



Sault Ste. Marie Housing Corporation

District of Sault Ste. Marie Social Services

Administration Board

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

Zhawenimi-Anokiitaagewin



AGENDA

Sault Ste. Marie Housing Corporation

Thursday, April 21, 2022 @ 4:30 PM

90 Chapple Avenue

1. CALL TO ORDER

2. APPROVAL OF AGENDA

Resolution #22-020

Moved By: M. Bruni

Seconded By: L. Dufour

- 2.1 **"BE IT RESOLVED THAT** the Agenda for the April 12, 2022 Sault Ste. Marie Housing Corporation Board meeting be approved as presented."

3. DECLARATIONS OF PECUNIARY INTEREST

4. APPROVAL OF PREVIOUS MINUTES / ACCOUNTS

Resolution #22-021

Moved By: D. Edgar

Seconded By: K. Lamming

- 4.1 **"BE IT RESOLVED THAT** the Minutes from the Sault Ste. Marie Housing Corporation Board meeting dated March 17, 2022, be adopted as recorded."

5. MANAGERS REPORTS

HOUSING SERVICES

Resolution #22-022

Moved By: L. Vezeau-Allen

Seconded By: C. Gardi

- 5.1 “**BE IT RESOLVED** that the Sault Ste. Marie Housing Corporation (SSMHC), accept the April 21, 2022 Capital Asset Purchase and Neighbourhood Improvement Program Report of the Director of Community Housing and Development and utilizing Investing in Change Funds approve the purchase of 162 Dennis Street at a total cost of \$15,000;

AND BE IT FURTHER RESOLVED THAT the SSMHC approve funds for demolition of the structure not to exceed \$28,000.”

CORPORATE SERVICES

Resolution #22-023

Moved By: K Lamming

Seconded By: M. Bruni

- 5.2 “**BE IT RESOLVED** that the Sault Ste. Marie Housing Corporation (SSMHC), accept the April 21, 2022 accept the Market Rent Portfolio Update – 2021 report of the Director of Corporate Services as information”

Resolution #22-024

Moved By: C. Gardi

Seconded By: D. Edgar

- 5.3 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) now enter into closed session for legal matters.”

Resolution #22-025

Moved By: L. Dufour

Seconded By: D. Hilsinger

- 5.4 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) now return to open session.”

6. CORRESPONDENCE

7. OTHER BUSINESS / NEW BUSINESS

8. ADJOURNMENT

Resolution #22-026

Moved By: D. Hilsinger

Seconded By: K. Lamming

8.1 **“BE IT RESOLVED THAT** we do now adjourn”

NEXT REGULAR BOARD MEETING

Thursday, May 12, 2022 at 4:30 PM



Sault Ste. Marie Housing Corporation

District of Sault Ste. Marie Social Services

Administration Board

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

Zhawenimi-Anokiitaagewin



MINUTES

Sault Ste. Marie Housing Corporation

Thursday, March 17, 2022 @ 4:30 PM

ZOOM Video Conference

PRESENT:	L. Dufour K. Lamming	J. Gawne D. Edgar	M. Bruni
STAFF:	M. Nadeau C. Fairbrother	S. Ford D. Petersson	A. Kohler L. Chikoski
ABSENT:	M. Scott	C. Gardi	D. Hilsinger

1. CALL TO ORDER by J. Gawne, Board Chair at 5:01 PM

2. APPROVAL OF AGENDA

Resolution #22-014

Moved By: D. Edgar

Seconded By: L. Dufour

- 2.1 **"BE IT RESOLVED THAT** the Agenda for the March 17, 2022 Sault Ste. Marie Housing Corporation Board meeting be approved as presented."
CARRIED

3. DECLARATIONS OF PECUNIARY INTEREST
NONE

4. APPROVAL OF PREVIOUS MINUTES / ACCOUNTS

Resolution #22-015

Moved By: D. Edgar

Seconded By: M. Bruni

- 4.1 “**BE IT RESOLVED THAT** the Minutes from the Sault Ste. Marie Housing Corporation Board meeting dated February 17, 2022, be adopted as recorded.”

CARRIED

5. MANAGERS REPORTS

HOUSING SERVICES

Resolution #22-016

Moved By: K. Lamming

Seconded By: L. Dufour

- 5.1 “**BE IT RESOLVED** that the Sault Ste. Marie Housing Corporation (SSMHC), accept the March 17, 2022 report of the Director of Community Housing and Development, and in accordance with the SSMHC purchasing policy, recommend awarding PTC 2022-02 Roof Replacement at 540 Albert Street East to the lowest qualified bidder Maverick & Son Exteriors and Consulting Services Inc. for \$339,000.00 including all applicable taxes.”

CARRIED

Resolution #22-017

Moved By: K. Lamming

Seconded By: M. Bruni

- 5.2 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) now enter into closed session for educational purposes.”

CARRIED

Entered into closed session at 5:10 PM

Resolution #22-018

Moved By: L. Dufour

Seconded By: D. Edgar

- 5.3 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) now return to open session.”

