

Committed to our clients living with dignity by delivering quality programs, housing and supportive services

January 30, 2020

City Clerk's Office
City of Guelph
1 Carden Street
Guelph, ON N1H 3A1

To: Guelph City Council via Guelph City Clerk,

Please accept this letter from Guelph Independent Living (GIL) as a supporting document to Item 7.1 on the February 3, 2020 Committee of the Whole meeting agenda; Item 7.1 is in regards to the City of Guelph's cash-in-lieu of parkland dedication requirement for GIL's building permit application for 238 Willow Road, Guelph.

GIL was presented with the opportunity to convert our building's vacant commercial space into two affordable market rent 1-bedroom apartments in the spring of 2019. Initially GIL planned to partner with the Wellington Catholic District School Board (WCDSB); specifically, their Co-operative Education program at Bishop Macdonell which would have provided students with the opportunity to work hands-on with skilled tradespersons; learning valuable skills in plumbing, electrical and carpentry. As the project was delayed beyond the school's first semester, this education placement did not proceed as planned.

GIL has also partnered with the County of Wellington, who provides funding subsidies to GIL to support the cost of operating, rent and property tax expenses. The County endorsed the conversion project earlier in 2019 and as part of their endorsement, Housing Services applied to Wellington County Council of GIL's behalf to offer funding in support of this development. This approval was provided in September 2019 and the subsequent funding agreement is contingent on the project starting prior to mid-March 2020.

The original project cost was quoted by Sutcliffe Homes Inc (in conjunction with the WCDSB) at \$160,000; additional work required to verify the fire alarm system and necessary parking spaces plus payment to the city for development fees not only delayed the building permit application but added an extra \$35,000 to the project cost.

The final hurdle in the building permit application is the city's requirement to pay the cash-in-lieu of parkland dedication fee. This fee has not been paid on the building as construction originally started in 1988 and the bylaw was established in 1990.

In November 2019, GIL had discussions with Luke Jefferson, city planner, about the potentially high costs associated with the parkland dedication fee and the suggestion of putting forth a request to City Council for a full exemption of the fee. A letter of request was provided to Mr. Jefferson by GIL and endorsed by the County of Wellington. Unfortunately, due to timing of the discussions and letter, the request was not able to be heard at December's Committee of the Whole meeting; thus delayed the project further.

On January 17, 2019, Mr. Jefferson provided an update on the city's report to City Council regarding GIL's cash-in-lieu of parkland dedication fee to be presented at the February 3 meeting. Specifically, the city was now recommending a partial payment for GIL.

Based on the new recommendation, the fee amount would be calculated based on an appraisal arranged for and submitted by the applicant, and would reflect the actual increase in density proposed by the redevelopment (i.e. based the two new units rather than the entire building).

Using the calculation example provided, if the appraisal valued the building at \$2 million, the fee for the whole building would be \$340,000 and, for the two units, approximately \$4000. Based on the current property tax bill and 2016 Building Condition Assessment, the value of the building is likely closer to \$10-20 million, meaning the cash-in-lieu fee may be \$40,000 to 80,000. For GIL, this extra cost has the potential to add another 25-50% onto the already \$200,000. For a non-profit agency, the cost is onerous and likely to bring the project to an immediate halt.

Guelph Independent Living (GIL) is a community based agency who has been delivering on their mission of being '*committed to clients living with dignity by delivering quality programs, housing and supportive services*' since 1975. We are also committed to aiding the City in increasing the supply of affordable housing options for low- to moderate-income households; one of the key goals within the 10-year Housing and Homelessness Plan for Guelph Wellington.

In conclusion, Guelph Independent Living – Willow Place is requesting exemption from the Parkland Dedication bylaw in order to proceed with its proposed development at 238 Willow Road, Guelph and to provide of more affordable housing within the city. By working together, we can help to reduce the city's homelessness issue as well as to enhance the social wellbeing of residents.

We look forward to hearing a positive outcome in order to move forward with this project.

Sincerely,

A handwritten signature in black ink that reads "Janet Redman". The signature is written in a cursive, flowing style.

Janet Redman

Executive Director