



Social Services

District of Sault Ste. Marie Social Services
Administration Board

Conseil d'Administration des Services du District Sault Ste. Marie
Zhawenimi-Anokiitaagewin



AGENDA

DSSMSSAB REGULAR BOARD MEETING

Thursday, January 16, 2020 at 4:30 PM

390 Bay Street, Suite 405

DSSMSSAB Board Room

1. CALL TO ORDER

2. Election of Executive

Election to be conducted by the CAO.

1. Chairperson
2. Vice-Chair
3. Secretary
4. Treasurer

REFERENCE: 2019 Executive: Chair–S. Hollingsworth, Vice-Chair–J. Gawne, Secretary–D. Edgar, Treasurer–M. Bruni

Resolution #20-001

Moved By: L. Dufour

Seconded By: R. Niro

- 2.1 **“BE IT RESOLVED THAT** the slate of officers in the positions of Chair, Vice Chair, Secretary, and Treasurer for the 2020 District of Sault Ste. Marie Social Services Administration Board executive positions be accepted as elected

Chairperson -
Vice-Chair -
Secretary -
Treasurer -

3. APPROVAL OF AGENDA

Resolution #20-002

Moved By: M. Bruni

Seconded By: K. Lamming

- 3.1 “**BE IT RESOLVED THAT** the **Agenda for January 16, 2020** District of Sault Ste. Marie Social Services Administration Board meeting be approved as presented.”

4. DECLARATIONS OF PECUNIARY INTEREST

5. APPROVAL OF PREVIOUS MINUTES

Resolution #20-003

Moved By: J. Gawne

Seconded By: P. Christian

- 5.1 “**BE IT RESOLVED THAT** the Minutes from the District of Sault Ste. Marie Social Services Administration Board meeting dated **December 12, 2019** be adopted as recorded.”

6. MANAGER REPORTS

EARLY YEARS

Resolution #20-004

Moved By: L. Dufour

Seconded By: M. Bruni

- 6.1 “**BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the January 16, 2020 Fee Subsidy Update Report of the Director of Early Years services as information.”

HOUSING

Resolution #20-005

Moved By: J. Gawne

Seconded By: R. Niro

- 6.2 “**BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the January 16, 2020 report of the Housing Programs Manager of Housing Services and inform the Ontario Government of our need to continue to retain negative operating subsidies and amend the *Housing Services Act, 2011* to give Service Managers authority to incorporate flexible funding formulas between the Service Manager and Non-Profit housing providers once they reach end of mortgage.”

Resolution #20-006

Moved By: M. Bruni

Seconded By: K. Lamming

- 6.3 “**BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the January 16, 2020 Canada-Ontario Community Housing Initiative (COCHI) and Ontario Priorities Housing Initiative (OPHI) Investment Plan Report of the Director of Housing Services and approve the proposed change in the 2020-2021 OPHI investment plan as outlined in the report.”

Resolution #20-007

Moved By: R. Niro

Seconded By: S. Hollingsworth

- 6.4 “**BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the January 16, 2020 Investment in Affordable Housing (IAH) Allocation Amendment report of the Director of Housing Services and amend the funding allocation for Year 6 2019-2020 as outlined in the report.”

7. CAO / ADMINISTRATION

Resolution #20-008

Moved By: K. Lamming

Seconded By: D. Edgar

- 7.1 “**BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board now enter into closed session for education and labour relations purposes.”

Resolution #20-009

Moved By: L. Dufour

Seconded By: P. Christian

7.2 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board now returns to open session.”

8. CORRESPONDENCE

9. OTHER BUSINESS / NEW BUSINESS

Tour of Second Line West Project

10. ADJOURNMENT

Resolution #20-0

Moved By: M. Bruni

Seconded By: R. Niro

10.1 **"BE IT RESOLVED THAT** we do now adjourn."

NEXT REGULAR BOARD MEETING

Thursday, February 20, 2020 4:30 PM
390 Bay Street, Suite 405



Social Services

District of Sault Ste. Marie Social Services

Administration Board

Conseil d'Administration des Services du District Sault Ste. Marie

Zhawenimi-Anokiitaagewin



MINUTES

DSSMSSAB REGULAR BOARD MEETING

Thursday, December 12, 2019 at 4:30 PM

390 Bay Street, Suite 405

DSSMSSAB Board Room

| | | | |
|-----------------|--|---|---------------------------|
| PRESENT: | S. Hollingsworth R. Niro M. Bruni | K. Lamming L. DuFour P. Christian | D. Edgar J. Gawne |
| STAFF: | M. Nadeau R. Rushworth L. Bruni | D. Petersson A. Kohler M. Ceglie | S. Ford C. Fairbrother |
| GUESTS: | David Thompson – Chair, Habitat for Humanity | | |

1. CALL TO ORDER at 4:30 PM by S. Hollingsworth, Board Chair

2. APPROVAL OF AGENDA

Resolution #19-138

Moved By: J. Gawne

Seconded By: M. Bruni

2.1 **“BE IT RESOLVED THAT the Agenda for December 12, 2019 District of Sault Ste. Marie Social Services Administration Board meeting be approved as presented.”**

CARRIED

3. DECLARATIONS OF PECUNIARY INTEREST
NONE

4. APPROVAL OF PREVIOUS MINUTES

Resolution #19-139

Moved By: L. Dufour

Seconded By: K. Lamming

- 4.1 “**BE IT RESOLVED THAT** the Minutes from the District of Sault Ste. Marie Social Services Administration Board meeting dated **November 14, 2019** be adopted as recorded.”

