



Social Services | Services Sociaux
Zhawenimi-Anokiitaagewin
Sault Ste. Marie District

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 MEETING AGENDA

Sault Ste. Marie Housing Corporation
Thursday, October 17, 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, and the Historic Sault Ste. Marie Metis Council.

3. APPROVAL OF AGENDA

Resolution #24-069

Moved By: A. Caputo
Seconded By: M. Bruni

- 3.1 "BE IT RESOLVED THAT the **Agenda for the October 17, 2024,** Sault Ste. Marie Housing Corporation Board meeting be approved as presented."

4. DECLARATIONS OF PECUNIARY INTEREST

5. APPROVAL OF PREVIOUS MINUTES

Resolution #24-070

Moved By: E. Palumbo
Seconded By: R. Zagordo

- 5.1 "BE IT RESOLVED THAT the **Minutes** from the Sault Ste. Marie Housing Corporation Board meeting dated **September 19, 2024,** be adopted as recorded".

6. MANAGER'S REPORTS

OPERATIONS

Resolution #24-071

Moved By: L. Vezeau-Allen

Seconded By: A. Caputo

- 6.1 “**BE IT RESOLVED THAT** the Request for Proposal, RFP 2024-0014: Elevator Services and Maintenance be awarded to KLP Elevators and Lifts Inc.”

Resolution #24-072

Moved By: S. Spina

Seconded By: M. Bruni

- 6.2 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) approve a 2.5% market rent increase as indicated in the 2024 Annual Rent Increase Guideline from the Ministry Municipal Affairs and Housing (MMAH) for current and future market tenants for market buildings as outlined in the report.”

CORPORATE SERVICES/ FINANCE

Resolution #24-073

Moved By: L. Vezeau-Allen

Seconded By: R. Zagordo

- 6.3 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) Board directs the Chief Financial Officer to no longer budget for insurance deductibles through operations and to instead, utilize reserves, as outlined in the report.”

Resolution #24-074

Moved By: A. Caputo

Seconded By: M. Bruni

- 6.4 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) Board accept the attached draft 2025 Budget as information”

Resolution #24-075

Moved By: R. Zagordo

Seconded By: S. Spina

- 6.5 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC), directs the Chief Operating Financial Officer, upon completion of the annual audit, to allocate any final annual surplus to the Levy Stabilization Reserve each year.”

AND FURTHERMORE, BE IT RESOLVED THAT all reserve funds are restricted in use and can only be accessed with a resolution or direction from the Board.”

7. NEW BUSINESS

8. ADJOURNMENT

Resolution #24-076

Moved By: L. Vezeau- Allen

Seconded By: E. Palumbo

8.1 **"BE IT RESOLVED THAT we do now adjourn"**



**Social Services | Services Sociaux
Zhawenimi-Anokiitaagewin**
Sault Ste. Marie District

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 MEETING MINUTES

Sault Ste. Marie Housing Corporation
Thursday, September 19, 2024 at 4:30 PM
548 Albert Street, Sault Ste. Marie

Present: Stephanie Hopkin
Lisa Vezeau-Allen
Marchy Bruni via Zoom
Ron Zagordo
Enzo Palumbo
Sonny Spina via Zoom

Mike Nadeau
Jordan Couturier
Louie Bruni
Antonio Borrelli
Joanne Pearson

Katie Kirkham
Jeff Barban
David Petersson
Tanya Ritter
Pam Patteri

- 1. CALL TO ORDER at 5:49 p.m.**
- 2. LANDACKNOWLEDGEMENT**

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, and the Historic Sault Ste. Marie Metis Council.

- 3. APPROVAL OF AGENDA**

Resolution #24-064

Moved By: M. Bruni
Seconded By: E. Palumbo

- 3.1 "BE IT RESOLVED THAT the Agenda for the September 19, 2024 Sault Ste. Marie Housing Corporation Board meeting be approved as presented."**

CARRIED

4. DECLARATIONS OF PECUNIARYINTEREST

5. MANAGERS REPORTS

6. INFRASTRUCTURE

Resolution #24-065

Moved By: E. Palumbo

Seconded By: L. Vezeau-Allen

- 6.1 **“BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) award tender PTC 2024-03 for the replacement of the Make-Up Air System and Hot Water Tank at 393 Dovercourt Rd. to the lowest all-inclusive bid submitted by S&T Electrical Contractors Ltd. for \$295,211.37.”

