a person living alone in an assisted three-bedroom unit. If your co-op has no one-bedroom units, you may offer the person a two-bedroom unit. If the member accepts the offer, no over-housing charge will apply, even though, technically, they will still be over-housed. Note that it is not appropriate to offer households units that are too small for their household size. So, you would not ask a family of three living in a four-bedroom unit to move to a one-bedroom unit.

Do the same rules apply to households receiving social assistance?

Yes, your occupancy standards must apply to all households. Households receiving social assistance have the same right as other assisted households to pay an over-housing charge or move to a smaller unit when one is available.

Our co-op had over-housing charges already when the Rental Assistance Program began. Do we have to change anything?

It depends. If the occupancy standards in your rules, by-laws, policies or occupancy agreement meet the program rules and your over-housing charge is set as required above, you don't need to change anything. Otherwise, you should

- update your rules, by-laws, policies and occupancy agreements as soon as you can
- adjust your existing over-housing charges, if need be

When you review your current rules, by-laws, policies and occupancy agreement, make sure they also say

- when an over-housing charge applies
- when an over-housing charge does not apply
- how the over-housing charge is set
- that a household can opt to move to a smaller unit, if one is offered

[CMHC's Reference Guide](#) provides more information on over-housing, occupancy standards, exceptions to the National Occupancy Standards and over-housing charges. Please refer to the guide or contact your Rental Assistance Officer for more information.

Created: November 2020

Revised: August 2022

For more information please contact us at agency.coop.