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April 10, 2025

Steve Zuppa, Junior Planner
CITY OF SAULT STE. MARIE
99 Foster Drive,
Sault Ste. Marie, ON P6A 5X6
Email: s.zuppa@cityssm.on.ca

via email only

RE: Community Improvement Plan Amendment
Location: Sault Ste Marie, Algoma District

Dear Steve Zuppa,

Thank you for the opportunity to provide comments on the draft amendment to the City of Sault Ste. Marie's Community Improvement Plan (CIP). We had provided earlier comments (July 16, 2024) regarding the City's CIP. Our review of the adopted Plan identified no concerns emanating from the proposed amendment. However, it did reveal that our primary recommendation from our July 2024 comments, regarding the definition of "affordability" was not incorporated into the CIP pre-adoption. Through this amendment process, it is our hope that the City of Sault Ste. Marie will consider, once again, that earlier recommendation. To better achieve one of the objectives of the CIP, the prioritization of the development of affordable housing, the city may wish to consider the following:

1. Definition of "Affordable"

Section 4.6 of the plan defines "Affordable", "Affordability" and "Affordable Housing" for ownership and rental housing through a cut-and-paste of the Provincial Policy Statement definition of "Affordable" as per the PPS Definitions section. The city should reconsider this approach, as the PPS definition (and the definition included in the adopted CIP) refers to resale prices and rents for units within the "regional market area" – a term that is defined in the PPS, but not in the draft CIP. The PPS definition of "regional market area" is not definitive in the context of a local planning authority, such as the City of Sault Ste. Marie, but is used in the PPS in a way that requires greater explanation and analysis in local policy documents, such as official plans and community improvement plans.

Further, as programs in the CIP require on-going affordability monitoring, for up to as much as 20 years, there should be greater clarity in this section as to how affordability will be determined annually, and how a CIP program applicant will be determined to be within compliance, year over year.

Through the amendment process, the city may wish to identify in policy which datasets, exactly, it will use to determine baseline and ongoing affordability, based on average resale prices, average market rents, or the gross annual household income of owners and renters. Identifying specific datasets will provide clarity to plan administrators and successful applicants and should minimize disputes over annual reporting.

2. Section 2.4.4: Maximum Grant Amount

Section 2.4.4 indicates that the maximum amount of any grants under the various incentive initiatives (including the TIEG) will not exceed \$240,000. Section 28 of the Planning Act restricts the amount of incentive grants to a maximum of eligible expenses. This section should be amended to provide that the maximum amount of any grants under the various incentive initiatives will not exceed the lesser of \$240,000 or the eligible expenses. It is noted that this is covered under section 3.1.5 bullet 2 and section 3.1.13, but it would be beneficial to include clarification to avoid confusion.

3. Section 2.5.4: Grant Description Clarification

Section 2.5.4 presents some confusion. The grant description provides: "A TIEG will typically contain a fixed number of years at 100% of the municipal portion of the tax increment, decreasing to 75% in the third last year, 50% in the second last year, and 25% in the final year. The grant ceases thereafter." However, the chart immediately following this description indicates TIEG grants with a horizon of 19 years. Clarification might be considered to make this clearer.

4. Section 2.5.6, Bullet 9: Annual Grant Limitation

Section 2.5.6, bullet 9 provides: "The City shall not issue an annual grant that is of greater value than the municipal tax collected in a given year on the increased assessed value of the property." As a tax increment equivalent grant is calculated on the basis of a post-improvement increase in assessment, and therefore property tax, and not overall property taxation, it is suggested that clarification be added to limit the amount of this grant to any increase in municipal property taxation between pre and post improvement assessments.

5. Section 4: Implementation Considerations

Section 4 deals with implementation. You may wish to consider adding a statement to the CIP clarifying that the municipality may choose to suspend or not fund the program in any specific year.

Conclusion

Thank you for this opportunity to provide comments on this draft community improvement plan. If you have any questions or concerns, please do not hesitate to contact Zeinab Seifpour, Planner at zeinab.seifpour@ontario.ca.

Sincerely,



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