

February 4, 2021

Township of Selwyn
PO Box 270
Bridgenorth, ON K0L 1H0

Re: Background Information related to the delegation to Selwyn Township Council on Feb 9th in regard to 44 Bridge Street, Lakefield

Dear Selwyn Township Mayor and Council Members:

The purpose of this letter is to provide information to Council regarding giving notice to designate 44 Bridge Street, Lakefield.

We have requested to come before Council to disclose the financial harm that could potentially result to Habitat for Humanity Peterborough & Kawartha Region should a decision be taken that results in intention to give a heritage designation to this property. The negative impact would be dire if Habitat is not able to complete the sale of the property or otherwise recoup the costs incurred on the land and the studies and plans completed to date. At Habitat for Humanity Peterborough & Kawartha Region we acknowledge the difficult decision Council must make on this matter – one that could even be characterized as a choice between preserving history or meeting the urgent need for affordable housing – both valid community considerations.

At Habitat we believe that every Canadian deserves a safe and affordable place to call home.

As you are aware, we are in the midst of a housing crisis in our communities. The ongoing COVID-19 pandemic has further shone a spotlight on the importance of safe, decent, and affordable homeownership. According to a recent Housing Forecast Unit Needs Projection 2019-2029 report put together by OrgCode Consulting hired by the City of Peterborough 4056 additional affordable housing units are needed over the next 10 years.

- To merely maintain the status quo - 399 new affordable homeownership units must be built in the City and County of Peterborough between 2019 and 2029.
- To make even a marginal improvement - 545 new units are required.
- **To fully satisfy projected housing needs - 796 affordable homeownership units must be built in the City and County of Peterborough by 2029.**
- Selwyn Township alone requires 398 affordable, 78 of which need to be affordable homeownership.

In addition, the cost of residential homes is skyrocketing. According to the MLS Home Price Index (HPI), the overall MLS HPI Composite/Single Family benchmark price for the Peterborough and the Kawartha

Region for October 2020 was \$495,000, up 16.6% from October 2019 - putting affordable homeownership further out of reach for far too many families, singles, and seniors in Selwyn township.

Habitat is the only entity building affordable homeownership units right now in the Peterborough and Kawartha Region.

At Habitat we have directly seen this unparalleled need for more affordable housing in the Peterborough and Kawartha Region. For example, for the 41 affordable condos that Habitat Peterborough is building in Peterborough, we have already **received over 400 expressions of interest and in total, these applications account for over 600 adults and over 550 children.**

To achieve significant impact on the growing crisis in affordable housing in our communities, Habitat recognizes that we can no longer confine our building activity to the traditional single-detached home built one or two at a time – the need for affordable housing is too great. Habitat recognizes the need to adapt and to build decent, affordable homes not just for low-income families, but also for low-income couples, singles, and seniors. Which is why, in 2018 Habitat purchased the property at 44 Bridge Street after conducting a thorough due diligence process.

In summary, the timeline of actions taken by Habitat regarding the property at 44 Bridge Street are as follows. These are elaborated upon later in this letter.

Spring/Summer 2018

- Habitat staff met with Township Planning Department staff regarding purchasing 44 Bridge Street.
- Habitat consulted with a group of local community stakeholders about its intentions with 44 Bridge Street regarding the potential of purchasing the property and ensuring we had their support.
- Habitat purchased 44 Bridge Street in July 2018

August 2019

- Habitat staff attended a pre-consultation meeting with Township staff to determine what could and could not be done at 44 Bridge Street.
- As per set procedure, in attendance at this meeting were representatives from the Township of Selwyn-Planning Department, County of Peterborough-Engineering & Design, Township of Selwyn-Sewer & Water, Township Risk Management Officials, ORCA, Lands and Resources Consultation Liaison Curve Lake First Nation, County of Peterborough-Planning, architects, and Habitat staff.

October 2019

A second smaller follow-up meeting occurred for further discussions and to clarify results of the pre-consultation report.

