

## HSA/SHRA Comparison Table Consent Provisions

SHRA Consent Reference	HSA Comparator	Key Considerations/Decision Points for Service Managers
<p><b>Restrictions re mortgage financing</b></p> <p>9. (1) A service manager shall not establish a system or process to enable more than one housing provider, acting jointly, to renew or replace mortgage financing unless the service manager has the prior written consent of the Minister to do so. 2000, c. 27, s. 9 (1).</p> <p><b>Restrictions on mortgage, etc.</b></p> <p>95.(3) A housing provider shall not mortgage, replace an existing mortgage or otherwise encumber the housing project, or extend the term of or otherwise amend any existing or approved mortgage or other encumbrance of the housing project, unless,</p> <p>(a) it does so in compliance with such rules as may be prescribed; or</p> <p>(b) the Minister has given his or her prior written consent. 2000, c. 27, s. 95 (3).</p>	<p><b>Certain housing projects</b></p> <p>162. (1) This section applies with respect to,</p> <p>(a) a Part VII housing project as defined in section 73; and</p> <p>(b) a designated housing project with respect to which a pre-reform operating agreement applies. 2011, c. 6, Sched. 1, s. 162 (1).</p> <p><b>Consent required for certain transactions</b></p> <p>(2) The housing provider may mortgage the housing project or the land where it is located only with the written consent of the service manager in whose service area the housing project is located. 2011, c. 6, Sched. 1, s. 162 (2).</p> <p><b>No liability for changes, etc.</b></p> <p>177. No cause of action arises against the Crown in right of Ontario or an agent of the Crown in right of Ontario as a direct or indirect result of a change to, or discontinuance of, the system or process established by the Minister before this section came into force for renewing or replacing mortgage financing for housing providers. 2011, c. 6, Sched. 1, s. 177.</p>	<p>S. 177 is a significant change from the SHRA.</p> <p>Under the SHRA, service managers were not permitted to manage mortgages directly without ministerial consent. Under the HSA, Service Managers have the flexibility to make whatever mortgage renewal decisions are locally appropriate. However, if the Service Manager chooses to renew a mortgage outside the provincially administered pool, the service manager is responsible for any related costs, including mortgage default.</p>
<p>25. (1) A local housing corporation shall not issue shares without the prior written consent of the Minister unless,</p> <p>(a) they are issued to,</p> <p>(i) the related service manager,</p> <p>(ii) a related municipality,</p> <p>(iii) a non-profit corporation controlled by the related service manager or a related municipality, but only if an object of the non-profit corporation is the provision of housing, or</p> <p>(iv) a non-profit housing corporation that is incorporated under section 13 of the <i>Housing Development Act</i> and that is controlled by the related service manager or a related municipality; and</p> <p>(b) the share issuance does not result in the related service manager owning legally or beneficially less than a majority of the issued and outstanding common shares in the capital of the local housing corporation. 2000, c. 27, s. 25 (1).</p>	<p><b>Share issue – restriction</b></p> <p>32. A local housing corporation shall not issue shares unless,</p> <p>(a) the Minister consents in writing; or</p> <p>(b) the requirements prescribed for the purposes of this clause are satisfied. 2011, c. 6, Sched. 1, s. 32.</p> <p><b>Reg. 367/11 Share issue — restriction, s. 32 (b) of the Act</b></p> <p>13. The following requirement is prescribed for the purposes of clause 32 (b) of the Act:</p> <p>1. The local housing corporation must still be a local housing corporation under section 30 of the Act after the shares are issued. O. Reg. 367/11, s. 13.</p>	<p>No material change.</p>

