

Tallest tower project off

Project was slated for police lot

BY DAVID HUTTON, THE STARPHOENIX MARCH 5, 2010



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Provincial government officials said Thursday they have zeroed in on a new site for Lighthouse Supported Living, an assisted living residence that was slated to move from the former Capri Hotel building on 20th Street and Second Avenue to the proposed condominium tower.

The Lighthouse organization has \$11.5 million in provincial funding for a new facility, which was to be built by Calgary-based developer Stoneset Equities within a 95-metre tall, or 28-storey, terraced building alongside market-rate condos and retail space.

The \$80-million highrise was touted in 2008 as the first major project in a changing downtown skyline that would bring together the unlikely combination of shelter beds, assisted living units, market rental suites and condos.

But last summer, the province said the updated cost of the project, at \$25 million, was out of its price range and officially confirmed Thursday the concept is off the table.

The developer was willing to build only the 120-unit Lighthouse portion of the project, but the price was too expensive to proceed beyond the scope of the initial proposal, said Tim Gross, executive director of housing and development with Saskatchewan Housing Corp.

"I don't think a project would involve that initial plan that we had with Stoneset Equities," Gross said.

"As the project progressed, they couldn't make the private market component of the project work and at the end of the day, for \$11.5 million that we had we didn't have enough funding to proceed."

Tony Argento, CEO of Stoneset Equities, said the extra costs were based on a "wish list" of additions to the project from the Lighthouse group and Sask. Housing. The company was willing to scale back the number of assisted living units to cut down costs, he said.

"The only thing that stalled the project was their disinterest," Argento said.

The company spent \$300,000 on architectural drawings and engineering work, he said.

"My only fear right now is that we spent a lot of money and if it's a no go, we'd like to recover that," Argento said. "You can't string someone along and then say we just changed our minds and say it's someone else's fault.

"We ended up with the bill," he said. "We'll take some responsibility but not 100 per cent."

The provincial government has found another downtown location to build the Lighthouse project within the \$11.5-million budget, though Gross wouldn't specify where.

Lighthouse Supported Living has long been in need of more space for its clients, who are mentally or physically challenged, and often turns away people seeking a bed. They are also functioning currently as a women's shelter and undergoing some renovations.

Gross said the focus now is on a new building solely for assisted living clients, not a mixed-use development.

"I think now we're more focused on the use of the Lighthouse for the intended client group," he said.

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