

A 3D architectural rendering of a modern, single-story brick building with large glass windows. The building is surrounded by landscaping, including trees and a paved walkway. A person in a wheelchair is visible on the walkway. The sky is blue with some clouds.

BELVEDERE HEIGHTS BOARD OF MANAGEMENT DISCUSSION WITH MUNICIPAL PARTNERS

22 new beds at Belvedere Heights, Funding and Cost Estimates

October 2024

Belvedere Heights. 3D-View of Proposed New Addition

SOUTHERN VIEW OF NEW ADDITION



NEW MAIN ENTRANCE



INTERIOR COLOURS AND STONEWORK

Casework
GROUPE LACASSE -
MPE (Maple)

Altro - Wood Heterogeneous Sheet (SV)
Field use. Circulation and Resident rooms in wood grain pattern.

Acrovyn Handrails - 372 Classic Maple

BM Pink Damask
OC-72

Cultured Stone - Alpine LedgeStone
Manufactured Stone Veneer
Fireplace wall and Stone Wall at Dining Room

Forba - Sphera Element Heterogeneous Sheet (SV)
Accent use at communal and ADL areas.

Spring Maple
LRV 27%

Light Peach
LRV 62%

Blush
LRV 31%

Altro - Sphera Element Heterogeneous Sheet (SV)
Accent use at communal and ADL areas.

Altro Aquarius Safety Flooring Heterogeneous Sheet (SV)
Resident and Staff Washrooms as well as Tub and Shower Rooms.

Altro Walkway Safety Flooring Heterogeneous Sheet (SV)
Serving/Food Prep. area and Housekeeping.

Altro - Whiterock Protective Wall Covering (HWC)
Wall covering in resident rooms and washrooms