SHRA Consent Reference	HSA Comparator	Key Considerations/Decision Points for Service Managers
<p><b>Restrictions on share transfers, etc.</b></p> <p>(2) A shareholder of a local housing corporation shall not, without the prior written consent of the Minister, transfer or encumber the shareholder's legal or beneficial ownership in shares in the capital of the local housing corporation, and the local housing corporation shall not, without the prior written consent of the Minister, permit, acquiesce in, approve, ratify, recognize or register any transfer or encumbrance of legal or beneficial ownership in shares in its capital, unless,</p> <p>(a) the transfer or encumbrance is made to or in favour of,</p> <p>(i) the related service manager,</p> <p>(ii) a related municipality,</p> <p>(iii) a non-profit corporation controlled by the related service manager or a related municipality, but only if an object of the non-profit corporation is the provision of housing, or</p> <p>(iv) a non-profit housing corporation that is incorporated under section 13 of the <i>Housing Development Act</i> and that is controlled by the related service manager or a related municipality; and</p> <p>(b) the transfer or encumbrance does not and cannot result in the related service manager owning legally or beneficially less than a majority of the issued and outstanding common shares in the capital of the local housing corporation. 2000, c. 27, s. 25 (2).</p>	<p><b>Share transfer, etc. – restriction</b></p> <p><b>33.</b> (1) A shareholder of a local housing corporation shall not transfer or encumber shares unless,</p> <p>(a) the Minister consents in writing; or</p> <p>(b) the requirements prescribed for the purposes of this clause are satisfied. 2011, c. 6, Sched. 1, s. 33 (1).</p> <p><b>Reg. 367/11</b></p> <p><b>Share transfer, etc. — restriction, s. 33 (1) (b) of the Act</b></p> <p><b>14.</b> The following requirements are prescribed for the purposes of clause 33 (1) (b) of the Act:</p> <p>1. For a transfer, the local housing corporation must still be a local housing corporation under section 30 of the Act after the transfer is made.</p> <p>2. For an encumbrance,</p> <p>i. the encumbrance must be in favour of an entity or corporation listed in subsection 30 (1) of the Act, and</p> <p>ii. the encumbrance must not be transferrable, except to another entity or corporation listed in subsection 30 (1) of the Act. O. Reg. 367/11, s. 14.</p>	<p>Although the wording is different there is no material change.</p>
<p><b>Restriction on amalgamation</b></p> <p><b>26.</b> (1) A local housing corporation shall not amalgamate with another corporation without the prior written consent of the Minister unless the other corporation is,</p> <p>(a) a non-profit corporation controlled by the related service manager or a related municipality, but only if an object of the non-profit corporation is the provision of housing; or</p> <p>(b) a non-profit housing corporation that is incorporated under section 13 of the <i>Housing Development Act</i> and that is controlled by the related service manager or a related municipality. 2000, c. 27, s. 26 (1).</p> <p>(2) Despite clause 2 (3) (a) of the <i>Business Corporations Act</i>, a local housing corporation may amalgamate with a corporation described in clause (1) (a) or (b) by way of an arrangement described in clause 182 (1) (d) of the <i>Business Corporations Act</i>. 2000, c. 27, s. 26 (2).</p>	<p><b>Amalgamation – restriction</b></p> <p><b>34.</b> A local housing corporation shall not amalgamate with another corporation unless,</p> <p>(a) the Minister consents in writing; or</p> <p>(b) the requirements prescribed for the purposes of this clause are satisfied. 2011, c. 6, Sched. 1, s. 34</p> <p><b>367/11 Amalgamation — restriction, s. 34 (b) of the Act</b></p> <p><b>15.</b> The following requirement is prescribed for the purposes of clause 34 (b) of the Act:</p> <p>1. The corporation that will result from the amalgamation must be a local housing corporation under section 30 of the Act. O. Reg. 367/11, s. 15.</p>	<p>The HSA is slightly less prescriptive than the SHRA. Under the HSA, as long as the result of the amalgamation is a local housing corporation ministerial consent is not required.</p>