CARRIED

Resolution #24-066

Moved By: R. Zagordo

Seconded By: S. Spina

- 6.2 **“BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) enter into a closed session for the following purposes: to address a personal matter about an identifiable individual, including employees of the Board; to discuss the security of the property of the District of Sault Ste. Marie Social Services Administration Board (DSSAB); and to consider a pending or proposed acquisition of land.”

CARRIED

Resolution #24-067

Moved By: M. Bruni

Seconded By: R. Zagordo

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

CARRIED

7. NEW BUSINESS

8. ADJOURNMENT

Resolution #24-068

Moved By: E. Palumbo

Seconded By: L. Vezeau-Allen

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

CARRIED



SAULT STE. MARIE HOUSING CORPORATION

BOARD REPORT

AUTHOR: Louie Bruni

DATE: October 17, 2024

RE: Awarding of the Request for Proposal RFP 2024-0014 – Elevator Services

RECOMMENDATION

BE IT RESOLVED THAT the Request for Proposal, RFP 2024-0014: Elevator Services and Maintenance be awarded to KLP Elevators and Lifts Inc.

BACKGROUND INFORMATION

The Request for Proposal (RFP) was released on August 22, 2024, and closed on September 5, 2024. The RFP was issued for the provision of service and preventive maintenance to elevators in Sault Ste. Marie for Sault Ste. Marie Housing Service Providers with a five (5) year contract term.

SUMMARY/OVERVIEW

The scope of work for RFP 2024-0014 includes providing all labor, material, equipment and transportation necessary to provide elevator services for various sites in Sault Ste. Marie.

The following proponents responded to the RFP:

RFP 2024-0014 Summary		
Submitted By	Hourly Rates	After Hours Calls
KLP Elevators and Lifts	\$185	\$277.50
TKE Elevator LTD	\$255	\$385

DATE: October 17, 2024

The proposals were scored based on the following criteria:

Score	Response to Article	Criterion	Value
Mandatory Requirements	14,15 &16	Completeness & Compliance	Pass/Fail
Rated Requirements	Article 4 of Schedule A	Response Time	10%
		Physical & Human Resources	10%
		Work History	5%
		Safety Report & History	25%
Pricing	Article 1&3 of Schedule A	Bid Amounts / Cost Per Property	50%
	TOTAL		100%

STRATEGIC PLAN IMPACT

The Elevator Services contract impacts the strategic plan in the area of Service Excellence.

FINANCIAL IMPLICATIONS

There are no financial implications to the 2024 Operations Budget.

CONCLUSION

The staff procurement committee reviewed and scored submissions. Based on the scoring criteria, the successful proponent to the RFP is KLP Elevators and Lifts.

Respectfully submitted,



Approved by:



Mike Nadeau
Chief Executive Officer



Social Services | Services Sociaux
Zhawenimi-Anokiitaagewin
Sault Ste. Marie District

SAULT STE. MARIE HOUSING CORPORATION

BOARD REPORT

AUTHOR: Louie Bruni

DATE: October 17, 2024

RE: Market Rent Increase 2025

RECOMMENDATION

BE IT RESOLVED THAT the Sault Ste. Marie Housing Corporation (SSMHC) approve a 2.5% market rent increase as indicated in the 2024 Annual Rent Increase Guideline from the Ministry Municipal Affairs and Housing (MMAH) for current and future market tenants for market buildings.

BACKGROUND INFORMATION

In July 2024, the Ministry of Municipal Affairs and Housing (MMAH) released the 2025 guidelines for annual rent increases in Ontario which are determined based on the Ontario Consumer Price Index (CPI). For the upcoming year, the rent increase in Ontario is set at 2.5 percent. CPI serves as a key measure of inflation, reflecting the economic conditions experienced over the previous year and ensures that rent adjustments are in line with the overall economic trends.