CARRIED

5. MANAGER REPORTS

CORPORATE SERVICES

Resolution deferred from November 14, 2019

Resolution #19-132

Moved By: L. Dufour

Seconded By: R. Niro

- 5.1 “**BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the November 14, 2019 2020 Budget Report of the Director of Corporate Services and approve the 2020 operating budget as presented.”

CARRIED

5.2 Resolution #19-140

Moved By: P. Christian

Seconded By: K. Lamming

“**WHEREAS** the District of Sault Ste. Marie Social Services Administration Board deems it necessary to borrow the sum of \$4,000,000.00 to meet, until current revenue is collected, current expenditures for the year 2020; and;

WHEREAS the total amount of the estimated revenues of the Board for the year 2020 not including revenue derived or derivable from the sale of assets, borrowing, Provincial subsidy, or from a surplus, including arrears

of revenues and proceeds from the sale of assets is estimated to be in the excess of \$16,000,000.00;

THEREFORE BE IT RESOLVED THAT the District of Sault Ste. Marie Social Services Administration Board pursuant to Section 9 of the District Social Services Administration Boards Act, RSO 1990, Chapter D.15 and amendments thereto, ENACTS as follows:

1. The Chair and the Treasurer are hereby authorized, on behalf of the District of Sault Ste. Marie Social Services Administration Board, to borrow from time to time by way of promissory note from the Royal Bank of Canada or any person, a sum or sums not exceeding \$4,000,000.00 to meet, until the revenues are collected, the current expenditures of the Board for the year, including the amounts required for the purpose mentioned in Section 9(3) of the District of Social Services Administration Boards Act and to give on behalf of the Board to the Bank or lender, a promissory note or notes, sealed with the corporate seal and duly signed for the moneys so borrowed, with interest, which may be paid in advance or otherwise, with interest at the Bank's prescribed lending rate or another persons' lending rate from time to time.

2. All the sums borrowed pursuant to the authority of this bylaw, as well as all other sums borrowed in this year and in previous years from the said Bank or lender for any or all purposes mentioned in the said Section 9 shall, with interest thereon, be a charge upon the whole of the revenues of the Board for the current year and for all preceding years as when such revenues are received."

CARRIED

EMS

Resolution deferred from November 14, 2019

Resolution #19-130

Moved By: D. Edgar

Seconded By: L. Dufour

5.3 **"BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the November 14, 2019 Tiered Medical Response Agreement with Sault Ste. Marie Fire Services report of the Chief of Paramedic Services and approve the Tiered Response Agreement as outlined in the report;

AND FURTHER BE IT RESOLVED THAT the revision to the Strategic Deployment Plan to align the language of the tiered response criteria to the Tiered Response Agreement be approved.”

CARRIED

Resolution #19-141

Moved By: P. Christian

Seconded By: M. Bruni

- 5.4 **“WHEREAS** the Ontario Hockey League’s current rules state that games can only be played when there is an on-site paramedic crew capable of immediately responding to a league member, and with the capacity to transport to the hospital if necessary;

THEREFORE BE IT RESOLVED THAT the District of Sault Ste. Marie Social Services Administration Board accept the December 12, 2019 report of the Chief of Paramedic Services and enter into an agreement with the Soo Greyhounds Inc. to provide paramedic services on a full cost recovery basis.”

CARRIED

Resolution #19-142

Moved By: J. Gawne

Seconded By: K. Lamming

- 5.5 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the December 12, 2019 Disposal Service Contract report of the Chief of Paramedic Services, and enter into a service contract for pathological waste disposal with Stericycle ULC Clinical Services.”

CARRIED

Resolution #19-143

Moved By: R. Niro

Seconded By: L. Dufour

- 5.6 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the December 12, 2019 Vehicle Maintenance Report of the Chief of Paramedic Services and enter into a Land Ambulance Maintenance Agreement with the Corporation of the City of Sault Ste. Marie, in order to provide ongoing maintenance services on all land ambulance vehicles owned by the DSSMSSAB.”

