



LTC Redevelopment Update

November 26, 2020

Overview

- ▶ Provincial approval of a new Grey Gables 128 bed LTC facility announced November 20, 2020
- ▶ Project is to include a campus of care
- ▶ Both Rockwood Terrace and Grey Gables are to be complete by December 2025
- ▶ Letter from the province confirming the project
- ▶ [Grey Gables ADM letter](#)

Project Financing

Estimated Construction Costs for 256 beds	\$71,680,000
One Time Redevelopment Grant	- \$5,556,740
Construction Subsidy over 25 years -190 beds	-\$37,327,637
Grey Redevelopment Reserve	-\$8,500,000
Annual Capital Financing (p+i@3%)	\$3,309,200
Less Annual Construction Subsidy	<u>-\$1,493,000</u>
County Annual Repayment Amount	\$1,816,200
Current Annual Transfer to Reserve	\$1,361,000

Potential Cost Avoidance or Revenue Generation

- ▶ Operating model efficiencies
- ▶ Leasing revenue:
 - commercial space
 - non LTC residential space
- ▶ Future LTC funding formula adjustments from province

Other Considerations

- ▶ Further investment will be necessary to enable campuses of care
 - Durham seniors housing
 - Renovation of existing Grey Gables building
- ▶ Staffing - need plan to secure estimated 62 new FTEs required by 2025

Proposed Next Steps

- ▶ Determine consulting resources for Grey Gables project
- ▶ Establish Building Committee January 2021
- ▶ Consider development agreement terms and sign off
- ▶ SHS and Salter Pilon developing proposal for Durham site due April 2021
- ▶ Hire Project Manager/Lead