SUMMARY/OVERVIEW

The Sault Ste. Marie Housing Corporation (SSMHC) has the ability to adjust market rents annually in accordance with the Market Rent Index set out by the Ministry of Municipal Affairs and Housing (MMAH). This adjustment aims to keep pace with inflationary pressures. Annual rent increases allow the SSMHC to generate additional revenue to offset the yearly rising costs of housing impacting the SSMHC budget. The costs are associated with inflation, move outs, unit damages, maintenance, capital repairs and upgrades.

The rental increase will be applied to new and current market rent tenants residing at 49 St. Mary's River Drive, 39 Chapple, and 159 Gibbs effective January 1, 2025.

49 St. Mary's Drive		
Units	Current	New
One (1) Bedroom	1,050	1,076
Two (2) Bedroom	1,150	1,179
159 Gibbs Street		
Units	Current	New
One (1) Bedroom	1,095	1,122
Two (2) Bedroom	1,195	1,225
39 Chapple Avenue		
Units	Current	New
One (1) Bedroom	1,095	1,122
Two (2) Bedroom	1,195	1,225
Three (3) Bedroom	1,255	\$1,286

Staff completed a review of average rents in December of 2023. The table below shows the 2023 rental averages.

Unit Size	# of Units in Survey	Average Market Rent
One (1) Bedroom	525	\$ 1,150
Two (2) Bedroom	446	\$ 1,476
Three (3) Bedroom	13	\$ 1,606

SSMHC market units will continue to be offered at rental rates lower than the average for the Sault Ste. Marie District after the 2.5% increase in 2025.

STRATEGIC PLAN IMPACT

The rent increases impacts the strategic area of Service Excellence.

FINANCIAL IMPLICATIONS

Market rent increases will result in increased rental revenue to the SSMHC.

CONCLUSION

It is important that annual rent increases are implemented to produce the increased revenue necessary to address increased expenses and ensure the viability of these buildings.

RE: Market Rent Increase 2025

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DATE: October 17, 2024

Respectfully submitted,

Approved by:



Louie Bruni
Chief Operating Officer



Mike Nadeau
Chief Executive Officer



SAULT STE. MARIE HOUSING CORPORATION

BOARD REPORT

AUTHOR: Antonio Borrelli

DATE: October 17, 2024

RE: Insurance Deductibles

RECOMMENDATION

The Sault Ste. Marie Housing Corporation (SSMHC) direct the Chief Financial Officer to no longer budget for insurance deductibles through operations and instead to utilize Reserves.

BACKGROUND INFORMATION

Each year the SSMHC has budgeted for insurance deductible expenses based on history. Insurance deductibles through our insurance provider, HSC Insurance Inc., in the past were \$10,000 per claim, increased by HSC to \$25,000 in 2022 and further increased to \$50,000 in 2024. As it is difficult to predict the number of future claims, removing these expenses from budget and addressing them on a case-by-case basis through SSMHC Reserves will reduce the overall impact on the municipal levy and the year-end deficit/surplus.

SUMMARY/OVERVIEW

As stated above, the SSMHC insurance deductible is currently \$50,000 per claim. Our claims over the last four years were as follows:

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Number of Claims	1	2	1	2
Total Deductible Paid	\$ 10,000	\$ 50,000	\$ 25,000	\$ 100,000 *

*The two claims in 2024 were at 100 Campbell Avenue and 190 Brien Avenue but have not yet been paid. We are expecting to pay \$50,000 per claim from 2024 operating.

STRATEGIC PLAN IMPACT

N/A

FINANCIAL IMPLICATIONS

This will reduce the annual municipal levy accordingly and move this risk into reserve contingency for planning purposes,

RE: Insurance Deductibles

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DATE: October 17, 2024

CONCLUSION

Processing insurance deductibles from Reserves will simplify the budgeting process and reduce the overall impact on the municipal levy and the year-end deficit/surplus.