CARRIED

Resolution #19-144

Moved By: D. Edgar
Seconded By: M. Bruni

- 5.7 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the December 12, 2019 Paramedic and Land Ambulance Legislation Changes Report of the Chief of Paramedic Services as information.”
CARRIED

HOUSING SERVICES

Resolution #19-145

Moved By: P. Christian
Seconded By: L. Dufour

- 5.8 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the December 12, 2019 Habitat for Humanity Home Ownership Report of the Director of Housing Services and award up to \$120,000 from the Ontario Renovates Revolving fund to Habitat for Humanity Sault Ste. Marie and Area (HFHSSMA)

AND FURTHER BE IT RESOLVED THAT these funds be utilized for the construction of 12 new affordable homes in the community under the HFHSSMA Home Ownership program.”
CARRIED

Resolution #19-146

Moved By: L. Dufour
Seconded By: R. Niro

- 5.9 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board accept the December 12, 2019 Ontario Renovates Funding Allocation Report of the Director of Housing Services and award up to \$26,500 from the Ontario Renovates Revolving Fund to the Sault Ste. Marie Housing Corporation (SSMHC) for costs related to the purchase, including legal fees and demolition costs, associated with the properties located at 45 and 47 Wellington Street West in Sault Ste. Marie.”
CARRIED

6. CAO / ADMINISTRATION

Resolution #19-147

Moved By: P. Christian

Seconded By: M. Bruni

- 6.1 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board continue to hold their 2020 regular monthly Board Meetings generally on the third Thursday of each month at 4:30 p.m. as listed below:

Thursday, January 16, 2020

Thursday, February 20, 2020

Thursday, March 19, 2020

Thursday, April 16, 2020

Thursday, May 21, 2020

Thursday, June 18, 2020 (Sault North or Prince Township)

Thursday, July 16, 2020 (at discretion of Board)

Thursday, August 20, 2020

Thursday, September 17, 2020

Thursday, October 15, 2020

Thursday, November 12, 2020

Thursday, December 10, 2020”

CARRIED

Resolution #19-150

Moved By: L. Dufour

Seconded By: J. Gawne

- 6.2 **“BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board purchase 9 Stryker power load systems at a cost of \$29,938.40 each (plus HST and installation) and one new ambulance at a cost of \$137,347.31 plus HST out of current 2019 operating budget”

CARRIED

7. CORRESPONDENCE/COMMUNICATIONS

8. OTHER BUSINESS / NEW BUSINESS

Attendance at ROMA conference January 19-21 2020

Resolution #19-149

Moved By: M. Bruni

Seconded By: K. Lamming

- 8.1 **"BE IT RESOLVED THAT** the District of Sault Ste. Marie Social Services Administration Board approve the travel request of Luke Dufour and Ken Lamming to attend the Rural Ontario Municipal Association (ROMA) AGM in Toronto January 19 to 21 2020 at an approximate cost of \$2,500 each"
CARRIED

Robert Rushworth and Mike Nadeau provided update on the EMS transfer and Garden River lease.

9. ADJOURNMENT

Resolution #19-148

Moved By: D. Edgar

Seconded By: K. Lamming

- 9.1 **"BE IT RESOLVED THAT** we do now adjourn."
Meeting adjourned at 5:33 PM

NEXT REGULAR BOARD MEETING

Thursday, January 16, 2020 at 4:30 PM
390 Bay Street, Suite 405



Social Services

District of Sault Ste. Marie Social Services

Administration Board

Conseil d'Administration des Services du District Sault Ste. Marie

Zhawenimi-Anokiitaagewin



BOARD REPORT

AUTHOR: Carla Fairbrother

DATE: January 16, 2020

RE: Update on Fee Subsidy in the Early Years system

RECOMMENDATION

That the District of Sault Ste. Marie Social Services Administration Board accept this report on the current availability of Fee Subsidy in the Early Years system as information.

BACKGROUND INFORMATION

As the Board is aware, throughout 2017 and 2018 Ministry of Education funding was increased in order to create more licensed childcare spaces in the system and provide better access for families. As a result, between 2016 and 2019 there was a 13 percent increase (net-174 spaces) in licensed spaces available in the community.

Full utilization of new spaces did not occur until the beginning of 2019. Considerable time was required to allocate new funding, construct, set up and license the new spaces. Concurrent with this, it was anticipated that more Fee Subsidy would be needed to support the increase in spaces and projections were included in budget allocations based on previous usage.

Beginning in 2016, we embarked on a process to transition Fee Subsidy to a system where subsidy would follow the child (considered best practice by Ministry of Education). This model supports parental choice and is more equitable and efficient. At that time, and for a short period (2 months), we limited the number of subsidies in the system to facilitate and expedite this transition (July 2017). At no time in the past has there been more demand for subsidy than funding available.

