



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
January 16, 2025*

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. ELECTON OF EXECUTIVE

Election to be conducted by the CEO.

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

Resolution #25-001

Moved By: L. Case

Seconded By: S. Spina

- 3.1 “**BE IT RESOLVED THAT** the slate of officers in the positions of Chair, Vice Chair, Secretary, and Treasurer for the 2025 District of Sault Ste. Marie Social Services Administration Board executive positions be accepted as elected
Chairperson –
Vice-Chair –
Secretary –
Treasurer –

4. APPROVAL OF AGENDA

Resolution #25-002

Moved By: L. Case

Seconded By: A. Caputo

- 4.1 “**BE IT RESOLVED THAT** the **Agenda for the January 16, 2025** Sault Ste. Marie Housing Corporation Board meeting be approved as presented.”

5. DECLARATIONS OF PECUNIARY INTEREST

6. APPROVAL OF PREVIOUS MINUTES

Resolution #25-003

Moved By: M. Bruni

Seconded By: L. Case

- 6.1 “**BE IT RESOLVED THAT** the **Minutes** from the Sault Ste. Marie Housing Corporation Board meeting dated **November 14, 2024**, be adopted as recorded”.

7. MANAGER’S REPORTS

CORPORATE SERVICES/ FINANCE

Resolution #25-004

Moved By: S. Spina

Seconded By: L. Case

- 7.1 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) direct the Chief Financial Officer, following the final year-end reconciliation, to allocate any remaining surplus from the Capital Budget to a “SSMHC Capital Reserve” each year.

AND FURTHERMORE, BE IT RESOLVED THAT management has authority to access these funds, based on the boundaries of the Procurement Policy, which these funds will be used prior to utilizing the current year’s Board approved Capital Budget.

OPERATIONS

Resolution #25-005

Moved By: S. Spina

Seconded By: A. Caputo

- 7.2 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) approve an increase to market rent levels for the pre-2018 subsidized housing portfolio to coincide with the current ministry approved maximum income levels (Household Income Limits) as outlined in the report.”

Resolution #25-006

Moved By: R. Zagordo

Seconded By: M. Bruni

- 7.3 “**BE IT RESOLVED THAT** the Sault Ste. Marie Housing Corporation (SSMHC) now enter a closed session.”

Resolution #25-007

Moved By: S. Spina

Seconded By: L. Case

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

8. NEW BUSINESS

9. ADJOURNMENT

Resolution #25-008

Moved By: R. Zagordo

Seconded By: M. Bruni

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



SAULT STE. MARIE HOUSING CORPORATION

BOARD REPORT

AUTHOR: Antonio Borrelli

DATE: January 16, 2025

RE: SSMHC Year End Capital Surplus

RECOMMENDATION

BE IT RESOLVED THAT the Sault Ste. Marie Housing Corporation (SSMHC) direct the Chief Financial Officer, following the final year-end reconciliation, to allocate any remaining surplus from the Capital Budget to a “SSMHC Capital Reserve” each year.

AND FURTHERMORE, BE IT RESOLVED THAT management has authority to access these funds, based on the boundaries of the Procurement Policy, which these funds will be used prior to utilizing the current year’s Board approved Capital Budget.

BACKGROUND INFORMATION

Annually, once the Board approves the SSMHC Budget, management compiles a listing of capital projects necessary to maintain and improve the efficiency of our current housing properties. Throughout the year, many factors affect the planned use of the Capital Budget portion, which leads to funds remaining in the Capital Budget line. At this time, these remaining funds are rolled up into the year-end budget surplus and moved to SSMHC Reserves for future Board directed uses.

SUMMARY/OVERVIEW

Throughout the year, as management completes various projects within the scope of the Capital Budget, many factors affect the planned use of some of those funds. The circumstances range from construction delays, the continued difficulty of procuring select products and materials following the pandemic, and unexpected maintenance and repairs that arise throughout the year. Another item to consider is the Canada Mortgage and Housing Corporation (CMHC) Cost Match Funding which allows management to tap into additional funding for energy efficiency and greenhouse gas emission reduction projects, allowing existing Capital Budget funds to be freed up for other necessary projects.

