



Committee Minutes

Long-Term Care Redevelopment Planning Task Force March 21, 2023 – 3:00 PM

The Long-Term Care Redevelopment Planning Task Force met in the Council Chambers of the County Administration Building on the above date with the following members in attendance:

Present: Chair Matrosovs; Councillors McKay, Greig, McQueen, Mackey, Hutchinson, and Warden Milne.

Regrets: None.

Staff

Present: Kim Wingrove, CAO; Randy Scherzer, Deputy CAO; Jennifer Cornell, Director of Long-Term Care; Karen Kraus, Executive Director, Rockwood Terrace; Mary Lou Spicer, Director of Finance; Sue Murray, Deputy Treasurer; Markus Hawco, Manager of Long-Term Care Finance; Robert Hatten, Manager of Communications; Tara Warder, Clerk; Sarah Goldrup, Deputy Clerk/Legislative Coordinator.

Call to Order

The Chair called the meeting to order at 3:04 PM. Councillor McKay participated virtually.

Declaration of Interest

There were no declarations of interest.

Kim Wingrove explained that following the project overview, the Committee would be moving into closed session to discuss project costing to protect future tenders.

Delegations

Andrew Rodrigues, Senior Project Manager, Colliers Project Leaders – Project Financial Update

Andrew Rodrigues, Senior Project Manager from Colliers Project Leaders, presented to the Committee regarding project updates, critical decisions before the task force, updates on the project cost forecast, and financial analysis results. The presenter explained the ongoing work to prepare applications and permit materials to align with the June tendering and construction timelines required for ministry funding. The presenter noted that the ministry approved preliminary submissions and that the technical package would shortly be submitted to the ministry for approval before starting the tender process. The presenter reviewed upcoming key dates and decisions, including the review and approval of pre-qualification results, the borrowing by-law, and the review and approval of tender results.

Jennifer Cornell shared an overview of the assisted living operating model, noting 40 assisted living beds following consultation with sector stakeholders. The Director described the higher level of care and service provided through the assisted living model to meet community needs for specialized care or care flexible enough to meet a range of resident needs. The Director reported the anticipated accommodation and service cost to residents of \$5,892 per month to bridge a gap seen in communities for those requiring a greater level of care while not yet ready to enter a long-term care facility. The Director described the efficiencies of the assisted living model, legislative or regulatory considerations, no cross-subsidization, and future considerations, such as staffing, licensing, and partnerships.

In response to questions from the Committee, Jennifer Cornell reviewed the operational considerations that have informed the monthly service cost to residents. Further, Kim Wingrove spoke about a personal experience that confirmed costs to residents within the sector and clarified that the Grey County anticipated fee did not capture capital expenses. Jennifer Cornell described future efforts to work with the union and staff. Jennifer Cornell explained efforts to develop a model that did not rely on add-ons, with all the services built into the monthly cost. The Director confirmed that the residents anticipated to benefit from assisted living would address a gap in current services and that opportunities to support access and flow were being explored, which may result in subsidized assisted living to help with costs.

Andrew Rodrigues reviewed the revised project cost forecast, highlighting the four main drivers that have informed the \$17.2M variance in project costs. The presenter described the factors that have led to increased development costs, including increased building area, site development costs, escalation allowance, and post-contract contingency. Further, the presenter spoke about opportunities to reduce initial costs, including constructing only the shell of the village square. The presenter recommended proceeding based on the net zero-ready option.

In response to questions from the Committee, Randy Scherzer described funding opportunities through FCM to help offset net zero ready costs and explained considerations for the funding options available. Andrew Rodrigues shared a 3-5% difference in cost differential between a base-build or net zero-ready development. Staff discussed projected or estimated yearly operating costs when considering natural gas versus electricity costs, noting that costs will reach par in the future and may eventually exceed electricity costs and the energy efficiency components built into the project's design. Randy Scherzer confirmed future reports regarding anticipated operating costs. Further, Randy Scherzer described considerations for cold weather days and measures to offset costs and shared base costs for operating and requirements to bring natural gas to the property for the backup generator.

Closed Meeting Matters

RP04-23 Moved by: Councillor McQueen Seconded by: Councillor Hutchinson

That Long-Term Care Committee of Management does now go into closed session pursuant to Section 239 (2) of the Municipal Act, 2001, as amended, to discuss:

- i. **A position, plan, procedure, criteria, or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality; and**
- ii. **Financial information that belongs to the municipality and has monetary value or potential monetary value.**

That all staff remain in attendance.

Carried

The Committee proceeded into closed session at 3:54 PM.

The Committee returned to open session at 4:27 PM.

The meeting recessed and reconvened at 4:35 PM.

The Chair confirmed that only the items stated in the resolution to move into closed session were discussed.

Reports – Finance

FR-RP-07-23 - Financial Impact Assessment Rockwood Terrace Project

Mary Lou Spicer presented to the Committee regarding the financial impact assessment for the Rockwood Terrace project. The Director described that the County would be required to undertake debt based on project estimates, ministry funding, and cash flow timing. The Director reviewed the anticipated annual borrowing costs and the assumptions that have informed that estimate. The Director described the available ministry funding to support redevelopment projects, the difference between upfront versus long-term grant funding, and the value of funding components. The Director reported the debt and annual repayment limit and upcoming projects anticipated to require taking on debt. The Director provided an overview of the funds provided in the 2023 budget. The Director spoke about future budget pressures and the 10-year capital forecast.

Kim Wingrove discussed the challenge in forecasting future needs, confirmed it would take five to ten years of growth to cover this expense, and noted consideration for the other demands across the organization.

Main Motion – As Outlined in the Staff Report

Moved by: Councillor McKay

Seconded by: Councillor Hutchinson

That report FR-RP-07-23 Financial Impact Assessment Rockwood Terrace Project be received; and

That staff be authorized to prepare such bylaws as may be necessary to apply to Infrastructure Ontario to borrow \$108 million dollars for the redevelopment of Rockwood Terrace.

Councillor Hutchinson left the meeting at 5:05 PM.

Motion to Refer – Taking Precedence in Consideration

RP05-23

Moved by: Councillor McQueen

Seconded by: Warden Milne

That report FR-RP-07-23 Financial Impact Assessment Rockwood Terrace Project be referred to the March 23, 2023, meeting of County Council to provide additional information and options.

Carried

Correspondence

Correspondence - Ministry of Long-Term Care - Approval Under the Long-Term Care Home Capital Development Funding Policy 2022 - Rockwood Terrace

RP06-23 Moved by: Councillor McKay Seconded by: Councillor Greig

That the correspondence from the Ministry of Long-Term Care regarding approval under the Long-Term Care Home Capital Development Funding Policy 2022 for Rockwood Terrace dated February 28, 2023, be received for information.

Carried

Other Business

Councillor McQueen noted the importance of future information and communication to respond to questions from members of the public.

Next Meeting Dates

To Be Determined

On motion by Warden Milne and Councillor McKay, the meeting adjourned at 5:14 PM.

Andrea Matrosovs, Chair