



Council Report

Report Number:	HS2023-009
Meeting Date:	November 21, 2023
Title:	Victoria Manor – Facility Master Capital Plan Final Report
Description:	Collier's Project Leaders finalized the Facility Master Plan for Victoria Manor, Long-Term Care Home
Author and Title:	Cheryl Faber, Director, Human Services

Recommendation(s):

That Report HS2023-009, **Victoria Manor – Facility Master Capital Plan Final Report**, be received;

That the Victoria Manor – Facility Master Capital Plan Final Report and recommendations be brought forward and built into the City of Kawartha Lake's annual budget process including the Long-Term Financial Plan and 10-year Capital Plan to inform recommendations to support lifecycle facility enhancements, enhanced service delivery and future redevelopment of long-term care.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

At the Council Meeting of June 20, 2023, Council adopted the following resolution:

CW2023-176

That the presentation by Cheryl Faber, Director of Human Services, and Surya Pulickal, Director, Infrastructure Advisory, Colliers Project Leaders, regarding the Interim Project Update for the Victoria Manor Capital Plan, be received; and

That this recommendation be brought forward to Council for consideration at the next Regular Council Meeting.

The City appointed Colliers Project Leaders through the Chief Administrative Officer (CAO) Report CAO-DA 2022-16 in October, 2022 to develop a Facility Master Capital Plan for Victoria Manor to guide its maintenance, operations, service delivery and capital investment facility for the balance of the facility's useful life. The plan intends to provide an evidence-based roadmap for future investment and end-of-life facility decisions.

Staff, through the Victoria Manor Committee of Management (COM) brought updates to members over the duration of the project. At the October 2, 2023 COM meeting, the Director's report provided members with an update and that given the Facility Master Capital Plan was near completion, a report and update would be brought forward to the November Council meeting. The upcoming report would outline the life expectancy of the facility along with information to be considered within the City's framework for capital and long-term financial planning and decision making.

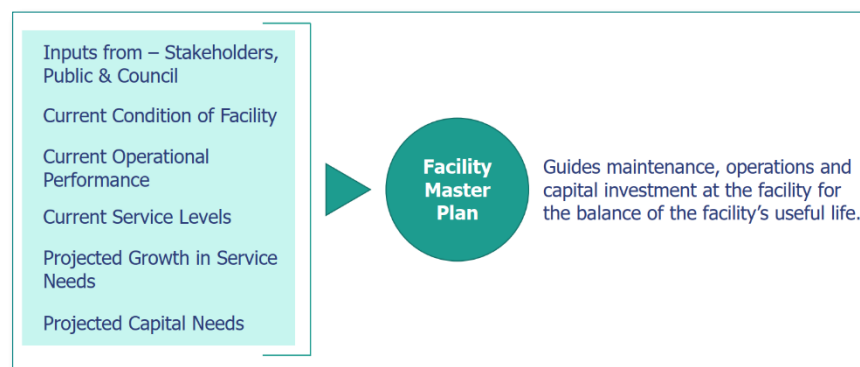
This report provides Council with the information that the Facility Master Capital Plan for Victoria Manor has been completed and the following provides an overview of the process and preliminary findings. The recommendations as outlined in Appendix A – Kawartha Lakes Final Strategic Facility Master Plan for Victoria Manor prepared by Colliers Project Leaders, will serve to inform staff. Staff will analyse and bring forward the recommendations pertained within as part of the Long-Term Financial Plan and the 10 – Year Capital Plan for the City of Kawartha Lakes in 2024 and out-years. As analysis is conducted and prioritization of execution is planned and projected based on lifecycle and redevelopment options, staff will bring back to Council appropriate recommendations for decision.

Rationale:

As outlined in June at the mid-term project update to Council, Victoria Manor Home for the Aged is a 166-bed municipal long-term care (LTC) home owned by the City of Kawartha Lakes, located at 220 Angeline St. S. in Lindsay, Ontario.

