

February 3, 2023

MEMORANDUM TO: Long-Term Care Home Sector

FROM: Brian Pollard
Assistant Deputy Minister, Long-Term Care Capital Development
Ministry of Long-Term Care

SUBJECT: Operators' Uptake on CFS Top-up

I am writing to provide an update on the sector's response to the Construction Funding Subsidy (CFS) top-up.

As you are aware, on November 25, 2022, the Ministry of Long-Term Care (the "ministry") introduced a fixed, time-limited funding supplement to the existing CFS of up to \$35 per bed, per day for 25 years for eligible projects. This supplemental CFS is intended to support projects where funding has been identified as one of the main barriers to starting construction and to accelerate the development and redevelopment of long-term care beds across the province. One of the key policy changes is to allow non-profit operators to convert up to \$15 of the CFS supplemental funding into a construction grant which will be payable at the start of construction. This measure increases projects' upfront equity which will help non-profit operators secure the financing they need to support their development projects.

The CFS supplemental funding increase is available to eligible for-profit and non-profit operators that can demonstrate readiness to start construction and attain approval to start construction between April 1, 2022 and August 31, 2023. As we have previously communicated, operators were required to complete and submit the Statement of Readiness form template by December 20, 2022 to be considered for funding.

We have received an overwhelming response and we thank you for declaring your intent to commence construction by August 31, 2023. The ministry has reviewed the submissions and is facilitating discussions with Operators with respect to the critical milestones and requirements to acquire approval to start construction by August 31, 2023. Projects that are likely to advance are those where the Operator has secured land and acquired municipal approvals, viable financing arrangement(s) are soon to be in place, and at the very least preliminary plans have been submitted to the ministry for review.

Operators that are still working through these components should resolve these elements before the project can be advanced.

Meeting the critical milestones, outlined below, positions projects to progress through the final stages of project planning and the necessary ministry approvals to meet the August 31, 2023 timeline.

Project Milestone	Due Date
Preliminary plans submitted and financing confirmed	February 28, 2023
Final working drawings submitted and municipal approvals on track	March 31, 2023
Signed Development Agreement submitted	April 7, 2023
All licensing documentation/requirements submitted	April 30, 2023
Tendering completed and bids reviewed	July 18, 2023
Approval to construct package submitted	August 11, 2023

Thank you and we look forward to working with you to accelerate the (re)development of much-needed long-term care beds across the province.

Sincerely,



Brian Pollard
Assistant Deputy Minister

- c: Andrea Barton, Director, Capital Program Management Branch, Ministry of Long-Term Care
Hindy Ross, Director, Capital Planning Branch, Ministry of Long-Term Care