



HURON PERTH
HEALTHCARE
ALLIANCE

CLINTON
PUBLIC HOSPITAL

ST. MARYS
MEMORIAL HOSPITAL

SEAFORTH
COMMUNITY HOSPITAL

STRATFORD
GENERAL HOSPITAL

Friday, April 1st, 2022

Ms. Alyssa Bridge, Manager
Planning Department
City of Stratford
City Hall
1 Wellington St.,
Stratford, Ontario
N5A 2L3

**Re: 86 & 90 John Street South Stratford Avon Crest Heritage Stratford
Advisory Committee Motion**

Dear Ms. Bridge:

This letter will serve to formally acknowledge your November 26th and December 14th, 2022 e-mails to the Huron Perth Healthcare Alliance (HPHA) in relation to a Heritage Stratford Advisory Committee's recommendation to the City of Stratford to designate our Stratford General Hospital Site's Avon Crest Property under the Heritage Act. As you will recall, we did respond on both December 2nd and December 14th, 2021 confirming our wish that this designation not proceed and, at that time, committed to following up in more detail in the New Year.

In the intervening period Mayor Mathieson shared with us the letter the City received from the Stratford & District Historical Society (SDHS), dated February 25th. On February 28th we had the opportunity to meet with Mayor Mathieson, as well as Scott Boughner and Jayne Trachsel of SDHS to discuss the Society's views.

At the outset, it is important to state that as an organization we very much value the important role played by the Heritage Stratford Advisory Committee and the SDHS. We support their exemplary efforts in preserving our local heritage. In saying this, we hope that you recognize that the sole accountability of the HPHA is to support the hospital-based health care needs of the population we serve, now and into the future. We have fulfilled this vital role in Stratford for over 130 years. Simply put, this is our heritage, and something we take very seriously. Our historic role has been, and will continue to be, focused on the healthcare needs of our community, today and into the future.

In achieving this goal, we depend heavily on the generous support of our community, regularly led by the City of Stratford, to invest in the equipment and facilities necessary to support the highest quality patient care. In fact, we

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are currently gearing up for a major, \$30 million public campaign. It will help us meet the anticipated \$50+ million in equipment and facility needs we will face at our Stratford General Hospital Site over the next 4 years. Needs ranging from a new Chemotherapy Unit, to a replacement MRI, to updated Operating Room Equipment will all be addressed through this campaign. Our focus must be on these crucial investments, which are fundamental to addressing the future health care needs of those we serve.

What we do not have is either the mandate or resources to make further investments in the Avon Crest property, most notably the original hospital. For over a century the Avon Crest property played a cost-effective role in delivering community care. That is no longer the case for a property that is now incapable of meeting current, provincially mandated hospital setting requirements.

I can share that as part of our previous due diligence concerning available options, we commissioned the attached study, through Cost Consultants Marshall Murray. It ascertained the costs of renovating the 26,350 square foot Avon Crest Building back to its original historical appearance, including meeting current building code and accessibility requirements. These costs would enable the property to access the current rental market. The total cost was identified at over \$22 million. We believe this cost, in light of the current construction market, is now significantly under-stated. Of note, these costs do not include the additional parking investments that would have to be made by the HPHA to offset the loss of parking spaces associated with a new use for the Avon Crest property.

In addition to reviewing costs to renovate the Avon Crest building, you will recall that the HPHA undertook a "Request for Solutions (RFS)" process aimed at ascertaining developer interest in the property. While there was initial interest expressed, there was ultimately only 1 bid that was anywhere near compliant with our RFS requirements. Upon review by our Evaluation Team it was deemed to not address the major requirements outlined in the RFS and was therefore rejected. It should be highlighted that in advance of issuing the RFS, we met with the Heritage Stratford Advisory Committee to review the process and subsequently toured interested members through the site. In engaging the Committee, we were clear on our expected outcomes and also confirmed that any new development would be required to pay homage to the original hospital, the history and the heritage of the site and the City.

The building is not presently occupied, nor is it necessary for existing HPHA operations. It does, however, require increasing maintenance investments, currently estimated at close to \$200,000/year and, in the not-to-distance future, will require investments to address exterior safety concerns, including a new roof estimated to cost \$1 million. These existing, and projected costs would have to be addressed through HPHA operating dollars. The HPHA Board of Directors firmly believes that operating funds should be solely

allocated towards addressing current and future patient care needs, not supporting buildings no longer fit for purpose.

As a result of the increasing costs being incurred to maintain the building, the lack of developer interest in the property as it currently stands, the insurmountable investments needed to develop a functional, historically appropriate structure, and the increasing risks presented by the structure, the HPHA Board of Directors, supported by the Stratford General Hospital Local Advisory Committee, has approved a recommendation from management for the demolition of the main Avon Crest building. While no demolition plans have been approved at this time, we can share that the HPHA is beginning to isolate the building from both a mechanical and electrical perspective and will be developing plans to tender the removal of the building in the coming months.

Despite the Avon Crest building not currently being required to support the needs of the HPHA, the land is viewed as an incredible asset for the future health care needs of our community, and the organization has every intention of maintaining ownership. Over the decades, the hospital, and the HPHA have developed the full property from west to east and recognizes that there could be a time in the future when the Avon Crest property becomes necessary for future hospital development. In the intervening years however, the HPHA recognizes that a “clean site” would be attractive to developers and would present numerous “value-add” options for community consideration, ranging from health-related developments such as Long-Term Care and physician practices, to sustainable housing. Regardless of the options considered, all would be subject to public review and subject to all necessary approvals.

While the direction of the HPHA is clear, should a concrete, time sensitive plan be placed in front of our organization committing the necessary funds to renovate the buildings to their historical significance, make the building occupancy ready and address ongoing property costs (estimated to be in the order of \$35 - \$45 million), the HPHA would be open to such a presentation. In saying this, it should be noted that in the past 30 years we have never received any serious interest, nor enquiries of this nature.

Despite respectfully requesting that the City of Stratford not support the designation request from the Heritage Stratford Advisory Committee for the reasons noted in this letter, the HPHA is very interested in working with the City and the Committee to identify ways in which the historical significance of the site can be preserved for future generations, including utilizing virtual tools to “preserve” the original hospital for future generations to see and appreciate.

As always, we extend a heartfelt thanks to the City of Stratford for the unparalleled support you have provided to the hospital's investment needs over the years. We very much look forward to continuing this important

partnership as the HPHA's heritage of providing exemplary care now, and into the future continues.

We would be happy to attend any suggested meetings to discuss our request in more detail and look forward to further dialogue.

Respectfully,

A handwritten signature in dark ink, appearing to read "Andrew Williams", with a stylized flourish at the end.

Andrew Williams, B.Sc.(Hon), MHSA, CHE
President & Chief Executive Officer
Huron Perth Healthcare Alliance

Encl.

cc: Ron Lavoie, Chair, Board of Directors
Huron Perth Healthcare Alliance