SUMMARY/OVERVIEW

Throughout 2019, utilization of Fee Subsidy was monitored on a monthly basis. As anticipated utilization began increasing in the first two quarters of the year. Historically there has always been a decrease in the fee subsidy usage throughout the summer. By mid-September, when all summer data was available, it was clear that the anticipated summer reduction had been minimal and as a result, pressures in the Fee Subsidy portfolio were projected and needed to be addressed.

September is often the month that shows the greatest increase in new families entering the system, and in order to mitigate further budget impacts, the decision was made to place a hold on any new subsidies for the remainder of the year, unless a significant number of children exited the system.

Every effort was made to ensure that anyone who had already been contacted by a Provider and given an opportunity to receive subsidy for September or anyone who was returning after leaving for the summer and were deemed eligible would be provided a subsidy.

We attribute the increased use in Fee Subsidy to a number of factors:

- An increased number of new spaces available in the system. Within these new spaces many are infant spaces (39 spaces/80% increase), which are more costly on a daily basis.
- The vacancy rate in the system in the past has been between 13 and 15 percent, in 2019 by the third quarter it was at 5.6 percent. We believe this is a result of the transition to subsidy follows the child, as it requires Providers to be more vigilant in filling their spaces in order to ensure a regular revenue stream.
- Currently Providers are paid their market rate (which they determine), for each space purchased. In 2019, a number of providers increased their market rates to ensure viability of their operation.
- Placement on the centralized waitlist is based on date of application and requests for subsidy as part of the application are arbitrary. Our policy is first come, first served to a space. It appears that randomly, in 2019, there were more families higher on the waitlist, who required and were eligible for subsidy as opposed to those who did not require or qualify for a subsidized space.

We now need to maintain a Fee Subsidy waitlist and efforts are underway to ensure that it is fair and equitable. Many communities in the province are in this position and we are investigating different options. The current situation is complicated by the fact that we also have a waitlist for spaces and aligning the two waitlists is not possible. Someone may qualify for a new subsidy but not have access to a space or they may be offered a space but not be next on the subsidy waitlist. In the North, we are the only community who has a waitlist for both a space and a fee subsidy.

The initial priorities for receipt of a subsidy will be those currently in the system who require an increase to their hours or days of care or who have an additional child to place in the system and those on Ontario Works who need care to attend school or work/training opportunities. This does not preclude emergencies where a child care space is available and care is urgently needed. All other subsidies will be provided based on the original application date of the family on the waitlist.

In the meantime, families can choose to take an available space and pay the full cost of care until a subsidy is available. Alternatively, if they feel they cannot afford to take a space without a subsidy, Service Providers will keep the parent at the top of their waitlist in anticipation of the next space and potential for it to be subsidized.

STRATEGIC PLAN IMPACT

Although we have had to limit the number of new subsidies available to the community as a whole, we have successfully increased access to licensed child care spaces and have increased the number of families able to access a Fee Subsidy. We continue to offer high quality, person focused services as per the second pillar of our strategic plan.

FINANCIAL IMPLICATIONS

In 2019 \$517,016.00 in additional subsidy has been distributed. Eighty five percent of the additional demand for 2019 was met through funding allocated to address anticipated costs related to system expansion, and the balance by reallocating the flexible funding categories within the Core budget.

There is little reason to believe that the demand for fee subsidy during the first quarter of 2020 will be reduced by any significant amount. We anticipate the next potential fluctuation to take place in June. In 2020, Early Years will continue to subsidize existing, eligible families and monitor opportunities to replace departing families with new ones.

At this time and in the current economic climate where funding has now been reduced for 2020, there is no ability to increase the allocation for Fee Subsidy as this will negatively impact other areas of service.

| 2018 Actuals | 2019 Projected Actuals | Variance |
|--------------|------------------------|-----------|
| \$2,682,505 | \$3,199,521 | \$517,016 |

CONCLUSION

A significant part of managing the Early Years system is balancing the competing priorities inherent in the delivery of services. Great efforts have been taken in the past three years to modernize the delivery of Early Years services and to implement ways to enhance accountability and transparency, while at the same time setting the stage for the delivery of high quality services across the system. All of our Ministry targets to increase spaces and subsidies have been met, at times exceeded and successfully implemented for the benefit of the community and the Early Years system.

Respectfully submitted,



Carla Fairbrother
Director Early Years Services

Approved by:



