



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

REGULAR AGENDA

Sault Ste. Marie Housing Corporation

Thursday, April 18, 2024 at 4:30 PM

548 Albert Street, Sault Ste. Marie

1. CALL TO ORDER

2. LAND ACKNOWLEDGEMENT

I acknowledge, with respect, that we are in Robinson-Huron Treaty territory, that the land on which we are gathered is the traditional territory of the Anishinaabe and known as Bawating. Bawating is the home of Garden River First Nation, Batchewana First Nation, the Historic Sault Ste. Marie Metis Council.

3. APPROVAL OF AGENDA

Resolution #24-031

Moved By: A. Caputo

Seconded By: S. Spina

- 3.1 “**BE IT RESOLVED THAT** the Agenda for the **April 18, 2024** Sault Ste. Marie Housing Corporation Board meeting be approved as presented.”

4. DECLARATIONS OF PECUNIARY INTEREST

5. APPROVAL OF PREVIOUS MINUTES / ACCOUNTS

Resolution #24-032

Moved By: S. Spina

Seconded By: R. Zagordo

- 5.1 “**BE IT RESOLVED THAT** the Minutes from the Sault Ste. Marie Housing Corporation Board (SSMHC) meeting dated **March 21, 2024** be adopted as recorded.”

6. MANAGERS REPORTS

OPERATIONS

Resolution #24-033

Moved By: A. Caputo

Seconded By: L. Vezeau-Allen

- 6.1 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) approve loaning Algoma Family Services (AFS) \$271,000 for the purchase of the Algoma Youth Wellness Hub, located at 124 Dennis Street, at an interest rate of 5.472% for a period of up to 35 years and that the Sault Ste. Marie Housing Corporation (SSMHC) be registered as a First Person Lender.”

ADMINISTRATION

Resolution #24-034

Moved By: A. Caputo

Seconded By: R. Zagordo

- 6.2 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation Board approve authorization for CEO Mike Nadeau to purchase properties up to \$250,000 to be used for the Affordable Home Ownership Program (or similar) for the duration of the program’s existence, and;

FURTHER BE IT RESOLVED THAT the CEO, or designate, must complete a report identifying any fully executed purchase at the next regularly scheduled board meeting.”

Resolution #24-035

Moved By: E. Palumbo

Seconded By: S. Spina

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

Resolution #24-036

Moved By: L. Vezeau-Allen

Seconded By: S. Spina

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

7. NEW BUSINESS

8. ADJOURNMENT

Resolution #24-037

Moved By: A. Caputo

Seconded By: L. Vezeau-Allen

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



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

REGULAR AGENDA

Sault Ste. Marie Housing Corporation
Thursday, March 21, 2024 at 4:30 PM
548 Albert Street, Sault Ste. Marie

Present:	Stephanie Hopkin Angela Caputo via Zoom Lisa Vezeau- Allen	Marchy Bruni via Zoom Ron Zagordo Enzo Palumbo Sonny Spina
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Mike Nadeau
David Petersson
Miranda Scott
Joanne Pearson
Antonio Borrelli
Pam Patteri
Joanne Pearson
Tanya Ritter
Denis Rooney

1. CALL TO ORDER at 6:11pm

2. LAND ACKNOWLEDGEMENT

I acknowledge, with respect, that we are in Robinson-Huron Treaty territory, that the land on which we are gathered is the traditional territory of the Anishinaabe and known as Bawating. Bawating is the home of Garden River First Nation, Batchewana First Nation, the Historic Sault Ste. Marie Metis Council.

Carried

3. APPROVAL OF AGENDA

Resolution #24-021

Moved By: E. Palumbo
Seconded By: S. Spina

- 3.1 “**BE IT RESOLVED THAT** the Agenda for the **March 21, 2024** Sault Ste. Marie Housing Corporation Board meeting be approved as presented.”

Carried

4. DECLARATIONS OF PECUNIARY INTEREST

5. APPROVAL OF PREVIOUS MINUTES / ACCOUNTS

Resolution #24-022

Moved By: E. Palumbo
Seconded By: S. Spina

- 5.1 “**BE IT RESOLVED THAT** the Minutes from the Sault Ste. Marie Housing Corporation Board (SSMHC) meeting dated **February 15, 2024** be adopted as recorded.”

