

Despite pleas from Gore Bay to reconsider, DSB moves ahead with increase to rents

By **Alicia McCutcheon** - Dec 9, 2015

ESPANOLA—The increase to social housing market rents was made official at the November meeting of the Manitoulin-Sudbury District Services Board (DSB), despite protests from both the Gore Bay and Espanola councils that the sudden increase is both unfair and sudden.

In its board package, the DSB received letters from both communities with DSB CAO Fern Dominelli explaining that he had made a presentation to Gore Bay mayor and council on the rental increase recently.

In Gore Bay, the Gore Bay Municipal Non-Profit Housing Corporation owns and operates 25 units. At present, there are nine rent geared to income units and 16 tenants who pay market rent. Of those 16 renters, 10 will be required to pay the new market rent of \$940 (which includes heat and hydro), up from \$645 because their incomes exceed the maximum of \$37,500 (or assets of over \$100,000).

Mr. Dominelli also explained that there are 359 units in total in the DSB catchment area and a waiting list of 383 people.

It was noted that the social housing committee had a lengthy discussion about the letters and decided against any recommendations to change the plan of a two-year phase-in effective October 1 for DSB-owned properties and on January 1, 2016 for non-profit providers.

“It was a very lengthy discussion with Gore Bay town council,” Mr. Dominelli said.

He explained that in Gore Bay, for the most part, tenants have the ability to pay market rent and said that while council did recognize the need for an increase, they felt it was unfair to those 10 tenants.

“When this motion first came up, I spoke vehemently against it,” said Espanola Councillor

Stewart Meikleham. "This is ludicrous to see such an increase in rent." Mr. Meikleham said it should be grandfathered or implemented on an incremental basis. He asked the board to reconsider the motion.

"Stewart, we've talked about this for months now," said DSB Chair Les Gamble.

"The optics for social housing sucks," Mr. Meikleham responded. "We can look at the numbers all we want, but \$37,500 is on the threshold of the poverty level. I'd like to see it go back to staff and either see it grandfathered or raised incrementally," he reiterated.

"I've had seniors coming to me who are very challenged by this and would like to see the timeframe changed," added Espanola Mayor Ron Piche. "I don't even know how the market rent is defined. Six-hundred and forty dollars to \$940? Is that reasonable? I can't understand that—it's extreme."

Mr. Dominelli explained that 16 renters will see an increase.

"Are you asking them if they're happy with it?" the mayor asked.

"We've been talking to them since July. We know they're not happy with it," Mr. Dominelli responded.

"We should bring them into this building and get them to tell you what they think of it," Mayor Piche answered.

"You can't expect anyone, be it someone with a \$37,000 a year salary or a \$370,000 a year salary, to change their budget in such a short time frame," Mr. Meikleham said. "I have a responsibility to the citizens of Espanola, and the residents of Northern Ontario. This is wrong."

"The program committee reviewed it, the board has talked about it and arguments we've had have not produced any other letters than the two we've had (Gore Bay and Espanola)," Northeast Town Mayor Al MacNevin said. "I'm suggesting that if Councillor Meikleham wants to put a motion forward, he could."

Mr. Meikleham put a motion forward that the rent increase go back to staff. Four board members voted in favour: Ron Piche, Stewart Meikleham, Tehkummah reeve Eric Russell and West End representative Bill Baker. The motion was defeated.

Gore Bay Mayor Ron Lane told The Recorder he was once again disappointed with the board's decision to not reconsider a further look at the increase.

"It's not fair to spring a 45 percent increase with two months' notice," the mayor told the Recorder. "These people don't need this stress at this stage in life."

"To me, it's about the fairness of it all," he added. "Instead of having a study, they're using numbers the province has applied. I feel the board should have been more humane, given the age of the people living there (Millsite Apartments)."

Comments