Victoria Manor opened in 1989 and is a Ministry of Long-Term Care approved home identified as a Class B facility by the Ontario Ministry of Long-Term Care (MLTC). Victoria Manor was constructed under standards of the former 1972 Nursing Homes Act and, the construction exceeded the standards at that time.

The methodology for the project included various inputs to be reviewed, received and projected in order to compile the Facility Master Capital Plan.



In exploring the current state of the facility and the associated operating systems, Colliers researched the following areas in order to frame the recommendations brought forward in this plan.

- The nature and magnitude of current and future demand for long-term care;
- Improvements to be made to remedy any deficiencies, or address demand;
- The magnitude and nature of investment required;
- Improvements needed now and/or in the future; and
- Timeframe for implementation of recommendations.

The end-of-life scenarios that were considered included to:

- 1) Sell the existing facility and relocate;
- 2) Renovate; or
- 3) Redevelop (current bed count and potential increased bed count scenarios to address future growth and demand).

The Facility Master Capital Plan was developed based on stakeholder inputs, assessment of current building condition and operating performance, examination of service levels, future needs and growth-related capital needs.

A Facility Condition Assessment (FCA) was completed and the site was found to be in generally good condition.

An asset inventory was completed with identification of 176 assets and tagged in a registry. This is an inventory of the main building's elements or components and ancillary facilities to facilitate effective asset management. The inventory was prepared in accordance with industry (Unifomat) standards and municipal asset management requirements.

An appraisal of the property to estimate its current market value as of March 31, 2023 (effective date) was completed. The appraisal was based on information that Victoria Manor had an occupancy rate of 100% as of the effective date, along with a waiting list. Based on Colliers investigations, the market value of the subject property, consisting of a Class B Long-Term Care facility, located in the Town of Lindsay as on March 31, 2023, was estimated to be \$10.8M.

Inputs from a broad range of stakeholders through a series of consultations were brought forward into the plan, including residents, Family Council, staff, the management company, Medical Director, expert leaders in health care including local hospital, home and community care, system planners, Emergency Services, City Leadership and the general community. Both positives and challenges and/or gaps were identified with the facility, service delivery and quality of care.

Service levels were reviewed based on the needs of the residents, stakeholder consultations, the review of the built infrastructure through the FCA and the current ministry standards for expected performance and delivery of LTC services. The findings indicate that given the age of the facility, a significant number of current MLTC design minimums are not met, which impact daily operations and resident and staff experience. The Resident Home Areas (RHAs) are not currently designed to match the service level demands in the current LTC environment. Changes to resolve these shortfalls in order to meet the design guidelines in a 24/7 living and working environment may be challenging to understand and may not produce the desired results in aging infrastructure.

Given the fact that the facility is currently 34 years old and nearing its design (standards) life, combined with current demographics and magnitude of potential care

needs required in population projections, Victoria Manor facility would need replacing by 2035, in the next 12 years. At this time, the current facility, with modest future improvements, would meet an extended life expectancy of approximately 45 years. A capital forecast with immediate and near-term preventive and predictive maintenance schedules to minimize reactive and unplanned maintenance was completed for the extension of the facility for the 166 beds.

To extend the life of the current facility, the building will require retrofits and upgrades to achieve the goals of delivering high quality care in a sound facility. As the Collier's report indicates, short-term maintenance requirements will cost \$276k over the next three years. Projects include repairs to drywall damage and wall protection in basement level, asphalt parking lots and loading dock resurfacing and repair, as well as the continuation of the ongoing painting program in service hallways and resident home area corridors.

Maintaining the facility and waiting to redevelop in 10 years, the capital planning costs as projected in the Master Plan indicate a requirement of \$1.66M (including the short term investment of \$276K for the next three years) total for general capital budgeting for interior finishes, exterior envelop, and exterior site system repairs (e.g. windows, caulking, end-of-life replacement for roof top package units and elevator upgrades).