CARRIED

Returned to open session at 5:22 PM

6. CORRESPONDENCE

7. OTHER BUSINESS / NEW BUSINESS

8. ADJOURNMENT

Resolution #22-019

Moved By: D. Edgar

Seconded By: K. Lamming

8.1 **“BE IT RESOLVED THAT** we do now adjourn”

CARRIED

Meeting adjourned at 5:23 PM

NEXT REGULAR BOARD MEETING

Thursday, April 21, 2022 at 4:30 PM



**SAULT STE. MARIE HOUSING
CORPORATION**

BOARD REPORT



AUTHOR: Jeff Barban

DATE: April 21, 2022

RE: Capital Asset Purchase and Neighbourhood Improvement Program

RECOMMENDATION

It is recommended that the Sault Ste. Marie Housing Corporation Board (SSMHC) utilize existing Investing in Change Funding and approve the purchase of the home located at 162 Dennis Street, Sault Ste. Marie, Ontario, for \$15,000 all-inclusive and an additional amount not to exceed \$28,000 for the purposes of demolition of the home.

BACKGROUND INFORMATION

The District of Sault Ste. Marie Social Services Administration Board passed resolution #20-087 providing the SSMHC \$231,975 to be used towards capital asset purchases and neighbourhood improvements in areas of the community with depressed assessment and/or housing conditions. Community Housing and Development (CHD) has been actively seeking homes to purchase as per the resolution, but has been unsuccessful until now.

RESOLUTION – AGENDA ITEM 5.1

Moved by: P. Christian **Date:** August 20, 2020
Seconded by: M. Bruni **Resolution #:** 20-087

“BE IT RESOLVED THAT the District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB) accept the August 20, 2020 Investing in Change Fund report of the Chief Executive Officer and provide the Sault Ste. Marie Housing Corporation (SSMHC) \$231,975 from the Investing in Change Fund (ICF) to be used towards capital asset purchases and neighborhood improvements in areas of the community with depressed assessment and/or housing conditions.”

Signature of Chair (Acting Chair)

SUMMARY/OVERVIEW

CHD, working with the Corporation of the City of Sault Ste. Marie’s Chief Building Official, was notified that the owner of the house located at 162 Dennis St. was interested in selling the home. CHD entered into negotiations with the owner of 162 Dennis St. and an agreement of purchase was entered into for \$15,000.00 on condition that the SSMHC Board approved the agreement. The agreement stated that the purchaser will pay all outstanding property tax arrears to the City of Sault Ste. Marie from the proceeds off the purchase price on or before closing or by way of undertaking. The current owner will be responsible to pay the SSMHC legal fees with the funds being utilized to flow from the purchase price.

CHD has received one quote to date for the demolition of the property of \$28,000 from Rainone Construction and will be soliciting additional quotes as per the SSMHC procurement policy to obtain the lowest bid.

The vacant land will be held for future developments, transferred to another community housing partner or be sold in the future. The total investment for the property is \$43,000, which is fair market value for a vacant lot.

STRATEGIC PLAN IMPACT

The purchase of 162 Denis St. aligns with the pillar of Organizational excellence demonstrating an innovative direction to embrace new ideas and solutions.

FINANCIAL IMPLICATIONS

The total costs will be \$43,000 and will be utilized from the funding identified through the Investing in Change Fund provided by the DSSMSSAB on August 20, 2020.

CONCLUSION

The purchase of 162 Dennis St. and subsequent demolition of the existing building will greatly improve the neighborhood. The building has been vacant and in disrepair for several years. It has often been broken into and frequented by squatters. The vacant land has potential for future development for affordable housing.

Respectfully submitted,

Approved by:



Jeff Barban
Director of Community Housing and Development

Mike Nadeau
Chief Executive Officer



**SAULT STE. MARIE HOUSING
CORPORATION**

BOARD REPORT



AUTHOR: David Petersson

DATE: April 21, 2022

RE: Market Rent Portfolio Update - 2021

RECOMMENDATION

The Sault Ste. Marie Housing Corporation Board (SSMHC) accept the report regarding the 2021 Market Rent portfolio return on investment as information.

BACKGROUND INFORMATION

In 2020, the procurement committee reviewed and approved proposal of three market rent apartment building acquisitions. Approval was recommended based on each building's ability to general a return on investment of at least 7%.

Revenue and expenses have been monitored since acquisition, and as such monthly reports on the financial activity were prepared as well as an annual report to summarize the results for 2021.

SUMMARY/OVERVIEW

This is the first full year of the SSMHC's market rent activity. The board began strategically investing in full market housing assets as a way to reduce the levy impact to the municipal levy partners. The strategy is working.

There were some challenges and unexpected costs that arose during the first year of operations; however staff and management was able to successfully address such. We have also set our market rate favourably with market conditions in an effort to attract long term tenancies and assist the community members who may not qualify for social housing options. Despite challenges, we were still able to produce a positive Return on Investment and achieve a rate of return of 7.42%.

STRATEGIC PLAN IMPACT

The purchase of these three market rent apartment buildings aligns with the pillar of Organizational Excellence by demonstrating an innovative direction to embrace new ideas and solutions.

FINANCIAL IMPLICATIONS

The strategy has created a Community Housing Dividend of \$145,327 for 2021, which was directly applied to reducing the levy and tax burden for the 2022 budget year.

Properties	Projected (Budget)		Year Ended Dec 31, 2021	
	Net Surplus	ROI	Net Surplus	ROI
Total Portfolio	51,148	6.01%	145,327	7.42%

CONCLUSION

The three market rent properties acquired have generated a return on investment that exceeded the board’s target. The concept has proven to be effective and although the real estate market has since increased significantly, staff will continue to pursue properties that would be able to provide the appropriate return on investment ensuring social housing operation costs can continue to be stabilized. The purchase of these assets also strengthened the SSMHC balance sheet, as local real estate values have increased significantly since their acquisition in 2020.

Respectfully submitted,



David Petersson
Director of Corporate Services

Approved by:



Mike Nadeau
Chief Executive Officer