

**Subject:** Wellspring Niagara – Lease and Municipal Capital Facility Agreement to Provide Property Tax Exemption

**Recommendation:**

**BE IT RESOLVED THAT Council receive Report #2024-0232 Wellspring Niagara – Lease and Municipal Capital Facility Agreement to Provide property Tax Exemption, for information;**

**AND THAT Council approve the proposed Lease and Municipal Capital Facility Agreement between the Town of Pelham and Wellspring Niagara Cancer Support Foundation;**

**AND THAT if Wellspring Niagara Cancer Support Foundation requests revisions to the proposed agreement, Council authorize and direct staff to make such revisions provided that they are satisfactory to the Town Solicitor and that the Lease and Municipal Capital Facility Agreement remains substantially the same as the draft agreement attached hereto;**

**AND THAT the final Lease and Municipal Capital Facility Agreement and by-law exempting the lands municipally known as 50 Wellspring Way from taxation for municipal and school purposes be presented to Council for approval at the next regular meeting.**

**Background:**

On June 19, 2024, Council passed a by-law authorizing the Town to enter into a municipal capital facility agreement with Wellspring Niagara Cancer Support Foundation to exempt Wellspring from municipal property taxes payable in relation to 50 Wellspring Way.

The proposed Lease and Municipal Capital Facility Agreement is appended to this report. It was provided to Wellspring on October 3, 2024. As of the time of writing, Wellspring has not requested any revisions to the proposed agreement.

**Analysis:**

Section 110 of the *Municipal Act, 2001* authorizes the Town to exempt lands from taxes levied for municipal and school purposes where they are occupied and used for a service that may be provided by the Town. Health and social services, such as the non-medical support services provided by Wellspring, are eligible. However, lands exempted from taxes on this basis must be the subject of a municipal capital facility agreement.

There is currently a lease in place for the lands at 50 Wellspring Way that is set to expire in December 2037. The proposed Lease and Municipal Capital Facility Agreement will replace the lease. It includes the necessary provisions for the tax exemption, updates the agreement to reflect that Wellspring's construction on the property is complete, and sets out a clear process for resolution of any disputes that may arise. The remaining content of the proposed agreement is largely the same as the existing lease.

**Financial Considerations:**

The financial considerations associated with the property tax exemption are addressed in Report #2024-0125 – Wellspring Niagara Request for Property Tax Reduction, which was received by Council on June 19, 2024.

**Alternatives Reviewed:**

None.

**Strategic Plan Relationship: Community Development and Growth**

Supporting Wellspring through a property tax exemption will facilitate the delivery of cancer support services to the community.

**Consultation:**

The Senior Leadership Team was consulted in the preparation of the proposed Lease and Municipal Capital Facility Agreement and this report. Wellspring Niagara Cancer Support Centre has been provided with the proposed agreement.

**Other Pertinent Reports/Attachments:**

Proposed Lease and Municipal Capital Facility Agreement.

**Prepared and Recommended by:**

Jennifer Stirton, BSc(Hons), LL.B.  
Town Solicitor

**Approved and Submitted by:**

David Cribbs, BA, MA, JD, MPA  
Chief Administrative Officer