2020- 2021

- COVID-19 pandemic hit locally in March 2020. Habitat ReStores closed.
- August 2020, Habitat listed 44 Bridge Street for sale on MLS.
- August 2020, Habitat obtained a demolition permit to make the whole property package more attractive to potential buyers.
- August 2020, Habitat accepted its first offer on 44 Bridge Street. That offer fell through in November 2020.
- Early January 2021, a second offer was accepted on 44 Bridge Street by Habitat with a closing of March 15, 2021.
- Jan 14, Township staff reached out to Habitat to request, on behalf of the Heritage Committee, to take photos of the property. The email indicated that the Committee understood that this property was not on the list and that a demo permit had been issued and that the Committee was looking to document the property's heritage features. At this time there was no indication that anything had and was about to change in terms of designation or being added to the list.

Prior to purchasing the property, Habitat conducted a thorough due diligence. Following the procedures and legislation that are currently in place, Township staff informed Habitat that 44 Bridge Street was zoned commercial and would remain commercial in keeping with the rest of Bridge Street. Again, in keeping with existing procedures and legislation, Township staff informed Habitat that any developments that would occur at 44 Bridge Street had to include commercial space, but residential units could be developed in addition to the commercial space.

Let me make clear that our expertise at Habitat for Humanity Peterborough is the provision of affordable homeownership. We are not, nor do we claim to be, heritage experts, which is why we rely on the procedures, legislation, information, and assurances provided by Township staff when completing our due diligence processes on where to build affordable housing in the Peterborough and Kawartha Region.

Recognizing the urgent need for more affordable housing in our communities and acting in good faith based on the information provided, in July of 2018, Habitat purchased 44 Bridge Street with a long-term loan from our financial institution. The planning processes then commenced with the expectation that the site would be shovel ready in three years' time. This planning process included conversations with potential tenants in the commercial space, including some existing businesses in the Lakefield community who had expressed interest in moving their business to 44 Bridge Street, and exploring the possibility of utilizing the commercial space as a small Habitat ReStore space. Habitat recognized that the commercial space could be a potential revenue source to raise funds necessary to build more critically needed affordable housing in the community.

As with Habitat's other build projects, we had planned to engage the neighbours of the property and the community at large once we had fully fleshed out the plans for the property – but unfortunately, by the

time COVID-19 hit in early 2020, we had not yet reached that point: Habitat was still in the process of acquiring several quotes and consultation reports.

Like so many other local businesses and not-for-profit organizations, the pandemic has had drastic impacts on Habitat's operations. Particularly it meant the closure of our social enterprises for extensive periods of time – eliminating our largest sources of income. At the same time, the need for safe, decent, and affordable housing reached catastrophic levels. Acting in the best interests of the organization and its ability to best meet the increased demand for more affordable housing right now and immediately following this crisis, Habitat began to explore all avenues to cut expenditures, including laying off staff.

In the summer of 2020 and the knowledge that the threat of a second lockdown would be likely in the fall or winter, Habitat reviewed the status of the 44 Bridge Street property and the expected shovel ready date of three years time. Acting in the best fiduciary interests of the organization and its ability to meet its immediate and forecast cash requirements, Habitat listed 44 Bridge Street for sale on MLS in August of 2020. Sale of the property would allow Habitat to pay back the loans it had borrowed to purchase the property and direct any excess to operating expenses and to affordable housing projects that could begin immediately. These potentially include construction of 41 accessible and affordable condos in Peterborough, 2 detached homes in Bobcaygeon, 1 single family home in the County of Peterborough, and a new multi-unit project in the Haliburton Highlands area.

Multiple offers were received on the property. We accepted an offer in August of 2020, that eventually fell through in November 2020. A new offer was accepted in January 2021 that is slated to close in March. Habitat has not met the buyer of the property and is not privy to their intentions. Based on the necessity of treating this deal in good faith, Habitat is bound by the legal constraints of this sale agreement. We therefore cannot comment on the specific details of the sale or conduct ourselves as if we had the power to deliver on any negotiations or arrangements with respect to the property.

