

# DSB begins process of changing rental fees for Gore Bay apartments

By *expositor* on December 11, 2013

MANITOULIN—In an attempt to save money on the Manitoulin-Sudbury District Services Board's (DSB) 288 social housing units, the board passed a motion late last month to change the rent-geared-to-income (RGI) format used currently to the affordable rent format, which charges residents 80 percent of the average market rent for a community, starting in Gore Bay.

Donna Moroso, director of integrated social services, used Gore Bay's Woods Lane unit as an example to the board, as it is the first unit to have its mortgage expire.

"In Gore Bay the current waiting list has 35 applicants, of which 30 are seniors," Ms. Moroso explained. "These applicants can be serviced by the non-profit and the DSB building on Woods Lane. The analysis of the portfolio shows that the building known as Woods Lane (66 Meredith Street) is a logical choice to convert to affordable rent."

Under the current RGI model, in 2012, rental revenues came in at \$26,162, operating costs were \$24,856, maintenance costs at \$11,464 and capital costs, \$1,899. This meant a loss of \$12,048. Using the affordable rents system for the same year, the rent revenue would have been \$57,120. With the same expenses, the DSB would have seen a net gain of \$18,910.

In 2012 each of the DSB housing units saw a loss, with a total loss of \$529,964.

"Affordable rents are calculated at 80 percent of the average market rent for same-sized units in that community," she continued. "Choosing to offer an affordable option would increase the rental revenues and would lessen the burden."

None of the current residents would be affected by this change, she explained, as vacancies will be filled with residents paying an affordable rent. Current waiting applicants will be provided with the choice to remain on the waiting list under the new system or choose another location of their choice.

"As the end of operating agreements fast approaches, considerations for affordable housing rates is an option to meet the needs of our communities while maintaining fiscal responsibility to our member municipalities," Ms. Moroso stated. "Service managers are expected to continue to meet the housing needs of our communities while the degree of funding for these projects continues to decline. The cost of operating our buildings continues to climb, and as a responsible provider, we aim to be proactive in our approach to review and repurpose our portfolio to meet the demand for affordable housing."

The DSB passed a motion that, effective January 1, 2014, the Woods Lane Apartments in Gore Bay starts under the affordable housing designation.

[Alicia McCutcheon](#)