Carried

6. MANAGERS REPORTS

CORPORATE SERVICES

Resolution #24-023

Moved By: S. Spin
Seconded By: L. Vezeau-Allen

- 6.1 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation approve the extension of debt financing with TD Commercial Bank (TD) to April 30, 2024 at an All-in-Rate of up to 3.40% over 35 years in the amount of \$13,900,000.”

Carried

Resolution #24-024

Moved By: M. L. Vezeau- Allen
Seconded By: S. Spina

6.2 **"WHEREAS** the District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB) currently leases office space at 540 Albert Street East from the Sault Ste. Marie Housing Corporation (SSMHC).
AND WHEREAS the DSSMSSAB is moving into a new office located at 548 Albert Street East on March 18, 2024.
THEREFORE BE IT RESOLVED that effective March 18, 2024, the current lease at 540 Albert Street East will cease and the DSSMSSAB enter into a new lease with the SSMHC for the office located at 548 Albert Street East for the value of the loan financing (principal plus interest) plus operating costs with a term of 35 years"

Carried

HOUSING AND HOMELESSNESS

Resolution #24-025

Moved By: L. Vezeau- Allen

Seconded By: S. Spina

"BE IT RESOLVED THAT the Sault Ste. Marie Housing Corporation award the following Building Cleaning and Housekeeping Services' blocks for the Sault Ste. Marie Housing Corporation (SSMHC) as follows:

Block 1: Blue Diamond yearly quote of \$47,775

Block 2: Service Master yearly quote of \$66,248

Block 3: Service Master yearly quote of \$62,192"

Carried

Resolution #24-026

Moved By: E. Palumbo

Seconded By: S. Spina

6.4 **"BE IT RESOLVED THAT** Sault Ste. Marie Housing Corporation (SSMHC) Request for Quotations QU 2024-004 for Janitorial Services be awarded to: Blue Diamond Cleaning, Service Master of Sault Ste. Marie, and Day-Lite Cleaning Services Ltd. at service rates identified in the report"

Carried

Resolution #24-027

Moved By: E. Palumbo

Seconded By: S. Spina

- 6.5 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) now enter into closed session for legal discussion.”
Enter Closed Session at 6:20pm

Carried

Resolution #24-028

Moved By: L. Vezeau-Allen

Seconded By: S. Spina

- 6.6 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) now return into open session.”
Return to Open Session at 7:11pm

Carried

7. NEW BUSINESS

Resolution #24-029

Moved By: R. Zagordo

Seconded By: S. Spina

- 7.1 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) appoint Enzo Palumbo to the Finance Committee effective immediately”

Carried

8. ADJOURNMENT

Resolution #24-030

Moved By: S. Spina

Seconded By: L. Vezeau-Allen

- 8.1 “**BE IT RESOLVED THAT** we do now adjourn”
Adjourned at 7:12pm

Carried



SAULT STE. MARIE HOUSING CORPORATION

BOARD REPORT

AUTHOR: Louie Bruni

DATE: April 18, 2024

RE: Sale of Property – 124 Dennis Street (Algoma Youth Wellness Hub)

RECOMMENDATION

BE IT RESOLVED THAT the Sault Ste. Marie Housing Corporation (SSMHC) approve loaning Algoma Family Services (AFS) \$271,000 for the purchase of the Algoma Youth Wellness Hub, located at 124 Dennis Street, at an interest rate of 5.472% for a period of up to 35 years and that the Sault Ste. Marie Housing Corporation (SSMHC) be registered as a First Person Lender, as recommended by SSMHC Legal.

BACKGROUND INFORMATION

In July of 2022 the Board gave staff direction to purchase 124 Dennis Street with the intended purpose of creating a Youth Wellness Hub in the downtown core, to be leased and operated by AFS. The property required capital upgrades to the heating and cooling system (HVAC and boiler systems) as well as renovations to bathrooms, a kitchen space and offices. The renovations were completed in late 2023 and the Youth Hub was officially opened in January of 2024.