SHRA Consent Reference	HSA Comparator	Key Considerations/Decision Points for Service Managers
<p><b>Restriction on voluntary dissolution</b></p> <p>27. A local housing corporation shall not, without the prior written consent of the Minister, be voluntarily dissolved unless all real property that was transferred to the local housing corporation by a transfer order has been transferred to one or more of the following persons:</p> <ol style="list-style-type: none"> <li>1. The related service manager.</li> <li>2. A related municipality.</li> <li>3. A non-profit corporation controlled by the related service manager or a related municipality, but only if an object of the non-profit corporation is the provision of housing.</li> <li>4. A non-profit housing corporation that is incorporated under section 13 of the <i>Housing Development Act</i> and that is controlled by the related service manager or a related municipality. 2000, c. 27, s. 27.</li> </ol>	<p><b>Voluntary wind-up or dissolution – restriction</b></p> <p>35. A local housing corporation shall not be voluntarily wound up or dissolved unless,</p> <ol style="list-style-type: none"> <li>(a) the Minister consents in writing; or</li> <li>(b) the requirements prescribed for the purposes of this clause are satisfied. 2011, c. 6, Sched. 1, s. 35.</li> </ol> <p><b>Voluntary wind-up or dissolution — restriction, s. 35 (b) of the Act</b></p> <p>16. The following requirement is prescribed for the purposes of clause 35 (b) of the Act:</p> <ol style="list-style-type: none"> <li>1. When steps were first taken to wind-up or dissolve the corporation the corporation must not have owned any real property that was transferred under a transfer order under Part IV of the former Act. O. Reg. 367/11, s. 16.</li> </ol>	<p>No material change. Local housing corporations that own former public housing property cannot be dissolved without the consent of the Minister.</p>
<p><b>Restrictions, real property</b></p> <p>50. (1) Any real property transferred by a transfer order cannot be transferred or mortgaged or otherwise encumbered, developed or redeveloped and an interest in the property cannot be granted or disposed of by any person without the prior written consent of the Minister. 2000, c. 27, s. 50 (1).</p> <p><b>Exception</b></p> <p>(2) Despite subsection (1), a transferee may do the following things without the consent of the Minister:</p> <ol style="list-style-type: none"> <li>1. Lease an individual unit in a housing project located on the real property for a term not exceeding one year.</li> <li>2. Lease a part of the property that is not residential, if the transfer of the property by the transfer order has been registered as required by section 43.</li> <li>3. Transfer or mortgage or otherwise encumber the property or grant or dispose of an interest in the property to or in favour of, <ol style="list-style-type: none"> <li>i. the related service manager,</li> <li>ii. a related municipality,</li> </ol> </li> </ol>	<p><b>Real property transferred under a transfer order</b></p> <p>161. (1) This section applies with respect to real property that was transferred under a transfer order made under Part IV of the former Act. 2011, c. 6, Sched. 1, s. 161 (1).</p> <p><b>Consent required for certain transactions or activities</b></p> <p>(2) A person may mortgage or develop the real property only with the written consent of the service manager in whose service area the real property is located. 2011, c. 6, Sched. 1, s. 161 (2).</p> <p><b>Consent required</b></p> <p>(3) A person may transfer the real property only with the written consent of the Minister. 2011, c. 6, Sched. 1, s. 161 (3).</p> <p><b>Clarification of scope</b></p> <p>(4) For greater certainty, the restrictions under subsections (2) and (3) apply to a person even if the person is not the transferee under the transfer order referred to in subsection (1). 2011, c. 6, Sched. 1, s. 161 (4).</p>	<p>This section of the HSA and s. 140 of Reg. 367/11 is specific to Public Housing.</p> <ul style="list-style-type: none"> <li>- Ministerial consent is required for transfer (sale) unless the transfer is in favour of the service manager, a local municipality or a housing corporation owned by the service manager or a local municipality</li> <li>- Service Manager consent is required for encumbrances other than mortgage renewals and development/redevelopment</li> <li>- Consent is not required for easements or expropriations</li> </ul>

**Restrictions, real property continued**

- iii.a non-profit corporation controlled by the related service manager or a related municipality, but only if an object of the non-profit corporation is the provision of housing, or
  - iv. a non-profit housing corporation that is incorporated under section 13 of the *Housing Development Act* and that is controlled by the related service manager or a related municipality.
- 4. Transfer or mortgage or otherwise encumber the property, develop or redevelop the property or grant or dispose of an interest in the property if,
  - i. the transfer of the property by the transfer order has been registered as required by section 43, and
  - ii. the transaction complies with such criteria as may be prescribed. 2000, c. 27, s. 50 (2).

**Prescribed exceptions**

(5) The following apply with respect to a transaction or activity prescribed for the purposes of this subsection:

1. Consent is not required under subsection (2) or (3) for the transaction or activity.
2. If a document is to be registered or deposited under the *Registry Act* or the *Land Titles Act* in respect of a transaction for which the exemption in paragraph 1 is being relied on, the document must include a statement, in a form approved by the Minister, containing the information specified by the Minister.
3. A statement included under paragraph 2 is deemed to be conclusive evidence of the facts stated in it for the purposes of determining whether consent is not required under subsection (2) or (3). 2011, c. 6, Sched. 1, s. 161 (5).

