



THE CORPORATION OF THE TOWN OF AMHERSTBURG

OFFICE OF THE CAO

MISSION STATEMENT: Committed to delivering cost-effective and efficient services for the residents of the Town of Amherstburg with a view to improve and enhance their quality of life.

Author's Name: Valerie Critchley	Report Date: February 1, 2022
Author's Phone: 519 736-0012 ext. 2238	Date to Council: February 14, 2022
Author's E-mail: vcritchley@amherstburg.ca	Resolution #:

To: Mayor and Members of Town Council

Subject: Proposed Seniors/Assisted Living Development Proposal from Stillbrook Retirement Residences Inc.

1. RECOMMENDATION:

It is recommended that:

1. In keeping with the Disposal of Surplus Real Property Policy, Section 6.15 the following property **BE DECLARED SURPLUS** to the needs of the Town:

Lots 192-198 inclusive, R.P. 1066 and Parts 1 & 2 on 12-R 2882; (the "Property");
2. CAO **BE DIRECTED** to enter into an Agreement of Purchase and Sale to allow for the sale of the Property under the terms and conditions directed by Council.
3. That the Mayor and Clerk **BE AUTHORIZED** to sign any documents required to complete the transaction prepared in form and content satisfactory to the Town's solicitor; and
4. That the request of Stillbrook to be exempted from Development Charges and Building Permit fees in conjunction with its development of an assisted living complex on the Property **BE CONSIDERED**, subject to Administration being satisfied that the request meets the criteria set out in the *Development Charges By-law*.

EXECUTIVE SUMMARY:

N/A

2. BACKGROUND:

As Council is aware, the Town has been approached by Dr. Peter Nord, President of STILLBROOK Accessible Retirement Living (“Stillbrook”). Stillbrook is a not-for-profit (“NFP”) assisted living housing provider with a mandate to provide retirement living that includes an array of services at an affordable cost. Stillbrook currently has 12 sites under development in Ontario and wishes to develop their concept on Town-owned property in Amherstburg. Stillbrook requires 2 acres of property and wishes to purchase lands in the north-west quadrant of Centennial Park legally described as described legally as Lots 192-198 inclusive, R.P. 1066 and Parts 1 & 2 on 12-R 2882, (the “Property”).

On December 13, 2021, Administration received direction from Council on this matter and is now providing a further report to Council.

3. DISCUSSION:

The purpose of this report is to provide Council with an update on the possible sale of the Property, provide additional information about the project and determine Council direction for next steps. It is important to note that this report will not outline alternate uses or designs for Centennial Park as there is a companion report on this topic from the Director of Parks, Recreation, Culture & Facilities that is before Council for consideration.

a) The Stillbrook Proposal

Stillbrook is proposing to build a 4 story affordable, & accessible retirement residence serving up to 191 seniors in 177 suites. The intent is not to construct a multi-family structure but rather to build and operate a NFP senior’s retirement residence which is affordable and would also provide supports to daily living. Such supports would include meals, recreational programming, and personal care amenities such as hair dressing.

This complex will not be a Long Term Care home, however, as Council is aware, the property immediately to the east of the Community Hub was recently sold to an entity that plans to construct a Long Term Care facility. That proposed facility, together with the services available in the Community Hub, would make the proposed location for the Stillbrook development ideal as residents could access the services offered at the Hub and, once in need of further care, could transition to a Long Term Care facility in their own neighbourhood.

Stillbrook estimates that its total investment in the project will be \$30M-\$40M and will result in the creation of 20.4 full time equivalent jobs in the facility and 50-60 full time equivalent spin-off jobs in the community.

b) Community Considerations & Linkages to the Strategic Pillars of Council's Community Strategic Plan

From a description of the Stillbrook proposal, it is evident that many of its elements provide benefits to the community and are also in alignment with the four strategic pillars contained in Council's Community Strategic Plan which are as follows:

1. Marketing & Promotion
2. Economic Development
3. Investment in Infrastructure
4. Fiscal sustainability

i) Linkage to Marketing & Promotion

The development in Amherstburg of the type of affordable senior's living units being proposed by Stillbrook will be unique within the County of Essex. Further, development of this facility, together with other amenities such as the Community Hub and the proposed Long Term Care facility will aid in the promotion of Amherstburg as an "age friendly" community.

ii) Linkage to Economic Development & Investment in Infrastructure

This proposed development would support the Town's long term strategic vision of providing more affordable senior's housing units and to provide alternative housing options to the Town's residents. It will also result in the injection of \$30M-\$40M in development dollars into the Town and will provide job growth as noted above.

iii) Linkage to Fiscal Sustainability

Currently, as Council is aware, this Property does not generate any taxation revenue for the Town. This development, if approved, would provide new assessment and ongoing property taxation. Based on comparable, 4 unit structures, a preliminary estimate of the annual taxation generated by this development is approximately \$189,000.

iv) Further Community Benefits

In addition to the benefits listed above, there are various training opportunities that could be developed both for local high school students (aided by the vicinity of the development of the new North Star High School) as well as local university and college students. The development of such "multi-generational" training programs could also lead to further promotion of Amherstburg as an "age-friendly" community.

c) Sale of the Property

The decision before Council is whether to sell this 2 acre portion of Centennial Park for the proposed Stillbrook development, retaining the remainder as parkland, or to

retain this 2 acre portion of land as parkland together with the remainder of Centennial Park.