Mike Nadeau
Chief Administrative Officer



Social Services

District of Sault Ste. Marie Social Services

Administration Board

Conseil d'Administration des Services du District Sault Ste. Marie

Zhawenimi-Anokiitaagewin



BOARD REPORT

AUTHOR: John Hogg

DATE: January 23, 2020

RE: Pending Elimination of Negative Operating Subsidies for Housing Providers

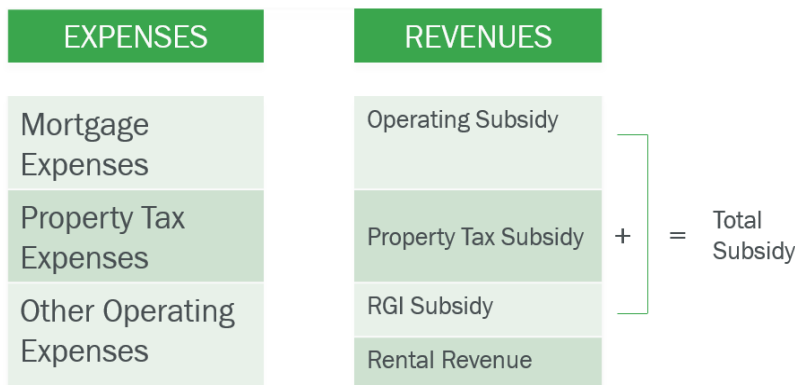
RECOMMENDATION

It is recommended that the District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB) communicate to the Ontario Government our need to continue to retain negative operating subsidies and amend the *Housing Services Act, 2011* to give Service Managers authority to incorporate flexible funding formulas between the Service Manager and Non-Profit housing providers once they reach end of mortgage.

BACKGROUND INFORMATION

The *Housing Services Act, 2011* has provisions in place for service providers classified as Part VII Provincially Reformed housing projects under O.Reg 367/11 to a subsidy formula that will potentially increase financial burden on municipalities once they reach end of mortgage (EOM) status. This can occur if the proposed changes from Ontario Non-Profit Housing Association and Cooperative Housing Federation Canada are accepted and implemented legislatively.

The current subsidy formula encompasses the mortgage, operating expenses, and property taxes. The following chart illustrates the current funding model:



RE: Pending Elimination of Negative Operating Subsidies for Housing Providers

Page 2

DATE: January 23, 2020

Upon mortgage discharge, the housing provider no longer has a mortgage expense. As such, the formula may result in a negative operating subsidy but not a negative total subsidy or both.

The implications of a negative operating subsidy or negative total subsidy results in added costs to the DSSMSSAB, ultimately passed on to the municipality through the municipal levy.

SUMMARY/OVERVIEW

It should be noted that this example is only for one housing provider. Once several other providers begin to reach EOM, the DSSMSSAB will need to increase its subsidy payments to these housing providers.

However, upon reconciliation under the negative operating subsidy, the housing provider will also begin to accumulate a large surplus that could have been reinvested by the Service Manager for funding other housing related projects.

| DESCRIPTION | CURRENT (2019 ESTIMATE) | EOM (2020 ESTIMATE) | CHF & ONPHA POSITION: NEGATIVE OPERATING SUBSIDY ELIMINATED |
|----------------------------|-------------------------|---------------------|---|
| REVENUE | | | |
| Operating Subsidy | 221,588 | (316,906) | 0 |
| RGI Subsidy | 275,986 | 275,986 | 275,986 |
| Property Tax Subsidy | 137,386 | 137,386 | 137,386 |
| Total Subsidy | 634,960 | 96,466 | 413,372 |
| Rent Revenue | 731,044 | 731,044 | 731,044 |
| Total Revenue | 1,366,004 | 827,510 | 1,144,416 |
| EXPENSES | | | |
| Mortgage | 538,494 | 0 | 0 |
| Other | 801,168 | 801,168 | 801,168 |
| Total Expenses | 1,339,662 | 801,168 | 801,168 |
| Surplus / (Deficit) | 26,342 | 26,342 | 343,248 |

STRATEGIC PLAN IMPACT

By proceeding to lobby the Ontario Government to retain a negative operating subsidy, the DSSMSSAB will impact two pillars of the strategic plan: **Service Delivery** and **Community Partnerships**. The engagement will provide **Community Awareness** by presenting our government with alternative strategies to deal with future added costs to Service Managers and Municipalities. **Shared Outcome Planning** aligns the

RE: Pending Elimination of Negative Operating Subsidies for
Housing Providers

Page 3

DATE: January 23, 2020

DSSMSSAB's priorities with other Service Managers who are also taking the same stance on this issue.

FINANCIAL IMPLICATIONS

The DSSMSSAB may need to increase the municipal levy to offset the added expenses as housing providers begin to reach their EOM status.

CONCLUSION

It would be in the best interests of the DSSMSSAB to join other service managers in lobbying the Ontario Government to allow for provisions that will allow Service Managers to have the ability to incorporate flexibility into the funding formula for purposes of reducing burden on the municipalities.

