



BOARD REPORT

REPORT No.: 2022-20

MEETING DATE: APRIL 21, 2022

SUBJECT: JUNE 2022 MORTGAGE RENEWAL - FEDERICA STREET, THUNDER BAY

RECOMMENDATION

THAT with respect to Report No. 2022-20 (Corporate Services Division), we, The District of Thunder Bay Social Services Administration Board, approve the Ministry Resolution as attached, to be duly signed in accordance with TBDSSAB By-Law No. 03-2021 (Governance and Procedural);

AND THAT we authorize the Board Chair and Chief Administrative Officer to execute the mortgage financing documents related thereto.

REPORT SUMMARY

To provide The District of Thunder Bay Social Services Administration Board (TBDSSAB or the Board) with the upcoming mortgage renewal arrangements for the properties located on Frederica Street in the City of Thunder Bay.

BACKGROUND

The Ministry of Municipal Affairs and Housing (MMAH) is responsible for facilitating and coordinating mortgage renewals for certain legacy social housing properties on behalf of TBDSSAB. Once MMAH receives the borrowing Resolution from the Board, MMAH will enter negotiations with lenders, on TBDSSAB's behalf, to secure more favourable interest rates.

The *Housing Services Act, 2011*, permits a housing provider to seek alternative financing arrangements where a business case can be made to the Service Manager. Given the competitive rates recently secured through the MMAH process, this option is not being considered at this time.

COMMENTS

The following TBDSSAB mortgage is due for renewal on June 1, 2022:

Project	Balance Owing at Renewal	Current Rate	Current Term Expiry	Mortgage Maturity
Frederica Street	\$567,614	1.865%	June 1, 2022	June 1, 2027

This mortgage, held by the Scotia Mortgage Corporation, was last renewed on June 1, 2017.

STRATEGIC PLAN IMPACT

This report relates to the Board's strategic direction of Financial Stewardship, with a focus on ensuring accountability of TBDSSAB resources.

FINANCIAL IMPLICATIONS



Mortgage financing costs are included in the annual TBDSSAB Operating Budget. The CMHC mortgage renewal process that was recently completed for another TBDSSAB property in December 2021 (mortgage was also held by Scotia Mortgage Corporation) resulted in an interest rate of 1.832%. Although the Bank of Canada has since raised its benchmark interest rate by 25 basis points, the impact on the 2022 Budget should be immaterial.

CONCLUSION

It is concluded that the mortgage financing for the Frederica Steet properties is due for renewal on June 1, 2022 and should be renewed through the MMAH negotiation process.

REFERENCE MATERIALS

Attachment #1 [Resolution of the Board of Directors of TBDSSAB](#)

PREPARED BY:	Keri Greaves, CPA, CMA, Manager, Finance
SIGNATURE	
APPROVED BY	Georgina Daniels, FCPA, FCA, Director - Corporate Services Division
SIGNATURE	
SUBMITTED BY:	Bill Bradica, Chief Administrative Officer

**RESOLUTION OF THE BOARD OF DIRECTORS
OF
THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD**

WHEREAS THE DISTRICT OF THUNDER BAY SOCIAL SERVICES ADMINISTRATION BOARD (the "Corporation" and/or "Housing Provider") has requested the Ministry of Municipal Affairs and Housing (the "Ministry") to arrange on its behalf a refinancing of the existing charge/mortgage of land (the "Mortgage") for its project municipally known as **1908, 1930 & 1940 W. Frederica Street, Thunder Bay** maturing on June 1, 2022 in the approximate amount of **\$567,614.58**.

AND WHEREAS the Ministry has agreed to arrange said mortgage financing and the Housing Provider agrees to be bound for those purposes by the terms and conditions contained in the said Mortgage, or any amendments thereto.

THEREFORE BE IT RESOLVED THAT:

1. The Housing Provider hereby authorizes the Ministry to solicit and arrange on its behalf such Mortgage(s) or Mortgage facilities with a lender or its authorized agent (the "Lender") as it deems necessary, appropriate or advisable for the project identified above and for the maturity date aforementioned;
2. The Housing Provider hereby agrees to be bound to the Lender for such mortgage purposes and upon the terms and conditions contained in the said Mortgage, or any amendments thereto, and the Housing Provider hereby further agrees to mortgage its property and assets to secure its present and future obligations under the said Mortgage, or any amendments thereto, to the Lender, as deemed necessary or advisable;
3. The Housing Provider hereby authorizes the designated signing Officers to enter into such agreement or agreements amending the terms of the said Mortgage and to deliver to the Lender such document or documents as may be deemed necessary, advisable or required by the Lender to give effect thereto;
4. The Housing Provider hereby confirms that this Resolution has been ratified and approved by its Board of Directors and it agrees to deliver this resolution to the Ministry and to the Lender; and

The Housing Provider further confirms that this resolution shall continue in force and effect until written notice to the contrary is delivered to the Lender and the Ministry with receipt acknowledged by the Lender and the Ministry.

I HEREBY CERTIFY that the foregoing is a true copy of a Resolution passed by the Board of Directors of the Housing Provider on the _____ day of _____, 20__, which Resolution was duly enacted in the manner authorized by law and in conformity with the constating documents of the Housing Provider and that this Resolution has not been amended and continues to be in full force and effect.

Dated at _____ this _____ day of _____, 20__.

**THE DISTRICT OF THUNDER BAY SOCIAL
SERVICES ADMINISTRATION BOARD**

Per: _____ c/s

Name:

Title:

I have the authority to bind the subject Corporation