Habitat recognizes that a recent high degree of public interest in this matter has been generated and that for many community members the structure at 44 Bridge Street is important. Habitat has therefore had conversations with members of this community group and heard their concerns and ideas. We acknowledge that heritage buildings have value in our society, but also that their conservation has a financial impact on the property owner. Throughout, Habitat has continued to act in good faith with respect to the existing sale deal while at the same time preserving our ability to address the current and future needs for affordable housing in our communities.

When reviewing the information provided regarding 44 Bridge Street, we ask you, individually and collectively, to consider the following:

1. **Habitat for Humanity Peterborough & Kawartha Region has done nothing wrong.** Habitat followed all the processes, information, legislations, and assurances provided by Township staff and acted accordingly in good faith. The purchase of 44 Bridge Street was made to support Selwyn Township by helping to provide more safe, decent, and affordable homeownership

opportunities during a housing crisis. These are much-needed homes for working low-income families, such as frontline workers in our long-term care homes, our hospitals, and other essential services, and those who have taken wage cuts and lost jobs because of the pandemic. These families are struggling to find safe, affordable housing at a time when we are being told to stay home for the good of the community. It is a tragedy when a family is forced to decide between paying the rent and putting nutritious food on the table.

2. We ask you to **consider the resulting precedent that a decision to agree with the Heritage Committee’s recommendation for 44 Bridge Street would have not only for existing or future property owners** in Lakefield and Selwyn Township, but also for the surrounding regions in the Peterborough and Kawarthas.

We note that the Chair of the Heritage Committee stated at the Heritage Committee Meeting on January 28, 2021 that “there are hundreds if not thousands of properties out there that still need to be designated.” This statement should be cause for concern for every current property owner in the area. It is important that the Township has regulations, plans and processes are clear, fair and that they are followed, to effectively protect both the community and the property owner from undue harm.

3. If Council were to decide to go with the Heritage Committee’s recommendation for our property at 44 Bridge Street, in an area that has been zoned commercial since 1988, while a sale of said property is pending, the implications of this decision would be devastating to Habitat’s abilities to continue to provide critically needed affordable housing in the Peterborough and Kawartha Region. While we empathize with the desire to preserve history, the resulting consequences could mean that many families, couples, singles, and seniors in our region will be left without access to decent, affordable housing.

To balance the various interests, Habitat for Humanity Peterborough & Kawartha Region recommends that Council consider courses of action that would not unfairly penalize Habitat, the landowner, a local not-for-profit organization providing affordable housing to the community. Habitat suggests that Council consider at least two alternative courses of action:

1. To not approve the recommendation of the Heritage Committee and to instead approve either Option 1 Status Quo or Option 2 to work with the property owner, as outlined in the staff report dated January 28, 2021.
2. If the Heritage Plan proceeds and notice to designate is recommended, that consideration be given to placing it on the structure itself and not on the land or interior features. This would allow for the structure to be moved and allow the Township to fulfill its intended commercial designation on the property as planned.

Either of these options allows for discussion between the owner of the property (prospective or current) and the community group for the potential move of the structure to a suitable location paid for by funds raised by this community group.

Habitat operates in close partnership with the communities in which we build. Despite having been launched at the last minute, after years of inaction, on a property zoned commercial when a sale is pending, Habitat is committed to the heritage process as set out by the Township. In a gesture of good faith to the community, Habitat has NOT taken any actions to demolish the existing structure at 44 Bridge Street, despite having the properly obtained demolition permit. Habitat is committed to working with Council and the community through the process set out by the Township and is prepared to commit to Council and the community that they will not take any actions to demolish the existing structure until the close of that process or the completion date of the sale, whichever comes first. This will allow all parties time for further discussions and exploration of options to occur, involving Township staff, community members, and the current or prospective owner of 44 Bridge Street.

Thank you for your attention to this important matter. We are encouraged by our previous positive associations with the Selwyn Township and its respective communities, including the building of two Habitat homes in Lakefield in 2012 and 2014. We are confident that Council will consider all implications of this decision, beyond heritage, including the resulting impacts on affordable housing in its communities. We look forward to our upcoming meeting and discussions so that we can set in motion a commitment and plan to support projected affordable housing needs in Selwyn and across our region.

Sincerely,



Fred Bennett
Board Chair



Sarah Budd
Chief Executive Officer