Accent
LRV 18%

Accent
LRV 32%

Accent
LRV 27%

Iguana AQ2021
LRV 65%

Driftwood PX2004
LRV 65%

Rodeo VM12020P
LRV 65%

Altro Whiterock - Llan 52
LRV 70%

Altro Whiterock - Fawn 206
LRV 41%



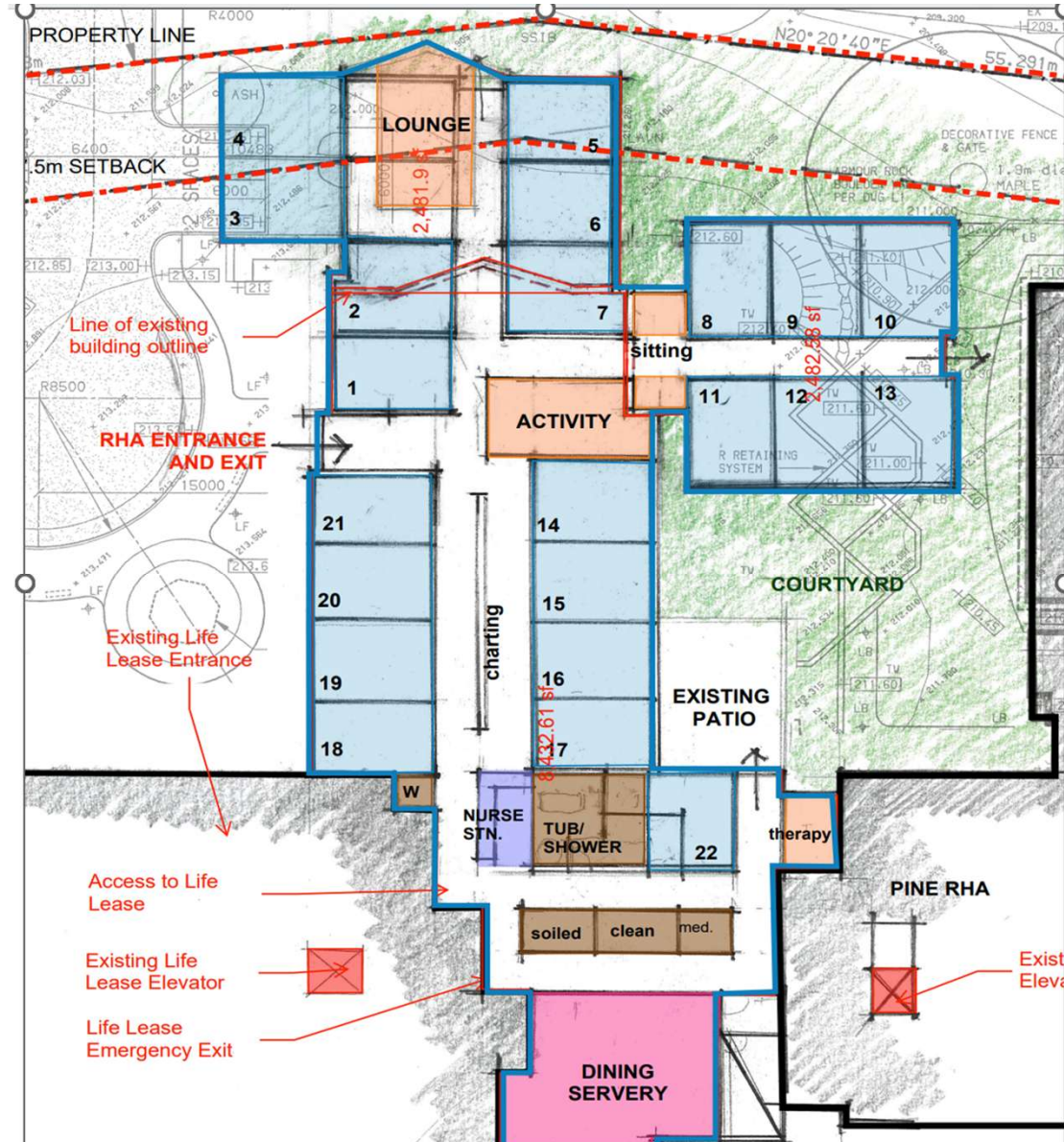
Belvedere Heights 22 LTC Bed Renovation

Inspiration and Material Palette

Ground Floor
22 Bed Option

Initial Schematic

(Not Final Design)



Ground Floor
22 Bed Option



BELVEDERE BUILDING COST SUMMARY

- New construction for 12 private rooms on ground level, renovate existing space for 10 private rooms
- Lower-level renovation to move services from ground floor to lower level (prior to new build)
- Hard cost for new construction, renovation, retaining walls, landscaping, parking, nurse call, management fee and contingency is **\$10.7** million
- Architect, engineering, permit fees, tender and construction oversight (soft costs): **\$1.03** million
- Furniture, fixtures, equipment (ff&e): \$915,000
- New and refurbish parking: \$388,000 (in hard costs)
- **TOTAL ESTIMATED COST: \$13.4** million

Construction Cost

04-Oct-24	
Hard cost	10,200,000
contingency 5%	510,000
soft costs	1,001,251
contingency 3%	30,038
hst?	206,118
ff&e + contingency	915,000
interest 5%	535,500
total cost	13,397,906

	sq ft
new construction	3,820
renovation: ground	8,630
renovation: lower	6,512
	18,962

PROJECT REVENUE

One-time grants, funds

INITIAL CASH	
Planning grant	\$250,000
Development grant	\$393,412
CFS \$15/diem top-up	\$1,782,000
sub-total	\$2,425,412
municipal funds	\$700,000
TOTAL	\$3,125,412

Annual construction funding subsidy (cfs)

MLTC construction subsidy	cfs/diem	
small home base	20.78	
supplement	0.75	
top-up	20.00	
total per diem	41.53	
25 yr	22	\$333,486 <annual

- Ministry provides \$250,000 planning grant and \$393,412 development grant for 22 bed project
- Maximum \$15 of \$35 CFS top-up can be converted to up-front grant (4.5% discount rate): \$1.78M
- Total one-time \$3.125M: \$2.4M grants + \$0.7M return of municipal funds allocated to Belvedere
- Residual \$20 cfs top-up contributes to annual **\$333,486** cfs over 25 years
- Net increase in 22 room private differential contributes up to \$185,600 annually

NEW BUILD FINANCING SUMMARY

- Net cost to be financed over 25 years: **\$10.27** million
- Infrastructure Ontario (IO) loan payments of \$674,721 annually at 4.35 per cent fixed interest rate over 25 years
- Annual construction funding subsidy of \$333,486 over 25 years (applied to IO loan)
- Residual annual \$341,236 funded by Belvedere economy of scale operating savings estimated at \$439,273.
- No net impact on annual municipal operating levy.

22 beds, Ground Floor	
October 4, 2024	
	budget\$
Total project cost	\$13,397,906
Total grants	-\$2,425,412
Return of funds from municipalities	-\$700,000
NET AMOUNT TO BE FINANCED	\$10,272,494
ANNUAL ESTIMATED COST/REVENUE	Annual \$
IO loan payments (@ 4.35% interest)	-\$674,721
MLTC construction funding subsidy	\$ 333,486
net funded by BH	-\$341,236
annual 123-bed economy of scale	\$ 439,273
Net annual surplus(deficit)	\$ 98,037
total cost per bed	\$608,996
total cost per square foot	\$707

INFRASTRUCTURE ONTARIO FUNDING

- INFRASTRUCTURE ONTARIO (IO) incentivizes direct lending to municipalities (option 2)
- Impossible for Belvedere to complete IO requirements by Nov. 2024 ministry deadlines
- Option 1: Belvedere is IO client: all 8 municipalities required to guarantee IO financing by Nov. 2024, in addition to completing 15 item checklist (e.g. environmental assessment)
- Option 2: **CARLING Council** has agreed to support construction loan and subsequent conversion to 25-year debenture
- FOR 2026: request that all remaining 7 municipalities enable IO debenture
- Borrowing for district municipal home excluded from municipal annual borrowing limit capacity calculation (O. Reg. 403/02, s(5)8.)