SUMMARY/OVERVIEW

The purchase price for 124 Dennis Street was \$184,000. Legal fees and capital expenses for the property totaled \$287,000. The SSMHC and/or Algoma Family Services was able to secure \$200,000 in grants or third party contributions to offset legal and capital upgrade costs for the property. The property will be sold for \$271,000, which represents the remaining balance after purchase price and costs were calculated.

Staff is recommending the sale of the property to AFS to divest from operating costs associated with acting as a landlord for the building. There have also been changes to the MPAC assessment of the building since the original purchase, providing AFS with

an opportunity to apply for property tax relief. AFS owning the building will also permit them to leverage the asset for future potential opportunities. AFS is not able to access long-term financing for the property at the rate of 5.472% from other sources so this approach will provide stability over the term of the 35-year amortization.

STRATEGIC PLAN IMPACT

The Algoma Youth Wellness Hub impacts the strategic plan in the areas of Service Excellence and Community Partners.

FINANCIAL IMPLICATIONS

The sale price of 124 Dennis Street will cover the cost of the initial purchase of the building and all expenses related to the project. The loan to AFS for this purchase will be paid back to the SSMHC at an interest rate of 5.472% for a term of 35 years.

\$184,000.00	Purchase of Property
\$6,000.00	Legal Fees
\$281,000.00	Capital Expenses (renovations)
(\$200,000.00)	Funding Received
<hr/>	
\$271,000.00	

CONCLUSION

The Algoma Youth Wellness Hub brings additional services for youth in the downtown core through a shared service model and community partnerships. Through this approach, the SSMHC was able to support the creation of the Algoma Youth Wellness Hub by purchasing the building, completing capital upgrades and renovations to the property and then divesting from the asset at no cost to the organization.

Respectfully submitted,



Louie Bruni
Chief Operating Officer



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

AUTHOR: Mike Nadeau

DATE: April 18, 2024

RE: CEO Asset Purchasing Approval

RECOMMENDATION

Be it resolved that the Sault Ste. Marie Housing Corporation Board approve authorization for CEO Mike Nadeau to purchase properties up to \$250,000 to be used for the Affordable Home Ownership Program (or similar) for the duration of the program's existence, and;

Further be it Resolved that the CEO, or designate, must complete a report identifying any fully executed purchase at the next regularly scheduled board meeting."

BACKGROUND INFORMATION

Home ownership is a dream that very few lower-income earners can attain. High housing costs are now putting pressure on mid to higher-level income earners as well. An individual/family making requires approximately \$15,000 as a down payment (CMHC insurance included) to purchase a home listed at \$250,000. Typically, homes valued at this level, or lower, require significant home improvement investment in order to make the home efficient, safe and/or suitable for raising a family. Thus, mid-low income earners cannot afford to bring the property to adequate standards even if they can afford a down payment.

SUMMARY/OVERVIEW

Social Services has identified a model to address such issues and barriers to home ownership and is secured a one-time grant from the Ministry of Municipal Affairs and

Housing as seed funding to spur the initiative in 2019. We still have three homes to renovate under that agreement and have opportunity to train social assistance recipients through our existing funding lines. Social Services will also aggressively seek additional funding from various provincial and/or federal programs to keep this very successful program going and available to community members.

One pinch point in the model is the timelessness needed to secure assets/homes. Our process involves making a conditional offer that requires Board of Director Approval. Homes are often selling very quickly and the need for a condition and/or the time required to get a formal board resolution sometimes results in losing the ability to secure the home or may require us to pay a premium price to compete.

FINANCIAL IMPLICATIONS

There are no new financial implications associated with this report. The costs for the program have been secured and previously approved by the board.

CONCLUSION

Allowing the CEO to have the authority to purchase homes intended for training programs will assist in obtaining the assets quickly, reduce staff time searching for assets and get skills training for recipients implemented quicker in order for us to achieve ministry targets.

Respectfully submitted,



Mike Nadeau
Chief Executive Officer