Respectfully submitted,

Approved by:



Jeff Barban
Director Housing Services

Mike Nadeau
Chief Administrative Officer

Non-Profit Housing Funding Model

Expiry of Mortgages

Board Meeting Presentation – January 23, 2020
Housing Services

Social Services

Services Sociaux | Zhawenimi-Anokiitaagewin

Sault Ste. Marie District



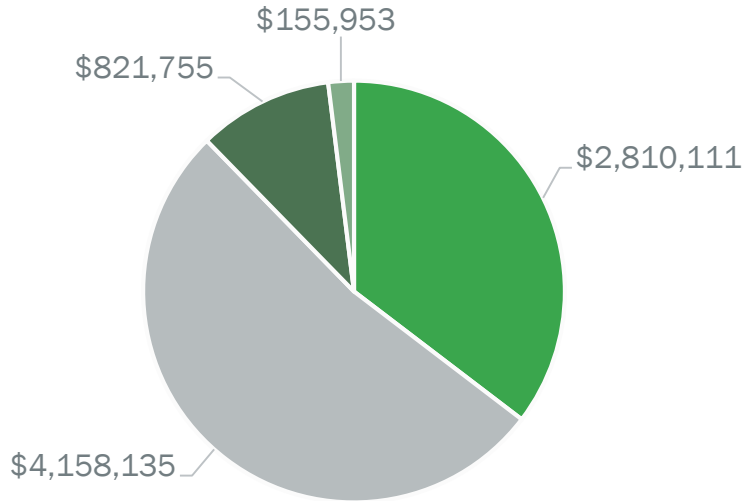
Agenda Item 6.2

Here to help.

Subsidized Housing Budget



2019
DSSMSSAB



- Rent Supplement
- Provincial Reformed
- Urban Native
- Portable Housing Benefit

Agenda Item 6.2

Here to help.

Legacy Social Housing – Part VII Housing Projects



- Operating agreements replaced by the *Housing Services Act (2011)*
- Service Providers are listed in Ontario Regulation 367/11
- When mortgages expire, operations continue as normal
- Part VII services providers in the Act

Agenda Item 6.2

Here to help.

Provincial Reformed Projects with a Market Component



Housing Providers within the DSSMSSAB's service area:

- Columbus Club of Sault Ste. Marie Housing Corporation (Phases I & II)
- Croatian Housing Association of Sault Ste. Marie
- Haldimand Co-Operative Housing Corporation
- Italian Housing Corporation of Sault Ste. Marie
- La Co-Operative D'habitation La Chaumiere
- Lions Club of Sault Ste. Marie Housing Corporation
- Pawating Co-Operative Homes Inc.
- Cara Community Corporation (Cara II & Cara III – Highland Place)
- Sault Moose Lodge Housing Corporation
- Vesta Co-Operative Homes Inc.

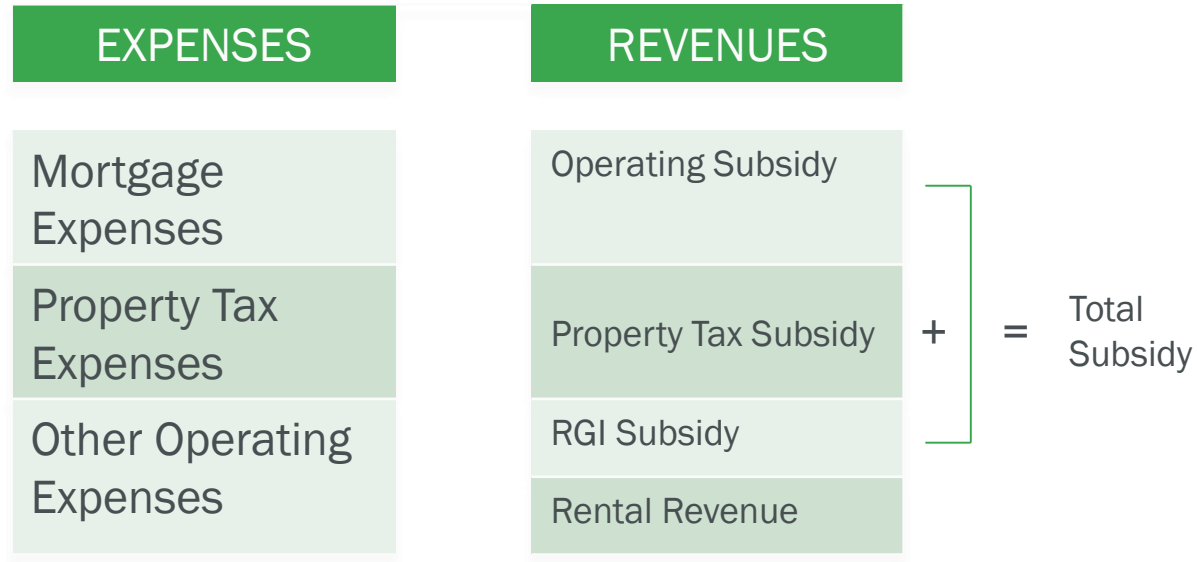
Agenda Item 6.2

Here to help.

Provincial Reformed Projects with a Market Component



Current Funding Formula



Agenda Item 6.2

Here to help.

