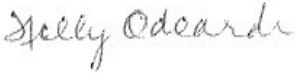
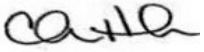




COMMUNICATION UPDATE

TO:	Mayor and Members City Council
DATE:	December 9, 2024
SUBJECT/REPORT NO:	Macassa Lodge Long-Term Care Redevelopment (701 Upper Sherman Avenue)
WARD(S) AFFECTED:	Ward 7
SUBMITTED BY:	Holly Odoardi Senior Administrator Long-Term Care Division Health and Safe Communities
SIGNATURE:	
SUBMITTED BY:	Chris Herstek Acting Director, Corporate Facilities & Energy Management Public Works Department
SIGNATURE:	

The purpose of this Communication Update is to advise Council of a significant milestone for the Macassa Lodge Redevelopment project with the Ministry of Long-Term Care (LTC). Please see the Approval to Construct letter for City of Hamilton - Macassa Lodge - Hamilton (PROJ 925) in Appendix "A" attached.

We are pleased to inform you that we have received Approval to Construct from the Ministry of Long-Term Care for the redevelopment of Macassa Lodge. This is a significant milestone in our project, and we wish to update you on what this approval means and outline next steps.

The Approval to Construct is an official authorization granted by the Ministry of Long-Term Care which allows the City to proceed with the on-site construction phase of our long-term care redevelopment project. This approval follows a rigorous review process where all of the detailed design drawings were evaluated for compliance with the Ministry's standard for safety, accessibility, and care quality. This approval signifies that the project has met all necessary requirements in accordance with the Ministry's Development Agreement and

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Macassa Lodge Long-Term Care Redevelopment (701 Upper Sherman Avenue) - Page 2 of 2

can now move forward to the next stage, which is the physical construction of our new 64 bed “B-wing” (20 new and 44 re-developed beds) as described in Macassa Lodge Development Agreement (HSC20050(d)/PW24036).

This approval also highlights the Ministry’s strong commitment to improving and expanding long-term care in our community by creating modern, safe and accessible care environments for some of our most vulnerable residents.

With approval now confirmed, the project will proceed with the construction phase, and then post-construction phase inclusive of our new wing opening in 2026.

We remain committed to working closely with staff, residents, families, our Macassa neighbours and other key internal and external stakeholders throughout the remainder of the project to ensure its success and to address any concerns that may arise. As part of the ongoing project communication strategy, an project page has now been posted on the City’s website: www.hamilton.ca/MacassaLodgeRedevelopment.

We are grateful for the Ministry’s and Ontario Health’s support of the City of Hamilton in executing this development agreement for these LTC beds. We are thrilled to have the 20 new beds and 44 redeveloped beds at Macassa Lodge, bringing our LTC home to 290-bed facility. We appreciate the ongoing partnership with the Ministry and Ontario Health as we work together towards completing this exciting project in 2026.

We want to thank the Mayor and Council for its ongoing support and commitment for the redevelopment of the 44-beds and the additional 20-beds in our community.

If you have any questions respecting this communication update, please contact Holly Odoardi, Senior Administrator, LTC Division at Holly.Odoardi@hamilton.ca or Chris Herstek, Acting Director of Corporate Facilities & Energy Management, at Chris.Herstek@hamilton.ca.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” – Approval to Construct letter for City of Hamilton - Macassa Lodge - Hamilton (PROJ 925)

Ministry of Long-Term Care
Assistant Deputy Minister
Long-Term Care Capital Development

8th Floor, 438 University Ave.
Toronto ON M5G 2K8
Tel.: (416) 212-9096
Fax.: (416) 860-5994

Ministère des Soins de longue durée
Sous-ministre adjoint
Optimisation des immobilisations dans le secteur
des soins de longue durée

438, avenue de University, 8^e étage Toronto
ON M5G 2K8
Tél.: (416) 212-9096
Télééc.: (416) 860-5994



November 26, 2024

Ms. Angela Burden
General Manager City of Hamilton
28 James St. North
Hamilton ON L8V 3M7

Dear Ms. Burden:

RE: Approval to Construct for City of Hamilton - Macassa Lodge - Hamilton (PROJ 925)

In accordance with the Development Agreement dated August 6, 2024, I am pleased to approve the Initial Estimate of Cost received November 22, 2024 and acknowledge receipt of the required accompanying documentation. You may commence Construction.

Based on the approved Initial Estimate of Cost, funding includes a Development Grant of \$777,520 subject to completing all requirements under the Development Agreement. The Construction Funding Subsidy (CFS) is \$23.78 per resident per day.

The Initial Estimate of Cost identifies the conversion of \$15 of the CFS Top-Up per diem to a CFS Construction Grant. As a result, the Construction Funding Subsidy Top-Up is \$20 per resident day and the Construction Grant is \$1,620,000 (based on eligible project costs). In accordance with Schedule D of your executed Development Agreement, you are now eligible to receive the Construction Grant.

I take this opportunity to remind you that a Final Estimate of Cost is required within 30 days of the selection of the Subcontractors being complete. In accordance with section 4.3 of the Development Agreement, funding is provided, subject to the requirements set out in that Development Agreement, based on approval of the Final Estimate of Cost form until such time as the Operator provides a Final Statement of Disbursements for the Project.

Your scheduled Total Completion date is June 15, 2026. Upon receipt of the Certificate of Substantial Performance or the Capital Occupancy Approval Letter, the Development Grant payment will be initiated subject to the terms of the Agreement. Once the pre-occupancy review is satisfactorily completed and the first resident has been admitted, the construction funding will be initiated subject to the terms of the Agreement.

In accordance with Schedule B, section 5, prior approval is required for all change orders during the Construction that:

- (a) affect the Construction Plans in any material respect, or

- 2 -

Ms. Angela Burden

- (b) once implemented, would either materially increase or decrease the total cost of the Project set out in the Initial Estimate of Cost form approved for the Construction or render it difficult to meet the timelines set out in the Project Schedule.

In addition, please submit monthly construction progress reports to your Project Manager, Stacey Johnson in accordance with Section 7.1 of the Development Agreement. A standardized monthly construction reporting form is attached. Your first monthly report is due on January 15, 2025.

Subsequent reports are due on the 15th day of each month. If construction has not commenced, you are still required to submit a monthly Construction Progress Report indicating whether the project is on schedule or any reasons impacting the schedule.

Should you have any questions, please contact Stacey Johnson at Stacey.Johnson@ontario.ca or (437) 249-2486.

Sincerely,



James Stewart
Interim Assistant Deputy Minister

Enclosures

1. Approved Initial Estimate of Cost
2. Monthly Progress Report - Template

c: Dr. Catherine Zahn, Board Chair, Ontario Health
Matthew Anderson, President and Chief Executive Officer, Ontario Health
Susan deRyk, Chief Regional Officer (Central & West Regions), Ontario Health
Kiran Kumar, Director - Performance Accountability and Funding Allocations, Ontario Health