Respectfully submitted,

Approved by:



Antonio Borrelli
Manager of Finance

Mike Nadeau
Chief Executive Officer



Social Services | Services Sociaux
Zhawenimi-Anokiitaagewin
Sault Ste. Marie District

SAULT STE. MARIE HOUSING CORPORATION

BOARD REPORT

AUTHOR: Antonio Borrelli
DATE: October 17, 2024
RE: 2025 SSMHC Budget

RECOMMENDATION

Be it resolved that the Sault Ste. Marie Housing Corporation (SSMHC) Board accept the draft 2025 Budget as information.

BACKGROUND INFORMATION

The draft 2025 SSMHC Budget considers many of the recent property acquisitions. After operating these properties for some time, we are now more accurately able to budget for these properties, which is reflected in this budget. Additionally, this budget includes the cost increases we continue to see with move-out repairs, building security, and insurance.

SUMMARY/OVERVIEW

Management has reviewed all budget lines in depth when preparing this budget. This has resulted in many budget lines remaining in line with the prior year. Along with operational increases in move-out repairs, building security and insurance, this budget includes new mortgages and capital reserve contributions for newly acquired properties ensuring we can financially support any future capital costs for these properties.

Additionally, management was able to reduce the utilities budget even while adding additional units. This was achieved through the Board's investment in energy efficiency measures such as the Demtrov Units at 49 St. Mary's, heat pumps in the Shannon/Capp neighbourhood, lighting upgrades, furnace replacements and new windows and doors. These investments will ensure that SSMHC properties remain sustainable for many years.

For the 2025 Budget, the Housing portion of the DSSMSSAB Subsidy is included in Revenue, which is a direct transfer from the District of Sault Ste. Marie Social Services Administration Board (DSSMSSAB). In years past, this portion was included in the overall DSSMSSAB Subsidy, but in 2025 the Operating and Housing portions are separated. Overall, the combination of both reflects a \$228,390 increase over 2024.

STRATEGIC PLAN IMPACT

The 2025 Budget will continue to support the DSSMSSAB's strategic plan going forward, including sustained Service Delivery, Organizational Structure, and strengthening strategic Community Partnerships.

FINANCIAL IMPLICATIONS

DSSMSSAB will fund, via a direct transfer, the amount of \$3,394,800, to support the 2025 SSMHC Budget.

CONCLUSION

This budget inclusive of all properties acquired in recent years, will ensure the SSMHC has the financial ability to support, not only the day-to-day requirements of the operations, but also the capital needs required to continue to provide affordable housing to the Sault Ste. Marie District.

Respectfully submitted,



Antonio Borrelli
Manager of Finance

Approved by:



Mike Nadeau
Chief Executive Officer

Sault Ste. Marie Housing Corporation

SAULT STE. MARIE HOUSING CORPORATION (SSMHC)				
		% Chg.	2025 Planning Budget	2024 Approved Budget
Materials and Services	Schedule 1	4.80%	3,450,000.00	3,292,000.00
Utilities		-2.61%	2,240,000.00	2,300,000.00
Other Property Related		0.25%	1,681,600.00	1,677,378.00
Corporate Costs		12.86%	158,000.00	140,000.00
Mortgage and Insurance	Schedule 2	1.74%	1,824,580.00	1,793,382.00
Capital Reserve contribution	Schedule 3	30.47%	267,720.00	205,200.00
Capital Items	Schedule 4	2.00%	1,447,000.00	1,418,600.00
TOTAL BUDGETED EXPENDITURES		2.24%	11,068,900.00	10,826,560.00
		% Chg.	2025 Planning Budget	2024 Approved Budget
Rent (Net of Bad Debts)		21.11%	(8,292,800.00)	(6,847,435.00)
Tenant Recoveries		0.00%	(173,000.00)	(173,000.00)
Interest and Other Revenue		20.19%	(408,300.00)	(339,715.00)
TOTAL FUNDING		20.57%	(8,874,100.00)	(7,360,150.00)
Reserve Utilization		0.00%	(300,000.00)	(300,000.00)
TOTAL RESERVES		0.00%	(300,000.00)	(300,000.00)
TOTAL REVENUE/LEVY		19.76%	(9,174,100.00)	(7,660,150.00)
	DSSMSSAB Subsidy	\$	1,894,800.00	3,166,410.00
		%	-40.16%	5.34%