Due to these factors, there are sometimes funds remaining in the Capital Budget line. These remaining funds are typically earmarked for a specific project identified by management, but because of the reasons identified above, the projects cannot commence until the following calendar year. It is management’s recommendation to direct the Chief Financial Officer to set these funds aside so that these projects can be

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completed in the next calendar year. This would be achieved through an internal procurement approval form, listing the remaining funds, what the planned use of the funds is for, and include the approval of the Division Chief and Chief Financial Officer.

As stated in the resolution, these funds would be utilized prior to accessing the new calendar year Board approved Capital Budget allocation.

STRATEGIC PLAN IMPACT

The proposed direction and use of any Capital Budget surplus supports both the “Organizational Excellence” and “Service Delivery” pillars of focus. Continued effort on increasing service excellence while maintaining and improving building infrastructure to better service delivery.

FINANCIAL IMPLICATIONS

There are no financial implications with this request.

CONCLUSION

Directing the Chief Financial Officer to set aside any remaining capital funds for use in the following year will allow management to ensure the approved Capital Budget is utilized for the longevity of all SSMHC properties.

Respectfully submitted,



David Petersson
Chief Financial Officer



SAULT STE. MARIE HOUSING CORPORATION

BOARD REPORT

AUTHOR: Louie Bruni

DATE: January 16, 2025

RE: Proposed SSMHC Subsidized Housing Portfolio Market Rent Increases

RECOMMENDATION

BE IT RESOLVED that the Sault Ste. Marie Housing Corporation (SSMHC) approve an increase to market rent levels for the pre-2018 subsidized housing portfolio to coincide with the current ministry approved maximum income levels (Household Income Limits) for the following unit types:

UNIT SIZE	PRESENT MARKET RENT (Hydro & Heat Included)	SUGGESTED MARKET RENT	DIFFERENCE
Bachelor	\$ 737	\$ 800	+ \$ 63
One (1) Bedroom	\$ 962	\$ 1,050	+ \$ 88
Two (2) Bedroom	\$ 1,162	\$ 1,237	+ \$ 75
Three (3) Bedroom	\$ 1,312	\$ 1,337	+ \$ 25
Four (4) Bedroom	\$ 1,525	\$1,562	+ \$ 37
Five (5) Bedroom	\$ 1,525	\$ 1,562	+ \$ 37

BACKGROUND INFORMATION

An amendment to Ontario Regulation 370/11 under the Housing Services Act, 2011 was approved and filed updating the household income and high need income limit information effective as of January 1, 2025.

The new limits are outlined in the chart below:

HOUSEHOLD INCOME LIMITS (HILS)	
Unit Size	Maximum Annual Income
Bachelor Unit	\$32,000
One (1) Bedroom	\$42,000
Two (2) Bedroom	\$49,500

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Three (3) Bedroom	\$53,500
Four (4) Bedroom	\$62,500

This increase allows households with higher income levels to be eligible for social housing only if the market rent is at the appropriate level to ensure subsidized calculations do not exceed the market rent for the appropriately sized unit.

example of HILS would be as follows:

- Current maximum annual income for a two (2) bedroom unit is \$49,500 (before taxes)
- $\$49,500 / 12 \text{ months} = \$4,125$ gross monthly income
- $\$4,125 \times 30\% = \$1,237.50$ (RGI/PHB/SSHB rents are calculated at 30% of a household's gross income)

Therefore, using 2025 HILs to determine market rents will continue to deem all SSMHC units affordable as they are 80%, or lower, of the actual average market rent in the community.

SUMMARY/OVERVIEW

The increase in SSMHC market rents would take effect June 1, 2025, and will allow for new applicants with higher incomes to qualify for subsidized housing. Upon review of the current rent roll, the market rent increase would affect up to 26 individuals occupying various units with their rents increasing by the suggested market rate.

A letter will be delivered to all SSMHC tenants with 90 days' notice explaining the increase and how this may affect their tenancy.

STRATEGIC PLAN IMPACT

Rent increases impact the strategic area of Service Excellence.

FINANCIAL IMPLICATIONS

The market rent increase will not result in any significant rental income increase for the 2025 fiscal year. However, it will allow higher income households to secure housing and pay a higher portion of rent which would contribute to increased rental revenues in the future.

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CONCLUSION

The increase in market rents will have a positive effect for subsidized households whose income may have increased slightly in the upcoming fiscal year and would have become ineligible for SSMHC units.

Respectfully submitted,

Louie Bruni
Chief Operating Officer