Of note is that, situated on this 2 acre parcel, is the former Amherstburg Community Services building which would be demolished if the Stillbrook development proceeds. Therefore, the proposed development is on a portion of Centennial Park which has historically been used for an institutional use and not solely as parkland.

Should Council wish to proceed with this development, it is important to note that Stillbrook is asking for the following considerations:

i) Purchase Price

As Council is aware, the value of real estate has been rising in Windsor/Essex County and in fact, has risen substantially since Stillbrook first became interested in developing this project in the Town of Amherstburg

Stillbrook has advised that, as a NFP entity, its aim is to keep the units being built affordable for the tenants. As a result, Stillbrook has further advised that its business model dictates that the amount it can pay for the Property and is under the current appraised value.

While the ultimate negotiated purchase price for the Property may be lower than appraised value, it should be noted that the property has not been placed on the open market and that the consideration of its sale was always in the context of being sold for the development of an affordable seniors living facility. To attain the full appraised value, the Property would have to be placed on the open market and be open to offers from all potential developers. The Property would then be subject to any type of development that fits within the current institutional zoning or any potentially successful re-zoning of the Property.

ii) Exemption from Development Charges and Building Permit Fees

Stillbrook is also requesting an exemption from the Development Charges and Building Permit fees that would be associated with the project.

Waiving or reducing Development Charges is considered 'bonusing', which is a prohibited practice pursuant to the *Municipal Act, 2001, as amended*. However, such a waiver or exemption would be allowable if either of two circumstances exist:

- a) The Town has an active Community Improvement Plan (CIP) which stipulates this type of incentive. Currently, the Town does not have a CIP; or
- b) The project qualifies for the following exemption for projects described as follows in the Town's *Development Charges By-law*:

A building or structure used for a community use owned by a non-profit corporation. A non-profit group is defined as - "non-profit" means a corporation without share capital that has objects of a charitable nature.

Administration is currently researching whether this project would qualify for the exemption under item (b) above and, should Council wish to grant the exemption, it could do so on condition that the project does in fact qualify. However, Council should be aware that the application of such an exemption could set a precedent with other NFP entities wishing to develop similar projects

4. RISK ANALYSIS:

The sale of 179 Victoria to Stillbrook Retirement Residences Inc. provides an opportunity for the Town to facilitate affordable assisted living accommodations for seniors.

There is no financial risk to proceeding with the sale as the alternative to selling the property is to keep it as parkland which will not generate sale proceeds or ongoing assessment. With respect to granting an exemption from development charges and building permit fees, there is a risk that a precedent will be set with other NFP entities seeking to develop similar projects.

Finally, while the proposed sale/development may present some political risk, the benefits of the development provide the Town with the opportunity to address highly needed affordable accessible assisted-living residence while also benefitting from financial compensation through the sale. Sale proceeds would be credited to the Parks Development Reserve for use toward future enhancement of existing parks facilities.

5. FINANCIAL MATTERS:

The final purchase price for the Property will be negotiated as directed by Council and will be reported once negotiations are complete. Any sale proceeds would be deposited into the Parks Development Reserve for use towards future projects.

As the Property is currently a portion of a Town owned Park, the Town previously collected no property taxes as it is held under an "Exempt" tax class. Upon completion of the sale of the subject property, the Town would begin to collect property taxes from the private owner. These taxes will increase substantially following completion of the affordable assisted living complex and are anticipated to be in the range of \$189,000 annually.

Stillbrook has also requested an exemption from Development Charges and Building Permit fees for the Project.

6. CONSULTATIONS:

Mr. Ray Bower: Ray Bower Appraisal Services Inc.
Mr. Michael Stamp: Consultant, M.G.S. Real Estate Consulting Inc.
Mr. Roy Simone: Verhaegen et al Surveyors
Mr. Todd Hewitt: Manager of Engineering Operations
Interim Town Clerk
Interim Chief Administrative Officer

7. CONCLUSION:

Ultimately, it is Council's decision if it wishes to keep the Property as parkland, which will generate no sale proceeds and no further taxation revenue (although it has historically been used for an institutional use), or if it wishes to sell this 2 acre parcel of the park, benefitting from the sale proceeds, ongoing taxation revenue and furthering the strategic goals of its' Strategic Plan by promoting economic development and expanding the footprint of affordable seniors housing in Amherstburg.

However, given the overall financial and social benefits to the community, it is Administration's recommendation that the Property be sold to Stillbrook and that the requested fee exemptions be considered on a conditional basis, pending Administration's final confirmation that they meet the criteria set out in *Development Charges By-law*.



Valerie Critchley

Interim Director of Legislative Services & Clerk

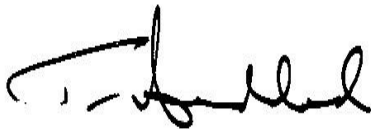
Report Approval Details

Document Title:	Proposed Seniors Assisted Living Development Proposal from Stillbrook Retirement Residences Inc.docx
Attachments:	
Final Approval Date:	Feb 8, 2022

This report and all of its attachments were approved and signed as outlined below:



Tiffany Hong



Tony Haddad



Valerie Critchley