**Consent for all future mortgages, etc.**

(6) The service manager may give a written consent, for the purposes of subsection (2), for all future mortgages and developments and the following apply with respect to such a consent:

1. Where such a consent is given, subsection (2) ceases to apply in respect of the real property.
2. The consent must be registered, in the form approved by the Minister, under the *Registry Act* or the *Land Titles Act*. 2011, c. 6, Sched. 1, s. 161 (6).

**Consent for all future transfers, etc., Minister**

(7) The Minister may give a written consent, for the purposes of subsection (3), for all future transfers and the following apply with respect to such a consent:

1. Where such a consent is given, subsection (3) ceases to apply in respect of the real property.
2. The consent must be registered under the *Registry Act* or the *Land Titles Act*. 2011, c. 6, Sched. 1, s. 161 (7).

See notes from previous page

SHRA Consent Reference	HSA Comparator	Key Considerations/Decision Points for Service Managers
<p><b>Restrictions, real property continued</b></p>	<p><b>Real property transferred under a transfer order, exceptions, s. 161 (5) of the Act</b></p> <p><b>140.</b> (1) The following are prescribed, for the purposes of subsection 161 (5) of the Act, as transactions and activities relating to real property described in subsection 161 (1) of the Act for which consent is not required under subsection 161 (2) or (3) of the Act:</p> <ol style="list-style-type: none"> <li>1. The lease of a unit in a housing project on the real property, if the term of the lease does not exceed one year.</li> <li>2. Subject to subsection (2), the lease of a part of the real property, other than a unit.</li> <li>3. The transfer or mortgage of real property in a service area to or in favour of, <ol style="list-style-type: none"> <li>i. the service manager,</li> <li>ii. a municipality in the service manager’s service area, other than a municipality that forms part of the service manager for municipal purposes, or</li> <li>iii. a corporation, one of whose objects is the provision of housing and that is controlled by an entity described in subparagraph i or ii.</li> </ol> </li> <li>4. Subject to subsection (2), the transfer of real property, for the purpose of road widening, to an entity that has the power to expropriate land.</li> <li>5. Subject to subsection (2), the transfer of an easement or right of way if, <ol style="list-style-type: none"> <li>i. the purpose of the easement or right of way is to facilitate the provision of a service to a housing project,</li> <li>ii. the easement or right of way will not reduce the number of units in a housing project that are occupied by households receiving rent-geared-to-income assistance or that are modified units as defined in subsection 41 (2) of the Act and will not significantly affect any other aspect of the operation of a housing project, or</li> <li>iii the transfer is to an entity that has the power to expropriate land</li> </ol> </li> <li>6. Subject to subsections (2) and (3), the development of real property, other than a housing project, if the development is required to bring a housing project into compliance with an Act or Regulation other than the Act or a Regulation under the Act.</li> </ol>	<p>See notes from previous page</p>

SHRA Consent Reference	HSA Comparator	Key Considerations/Decision Points for Service Managers
<p><b>Restriction on transfer, etc., of housing project</b></p> <p><b>95.</b> (1) Subject to subsections (2) and (2.1), a housing provider shall not, without the prior written consent of the service manager and the Minister, transfer, lease or otherwise dispose of or offer, list, advertise or hold out for transfer, lease or other disposal, a housing project or any part of it, including any chattels in it. 2000, c. 27, s. 95 (1); 2006, c. 11, Sched. B, s. 13 (1).</p>	<p>162. (1) This section applies with respect to,</p> <ul style="list-style-type: none"> <li>(a) a Part VII housing project as defined in section 73; and</li> <li>(b) a designated housing project with respect to which a pre-reform operating agreement applies. 2011, c. 6, Sched. 1, s. 162 (1).</li> </ul> <p>(2) The housing provider may mortgage the housing project or the land where it is located only with the written consent of the service manager in whose service area the housing project is located. 2011, c. 6, Sched. 1, s. 162 (2).</p> <p>(3) The housing provider may transfer the housing project or the land where it is located only with the written consent of the Minister. 2011, c. 6, Sched. 1, s. 162 (3).</p> <p>(4) Consent is not required under subsection (2) or (3) for a transaction prescribed for the purposes of this subsection. 2011, c. 6, Sched. 1, s. 162 (4).</p> <p><b>Certain housing projects, exceptions, s. 162 (4) of the Act</b></p> <p><b>141.</b> The following are prescribed, for the purposes of subsection 162 (4) of the Act, as transactions relating to housing projects described in subsection 161 (1) of the Act for which consent is not required under subsection 162 (2) or (3) of the Act:</p> <ul style="list-style-type: none"> <li>1. The lease of a unit in a housing project, if the term of the lease does not exceed one year.</li> <li>2. The lease of a part of a housing project or the land where it is located, other than a unit.</li> <li>3. If a housing project is operated by a non-profit housing co-operative, <ul style="list-style-type: none"> <li>i. the grant of a right to occupy a member unit, or</li> <li>ii. the grant of a right to occupy a non-member unit for a term not exceeding one year.</li> </ul> </li> <li>4. The transfer or mortgage of a housing project in a service area or the land where it is located if the service manager has provided the Province with an indemnity relating to the transfer or mortgage that is acceptable to the Minister.</li> <li>5. The renewal or replacement of a mortgage if the renewal or replacement was in accordance with a system or process established by the Minister and the renewal or replacement does not increase the outstanding principal or alter the remaining amortization period. O. Reg. 367/11, s. 141.</li> </ul>	<p>Federal and Part VII Housing Providers must obtain the Service Manager’s consent to mortgage their properties.</p> <p>Ministerial consent is required for transfer (sale) of a Part VII housing property.</p> <p>Consent is not required for leases or for mortgages renewed through the provincially administered mortgage pool.</p>

