



Project
Leaders



Grey County

Rockwood Terrace Campus of Care Project

Long-Term Care Redevelopment Task Force Update: Project Financial Update

Date: March 21, 2023

Prepared by: Colliers Project Leaders

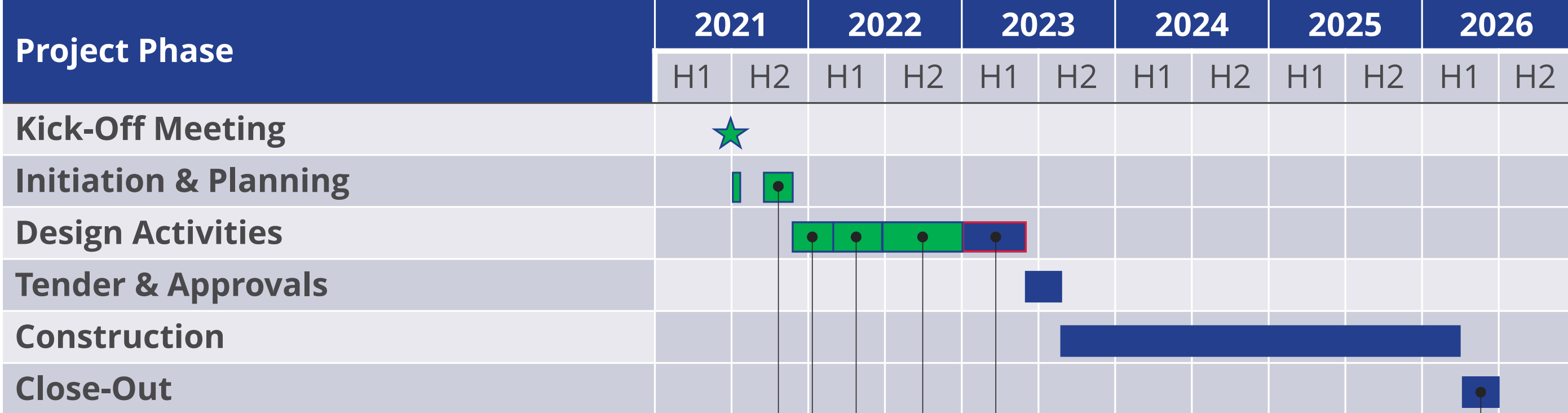
Agenda

- 01 General Update & Task Force Key Decisions
- 02 Assisted Living Operating Model Update
- 03 Update on Project Cost Forecast (Class B)
- 04 Financial Analysis Results
- 05 Questions



Grey County – Rockwood Terrace Campus of Care Project

General Update & Task Force Key Decisions



✓ Prime Consultant RFP Issued on September 7th, 2021

✓ **Program and Master Planning Phase**
 Campus of Care Master Planning
 Functional Programming (LTC)
 Conceptual Floor Plan Development
 Class D Construction Cost Estimate
 Approval on Campus of Care Scope

✓ **Schematic Design Phase (LTC)**
 Programming stage for Assisted Living and Village Square
 Submission of Schematic Design Package by Design Team in May 2022 (LTC)
 Rockwood Terrace Presentations (Virtual and on Site)
 Pre-Consultation Meetings with West Grey

Contract Documents, Permits & Approvals
 Final Technical Submission to MLTC
 Site Plan Approval, Building Permit
 Pre-Qualification of General Contractors
 Engaging with IO for Financing

✓ **Design Development**
 First Technical Submission to MLTC
 Draft Site Plan Application
 3D Renderings

First Resident Date Milestone
June 2026

Legend
█ Completed
█ Ongoing / Forecast

Grey County – Rockwood Terrace Campus of Care Project General Update & Task Force Key Decisions

Activity / Key Decision	Feb	Mar	Apr	May	Jun	Jul	Aug
<ul style="list-style-type: none"> Results of Class B Estimate Overview of ASL Operating Model Staff report analyzing financial implications of current project costs 		21					
Overview of Site Plan to: <ul style="list-style-type: none"> West Grey Staff (March 20th) & Council (April 4th) Joint Accessibility Advisory Committee (Mar 22nd) 							
Review and approval of pre-qualification results and recommendation memo							
Approval of New Capital Work Borrowing By-Law							
Review and approval of tender results and recommendation to award							Pre-AMO

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Assisted Living Operating Model Update



- What is Assisted Living?
- Care options
 - Physical support
 - Memory care
- Accommodation/services cost to resident: \$5,892 per month
 - Break-even operating budget
- Efficiencies
 - No cross subsidization

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Project Cost Forecast

- Total Development Costs^{1,2} forecast has increased from \$108.5M to \$125.7M (+ \$17.2M)
- Key Cost Drivers
 - Increase in Building Area (+ \$3M)
 - Increase in Site Development Costs (+ \$6.3M)
 - Increase in Escalation Allowance (+ \$5.3M)
 - Increase in Post-Contract Contingency (+ \$2.6M)
- Opportunities for reducing initial costs:
 - Estimated \$1.0M savings by constructing the Village Square shell only (i.e. eliminating fit-up from initial project scope)
 - Estimated \$8.2M savings by constructing the Assisted Living shell only (i.e. eliminating fit-up from the initial project scope)

Notes:

1) TDC are “all-in” project costs that includes Hard Construction Costs, Soft Construction Costs & Furniture, Fixtures & Equipment (FF&E)

2) TDC excludes HST

3) Current GFA of 178,489 ft² for LTC, AL, VS

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Project Cost Forecast

Net Zero Feasibility Study Update

- Based on the results of the Net Zero Carbon Feasibility Study, the project team recommends proceeding based on the **Net Zero Ready** option. This provides a viable path and positions Grey County to achieve *Net Zero Emissions and Energy* in the future, if desired.
- Key considerations in recommending *Net Zero Ready* versus *Net Zero Emissions and Energy*
 - Geothermal heat exchanger and distributed heat pump heating and cooling equipment not feasible due to site conditions;
 - Changing gas back-up heating to electric resistance back-up heating would result in significant electrical cost increases to the project with limited effect on annual emissions;
 - Availability of lands east of Rock Street for installing solar PV panels;
 - Rapidly changing technology (e.g. Air-Source Heat Pumps with future technology which may function at all temperatures).
- A future investment of \$5-10M is anticipated to convert to *Net Zero Emissions and Energy*. This would involve installing solar PV panels and gas equipment replacement at some point in the future.