Provincial Reformed Projects with a Market Component



Current Funding Formula

| EXPENSES | REVENUES | |
|--------------------------|----------------------|--|
| Mortgage Expenses | Operating Subsidy | $\begin{aligned} & \text{Benchmark Expenses} \\ & + \text{Actual Mortgage Payment Expense} \\ & - \text{Benchmark Market Revenue} \\ & = \text{Operating Subsidy} \end{aligned}$ |
| Property Tax Expenses | Property Tax Subsidy | $= \text{Actual Property Tax Expense}$ |
| Other Operating Expenses | RGI Subsidy | $\begin{aligned} & \text{Benchmark Market Revenue} \\ & - \text{RGI Rent Revenue} \\ & = \text{RGI Subsidy} \end{aligned}$ |
| | Rental Revenue | |

Agenda Item 6.2

Here to help.

Negative Total Subsidy Calculations



Co-Operative Housing Federation of Canada (CHF) Resolution:

- Calls on Province & Service Managers to fix funding formula and eliminate the negative Operating subsidy.

Ontario Non-Profit Housing Association (ONPHA) Recommendation:

- **Option 1** – Alter funding formula to prevent against negative Operating subsidy and re-evaluate current benchmarks
- **Option 2** – Allow Housing Providers to opt-out and enter into rent supplement agreements

Agenda Item 6.2

Here to help.

Negative Operating Subsidy Calculations



Ministry of Municipal Affairs and Housing
Social Housing Notification 19-01, June 2019

“Service Managers should interpret a negative total Service Manager subsidy calculation for a Part VII housing project to mean \$0 subsidy payable to the Housing Provider.”

Agenda Item 6.2

Here to help.

Negative Operating Subsidy Calculations



Provider
Example

| DESCRIPTION | CURRENT (2019 ESTIMATE) | EOM (2020 ESTIMATE) |
|----------------------------|-------------------------|---------------------|
| REVENUE | | |
| Operating Subsidy | 221,588 | (316,906) |
| RGI Subsidy | 275,986 | 275,986 |
| Property Tax Subsidy | <u>137,386</u> | <u>137,386</u> |
| Total Subsidy | 634,960 | 96,466 |
| Rent Revenue | 731,044 | 731,044 |
| Total Revenue | 1,366,004 | 827,510 |
| EXPENSES | | |
| Mortgage | 538,494 | 0 |
| Other | <u>801,168</u> | <u>801,168</u> |
| Total Expenses | 1,339,662 | 801,168 |
| Surplus / (Deficit) | 26,341 | 26,341 |

Agenda Item 6.2

Here to help.

Negative Operating Subsidy Calculations



| DESCRIPTION | CURRENT (2019 ESTIMATE) | EOM (2020 ESTIMATE) | CHF & ONPHA POSITION: NEGATIVE OPERATING SUBSIDY ELIMINATED |
|----------------------------|-------------------------|---------------------|---|
| REVENUE | | | |
| Operating Subsidy | 221,588 | (316,906) | 0 |
| RGI Subsidy | 275,986 | 275,986 | 275,986 |
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| EXPENSES | | | |
| Mortgage | 538,494 | 0 | 0 |
| Other | 801,168 | 801,168 | 801,168 |
| Total Expenses | 1,339,662 | 801,168 | 801,168 |
| Surplus / (Deficit) | 26,342 | 26,342 | 343,248 |

Agenda Item 6.2

Here to help.

Next Steps



- Negative Operating Subsidy
- Negative Total Subsidy
- Advocate for flexible funding model to promote long-term sustainability of Social Housing stock including capital repairs
- Presentation of the DSSMSSAB EOA Financial Analysis



Social Services

District of Sault Ste. Marie Social Services

Administration Board

Conseil d'Administration des Services du District Sault Ste. Marie

Zhawenimi-Anokiitaagewin



BOARD REPORT

AUTHOR: Jeff Barban

DATE: January 16, 2020

RE: Canada-Ontario Community Housing Initiative (COCHI) and Ontario
Priorities Housing Initiative (OPHI) Investment Plan

RECOMMENDATION

It is recommended the District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB) approve the proposed change in the 2020-2021 OPHI investment plan as presented by Housing Services.

BACKGROUND INFORMATION

The OPHI program is modelled after former affordable housing programs with the most recent being the investment in Affordable Housing Program Extension (IAH-E). While this program is similar to the currently ending IAH-E, OPHI provides additional opportunities to the Service Manager such as the addition of a support services component and the eligibility of supporting community housing under Ontario Renovates.

Program guidelines for this program state that all proposed Investment Plans (IP) for these programs must be Council or Delegated Authority-approved. The Ministry will review the submitted IPs to ensure the project meets program guidelines and falls within the bilateral agreement.

SUMMARY/OVERVIEW

The proposed increase in OPHI funds directed to the Sault Ste. Marie Housing Corporation will provide the necessary funding to complete 9 new seniors affordable housing units at 90 Chapple Avenue (former Rosedale school property) utilizing OPHI's Rental Housing program component.