Sault Ste. Marie Housing Corporation

Schedule 1: Materials and Servies

	% Chg.	2025 Planning Budget	2024 Approved Budget
Moveout Operating	15.21%	818,000.00	710,000.00
Building Maintenance	1.83%	1,390,000.00	1,365,000.00
Life Safety Systems	3.45%	150,000.00	145,000.00
Waste Removal	6.90%	155,000.00	145,000.00
Building Equipment	-13.94%	142,000.00	165,000.00
Grounds Services	-8.00%	92,000.00	100,000.00
Vehicle	-5.71%	33,000.00	35,000.00
Snow Plough and Removal	0.00%	575,000.00	575,000.00
Building Security	82.69%	95,000.00	52,000.00
Vending Services	0.00%	-	-
TOTAL MATERIALS AND SERVICES	4.80%	3,450,000.00	3,292,000.00
		\$ Δ 158,000.00	
		% Δ 4.80%	

Schedule 2: Mortgage and Insurance

	% Chg.	2025 Planning Budget	2024 Approved Budget
Insurance Coverage	4.49%	465,000.00	445,000.00
Insurance Deductible Payments	-100.00%	-	50,000.00
Mortgage (P+I):	<u>Rate</u>		
49 St. Mary's River Drive	2.564%	298,842.00	298,842.00
159 Gibbs	2.473%	35,435.00	35,435.00
672 Second Line West	2.473%	106,304.00	106,304.00
39 Chapple	2.290%	41,503.00	41,503.00
548 Albert St. East	3.400%	679,740.00	677,822.00
721 Wellington Community Resource Centre	5.160%	92,690.00	92,690.00
136 Pilgrim	5.160%	24,344.00	24,344.00
46 Wellington	5.160%	21,443.00	21,442.00
187 Anna	5.160%	9,518.00	-
124 Dennis	5.160%	9,381.00	-
446 Second Line E (Harvest Algoma)	5.472%	40,378.00	-
TOTAL MORTGAGE AND INSURANCE	1.74%	1,824,580.00	1,793,382.00
		\$ Δ 31,198.00	
		% Δ 1.74%	

Sault Ste. Marie Housing Corporation

Schedule 3: Capital Reserve Contribution

	% Chg.	2025 Planning Budget	2024 Approved Budget
49 St. Mary's River Drive	0.00%	62,520.00	62,520.00
159 Gibbs	0.00%	7,200.00	7,200.00
39 Chapple	0.00%	9,000.00	9,000.00
548 Albert St. East	0.00%	60,000.00	60,000.00
136 Pilgrim	0.00%	3,840.00	3,840.00
46 Wellington	0.00%	2,640.00	2,640.00
187 Anna	0.00%	2,520.00	-
90 Chapple	0.00%	60,000.00	-
393 Dovercourt	0.00%	60,000.00	60,000.00
TOTAL CAPITAL RESERVE CONTRIBUTION	30.47%	267,720.00	205,200.00
	\$ Δ	62,520.00	
	% Δ	30.47%	

Schedule 4: Capital Budget

Year	CPI*	Annual Change	Capital Budget
2018	n/a	-	1,300,000.00
2019	n/a	-	1,300,000.00
2020	n/a	-	1,300,000.00
2021	2.00%	26,000.00	1,326,000.00
2022	2.41%	32,000.00	1,358,000.00
2023	2.41%	32,728.00	1,390,728.00
2024	2.00%	27,900.00	1,418,600.00
2025	2.00%	28,400.00	1,447,000.00

*Source: Statistics Canada