SHRA Consent Reference	HSA Comparator	Key Considerations/Decision Points for Service Managers
<p><b>Amendment, termination or replacement</b></p> <p>(3) The housing provider and the service manager may amend, terminate or replace the mandate by an agreement in writing. 2000, c. 27, s. 99 (3).</p> <p><b>Mandate s. 99. Same, special needs housing</b></p> <p>(4) The housing provider and the service manager shall not amend or terminate a mandate that refers to special needs housing unless they have the prior written consent of the Minister to do so. 2000, c. 27, s. 99 (4).</p>	<p><b>Mandates under former Act</b></p> <p>76. (1) A mandate of a housing provider established under section 99 of the former Act continues with respect to a Part VII housing project despite the repeal of that section. 2011, c. 6, Sched. 1, s. 76 (1).</p> <p>Amendment, etc.</p> <p>(2) The housing provider and the service manager may amend, terminate or replace the mandate by a written agreement. 2011, c. 6, Sched. 1, s. 76 (2).</p>	<p>Ministerial consent is no longer required when a Service Manager and a housing provider agree to amend a special needs mandate. However, it should be noted that if the mandate change alters the housing provider's status as a special needs housing administrator, provincial assistance would be required to amend Schedule 3 of O. Reg. 367/11.</p>
<p><b>Benchmark operating costs</b></p> <p>107. (3) The Minister shall determine an amount under subsection (1) only once, unless the housing provider to whom the amount applies and the Minister agree that the amount should be changed. 2000, c. 27, s. 107 (3).</p>	<p>Reg. 369/11</p> <p><b>Indexed benchmark operating costs</b></p> <p>6. (4) To reflect a change in the circumstances of a housing provider, the Minister may, after consulting with the housing provider and the service manager, determine a different indexed benchmark operating cost for the fiscal year for an item to be used instead of what would otherwise be calculated under clause (1) (a). O. Reg. 369/11, s. 6 (4).</p>	<p>The SHRA provided for benchmark changes upon agreement by the housing provider and the Minister, without requiring consultation with the Service Manager. The HSA requires the consultation with the Service Manager.</p>
<p><b>Enforcement</b></p> <p>With limited exceptions, Ministerial consent was required before a Service Manager implemented a remedy</p>	<p>Ministerial consent is only required if sale or transfer of a housing project is proposed by the Service Manager or a Court appointed receiver.</p>	<p>With the exception of transfer (sale), Service Managers do not require to implement a remedy under the HSA.</p>
<p><b>S. 35 – Transfer Order restrictions (for former federal programs)</b></p> <p>The Transfer orders restricted Service Manager powers under former federal operating agreements, requiring ministerial consent to any redevelopment, amalgamations, changes to encumbrances, mortgages, or sale.</p>	<p><b>Restrictions cease</b></p> <p>178. (2) A restriction contained in a transfer order under section 35 of the former Act ceases to be of any effect upon the repeal of the former Act. 2011, c. 6, Sched. 1, s. 178 (2).</p>	<p>Under the HSA, with the exception of approving a transfer (sale) per s. 162, Service Managers have the full powers of CMHC for purposes of administering CMHC operating agreements.</p>