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OPHI Yearly allocation 2020 -2021 \$319,000

| Approved OPHI | 2020 - 2021 |
|------------------------------|-------------|
| Capital Components | |
| Rental Housing (Rosedale) | \$150,000 |
| Homeownership | \$0 |
| Ontario Renovates | \$153,905 |
| SM Administration (Rosedale) | \$ 15,995 |
| Total | \$319,900 |

| Proposed Change OPHI | 2020 - 2021 | Difference |
|------------------------------|-------------|-------------|
| Capital Components | | |
| Rental Housing (Rosedale) | \$303,905 | \$153,905 |
| Homeownership | \$0 | \$0 |
| Ontario Renovates | \$ 0 | (\$153,905) |
| SM Administration (Rosedale) | \$ 15,995 | \$0 |
| Total | \$319,900 | \$319,900 |

STRATEGIC PLAN IMPACT

The development of the former Rosedale school impacts the pillars of innovation. The project uses an **innovative approach** to convert a former school into a multi-purpose community.

FINANCIAL IMPLICATIONS

There are no net financial implications to the DSSMSSAB as OPHI is fully funded by the Province of Ontario.

CONCLUSION

With the introduction of two new Canada-Ontario housing initiatives (COCHI and OPHI), the DSSMSSAB has the opportunity to continue to align available funding to meet the need of our 10 Year Affordable Housing and Homelessness Plan. The plan outlines the strategic direction to expand access to affordable housing in the service area specifically stating “a clear need for additional affordable housing, including subsidized housing, low cost market rental housing, in the service area” (pg.46).

The increased OPHI funding requested will greatly assist the construction of seven (7) one bedroom and two (2) two bedroom affordable seniors apartments.

Respectfully submitted,



Jeff Barban
Director Housing Services

Approved by:



Mike Nadeau
Chief Administrative Officer



Social Services

District of Sault Ste. Marie Social Services

Administration Board

Conseil d'Administration des Services du District Sault Ste. Marie

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BOARD REPORT

AUTHOR: Jeff Barban

DATE: January 16, 2020

RE: Investment in Affordable Housing (IAH) Allocation Amendment

RECOMMENDATION

Housing Services recommends amending funding from the Investment in Affordable Housing (IAH) Program - Year 6, 2019/2020 as outlined below.

BACKGROUND INFORMATION

The Province had allocated funding to Service Managers under the IAH umbrella for the past six years. The program offered flexibility as to which components the Service Manager chooses to invest the funding it received.

The IAH Program is designed to:

- Support affordable housing needs of specific priority groups and contribute to the Province's overall targets for seniors and persons with disabilities
- Provide solutions to improve access to affordable housing that is safe, sound, suitable, and sustainable for households across Ontario
- Provide Service Managers with the flexibility to meet local needs and priorities identified in their Housing & Homelessness plans
- Offer funding for an array of housing options that address affordable housing needs across the housing system
- Incorporate energy efficiency and accessibility into affordable housing units and building design
- Promote and support the use of apprentices and the training of skilled labour

DATE: January 16, 2020

SUMMARY/OVERVIEW

The following chart outlines the approved IAH allocations for 2019 – 2020 and the proposed changes.

| Investment in Affordable Housing – 2019-2020 | |
|---|------------------|
| Approved Allocation: | |
| Administration | \$ 21,970 |
| Ontario Renovates | \$117,430 |
| Rental Housing (Rosedale Seniors Units) | \$300,000 |
| Total: | \$439,400 |

| Proposed Amendment(s): | Difference | |
|---|-------------------|------------------|
| Administration (Utilized towards Rosedale Seniors Units) | \$ 21,970 | \$0.00 |
| Ontario Renovates | \$17,430 | (\$100,000) |
| Rental Housing (Rosedale Seniors Units) | \$400,000 | \$100,000 |
| Total: | \$439,400 | \$439,400 |

The initial funding of \$100,000 in the Ontario Renovates component was approved to fund the PUC “Get the Lead Out Program”. However as the program changed direction based on eligibility challenges, funding was identified from another source to support a revised program that would benefit all low income homeowners. The proposal to allocate these funds to the Rosedale project will help reduce financing costs and provide an opportunity to expand affordable housing.

STRATEGIC PLAN IMPACT

This change will impact the strategic areas of **innovation** and **strategic engagement**.

FINANCIAL IMPLICATIONS

There are no net financial implications to the DSSMSSAB as the IAH program is fully funded by the Province of Ontario.

CONCLUSION

Adjusting the remaining IAH program funding will allow for the creation of additional affordable housing and contribute towards goals outlined in the DSSMSSAB 10 year Housing and Homelessness plan.

Respectfully submitted,



Jeff Barban
Director Housing Services

Approved by:



Mike Nadeau
Chief Administrative Officer