	Municipal	Belvedere
Interest rate	4.35%	4.65%
debt service coverage	1.0	1.2
additional revenue/levy	0	\$1.2M

\$700,000 BELVEDERE FUNDS IN MUNICIPAL RESERVES

- In June 2021, Belvedere returned \$700,000 excess operating reserve funds
- Because total reserves of \$2.3M exceeded the maximum allowable 15 per cent of budget by \$700,000
- Most municipalities have retained these funds in a reserve available to return to Belvedere.
- These funds are now required for the 22 private room addition design costs
- Board of Management passed resolution on Sep. 25, 2024, to request return of these funds:

	2021 share	
Parry Sound	8.81%	\$61,684
Carling	10.68%	\$74,760
Whitestone	6.12%	\$42,850
McDougall	7.76%	\$54,307
McKellar	6.77%	\$47,397
McMurrich Monteith	2.30%	\$16,129
Archipelago	21.78%	\$152,467
Seguin	35.77%	\$250,406
		<u>\$700,000</u>

\$35 PER DIEM CONSTRUCTION FUNDING TOP-UP INITIAL MILESTONES

PROJECT MILESTONES	DUE DATE
1. Preliminary Plans submitted with sources of funding	April 30, 2024
2. Signed Development Agreement submitted	May 31, 2024
3. All licensing documentation and financial requirements submitted	May 31, 2024
4. Final Working Drawings submitted and municipal approvals on track	June 14, 2024
Supporting resolutions from our eight municipalities	June 30, 2024
5. Tendering and Evaluation of Bids completed (suggested date)	September 30, 2024
6. Approval to Construct package submitted	November 8, 2024

Project Milestone Update: April to September 2024

Project Milestone	Submission Date
Preliminary Plans Submitted and Sources of financing confirmed	April 30 th , 2024
Revised Preliminary Plans Submitted	May 24 th , 2024
Development Plan Submission	May 31 st , 2024
Working Drawing Submission (not reviewed due to PP not approved at this time), signed development <u>agreement</u> , all licensing documentation submitted	June 14 th , 2024
Preliminary Plan Comments Received	June 26 th , 2024
Preliminary Plan Resubmission	June 28 th , 2024
Preliminary Plan Comments Received	July 30 th , 2024
Preliminary Plan Resubmission	July 1 st , <u>2024</u>
Preliminary Plan Resubmission	August 2 nd , 2024
PRELIMINARY PLANS APPROVED	AUGUST 6TH 2024
Working Drawings Submission	August 23 rd , 2024
Working Drawing Comments Received	August 30 th , 2024
Working Drawings Resubmission	September 9 th , <u>2024</u>

Project Milestone Update: Oct. 4th, 2024 to Nov. 30th, 2024

Project Milestone	Initial Submission Date	Proposed Submission Date
Working Drawing Ministry Approval	October 4 th , 2024 (Orig. Sept 20 th , 2024)	
BSA and Team to update drawings and resubmit (1 week)		October 11 th , 2024
Working Drawing Approval (1 week)		October 18 th , 2024
Construction Manager to Tender (5 weeks)		November 25 th , 2024
Final Estimate of Cost (1 week)		November 29 th , 2024
Approval to construct package submitted	November 8 th , 2024	December 6 th , <u>2024</u>
Construction Commencement	November 30 th , 2024	Upon Ministry Approval
First Resident Date	December 1 st , 2026	

NEXT STEPS

- Site plan and building permit review by Town of Parry Sound
- Construction funding loan agreement between Carling and Infrastructure Ontario
- Quinan, our construction management firm, to issue tenders
- Prepare approval to construct package and send items to ministry when completed:
 - Land valuation, licensing review, insurance (general, property, injury, replacement, environment), bonding, site plan, building permit, construction schedule, procurement attestation, tender results, financing, final cost estimate, signed development agreement
- New parking lot: 23 spaces, northwest corner at 21 Belvedere
- MUNICIPAL SUPPORT for IO construction funding loan followed by 25-year debenture

DRAFT RESOLUTION

WHEREAS in June 2024 all eight municipal owners of Belvedere Heights long term care home endorsed the proposal to add up to 24 new long- term care beds

AND WHEREAS the opportunity to receive a \$35 per diem construction funding subsidy needed to fund the new build is predicated, in part, on securing financing by the November 8th, 2024, deadline

AND WHEREAS Infrastructure Ontario provides an option to secure construction funding in October 2024 prior to the November deadline without an upfront guarantee from all eight municipalities

AND WHEREAS The Township of Carling has agreed to enter into agreement with Infrastructure Ontario to secure the construction loan on behalf of Belvedere Heights

AND WHEREAS Belvedere Heights will enter into a loan agreement with the Township of Carling guaranteeing payment of all financial obligations to Infrastructure Ontario for the borrowing costs

THEREFORE, BE IT RESOLVED THAT:

The Township of _____ endorses the Belvedere Heights proposal to enter into a loan agreement with the Township of Carling to support a two-year construction funding loan with the guarantee that Belvedere Heights will provide funds from operating reserves as required in advance of all Infrastructure Ontario payment terms.