The report also provided population growth scenarios and the anticipated major long-term capital investment required at the end of the facility's useful life for consideration when redevelopment will commence. The timeframe required to achieve a new build would be approximately five years, allowing two years for capital design and planning, and two to three years for construction.

Based on the end-of-life scenarios that were explored as part of this project, the following chart outlines the future state and the required estimated capital needs at today's cost estimates (both low and high range) to maintain 166 beds and/or expand based on projected population growth over time (2024 – 2034).

Maintain 166 beds	Low range capital cost estimate: \$71,918,031	High range capital cost estimate: 91,163,701
Increase to 369 beds (+230 beds)	Low range capital cost estimate: \$196,656,070	High range capital cost estimate: \$249,282,342
Increase to 512 beds (+346 beds)	Low range capital cost estimate: \$335,591,941	High range capital cost estimate: \$425,398,235

In summary, the Master Plan outlines that:

- The current facility has up to 12 years of useful life remaining.
- The need for long-term care services will continue to increase in the future as the population increases.
- In the years leading up to 2035, the City will continue to invest in the current facility in accordance with the capital plan forecast. As outlined below in alternatives considered, this investment is currently estimated to be approximately \$1.66 million (approximately \$1.9 million when adjusted for inflation at 3%) over a 10-year period.
- The City may also consider any upgrades or alterations that can improve the operational performance (as per the findings of Examination of Service Levels) of the facility, however these considerations would need to be considered in the greater conversation related to timing and cost for actual redevelopment. For example, widening of doors are estimated to cost approximately \$1 million to \$1.25 million.
- It is recommended that a new facility be developed by 2035 to address the current operational shortcomings and prospective long-term care needs.

As outlined, planning for a new build takes several years with time to update the plan, seek direction from Council(s) as required, approvals and applications with the Ministry of Long-Term Care, designing, grant funding and more, while also conducting a review for the repurposing and use of the existing facility.

Other Alternatives Considered:

As staff take away the report and the recommendations in the Victoria Manor Facility Master Capital Plan, the above summary of recommendations and end-of-life projections will be analyzed.

Consideration to be taken into account when redevelopment commences, would be the option be to expand the number of beds beyond the current allocation of 166 beds. Validation of population growth, along with the timing of this for space design and expansion with the Ministry will need to be considered. As per building and operating standards, expanding in pods (or resident home areas) comprising of 32 beds will ensure optimal operational performance. As Collier's projected, based on current total development cost estimates, a resident home area of 32 beds at the same gross area per bed as existing, will cost approximately between \$13.8 million and \$17.6 million if completed in year 2027 and \$17 million and \$21.6 million if completed in year 2034. If the resident home area is sized to achieve a gross area per bed of 800 sq. ft., then it will cost approximately between \$17 million and \$21.6 million if completed in year 2027 and \$21 million and 26 million if completed in year 2034.

Alignment to Strategic Priorities

This report aligns with the City's strategic priorities of an Exceptional Quality of Life and Good Government.

Financial/Operation Impacts:

There are no specific financial or operational impacts as a result of the recommendations of this report, although there will be financial implications in future as staff further analyze the recommendations and scenarios within this report and build it into the annual budget development process, along with the investment strategy required within the City's Long-Term Financial Plan and the 10-year Capital Plan.

The projected 2024 Budget for Victoria Manor does not currently include any of these financial or service delivery recommendations, given the fact that the Final Master Capital Plan was completed after budget was drafted and prepared for deliberations.

Consultations:

Victoria Manor Committee of Management Members
Victoria Manor Management Team
City of Kawartha Lakes Senior Leadership
Manager, Corporate Assets
Director, Corporate Services
Chief Administrative Officer, City of Kawartha Lakes

Attachments:

Appendix A – Kawartha Lakes Final Strategic Facility Master Plan for Victoria Manor, 2023 prepared by Colliers Project Leaders.



FINAL REPORT
Victoria Manor Facility

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Department Head: Cheryl Faber, Director, Human Services