




**ASSISTED LIVING PROJECT  
FUNDING REQUIREMENTS AND STATUS OF COMMITMENTS**

<i>Requirement</i>	<i>Amount</i>	<i>Commitment Status</i>	<i>Comment</i>
Infrastructure Ontario (IO)	\$ 32.0 million	Conditional offer received. Vice-President Credit to review before Dec 21, 2010. IO Credit Review Committee to finalize in January, 2011.	 IO Resolution-Key Documents.doc
City of Ottawa and Ontario Ministry of Municipal Affairs and Housing seniors' housing grant	\$ 5.4 million	Approval received.	Awaiting Contribution Agreement for review and signature. Need to finalize in January, 2011 prior to tender. Need to begin project by March, 2011.
Foundation Grant	\$ 1.4 million	Approved by Foundation Board at its' December 8 <sup>th</sup> meeting	IO required a \$1.15 million commitment compared to the \$1 million originally approved by the Foundation. The Foundation's funding commitment is now \$200,000 per year over 7 years to 2016. IO may require \$1.15 million to be committed by 2013.
Ministry of Municipal Affairs and Housing (MMH) Renewable Energy Initiative (REI) Grant	\$ 1.3 million	MMH has recently informed the City of Ottawa that all available funds have been conditionally approved for other projects. Negotiations still taking place.	Negotiation support is being pursued through the Premier's Ottawa-based EA. MMH has made additional inquiries about the business case, and whether the project will proceed without the REI grant.  If REI grant is not received, additional Foundation support, tax relief from the City or increased rent may need to be pursued.
<b>Total</b>	<b>\$ 40.1 million</b>		

## OTHER REQUIREMENTS AND STATUS OF COMMITMENTS

<i>Requirement</i>	<i>Commitment Status</i>	<i>Comment</i>
Champlain LHIN (CLHIN) Assisted Living Services Project Funding Agreement for operating funds to offer assisted living services.	<p>Letter of commitment received from CLHIN to add to base funding to March 31, 2014.</p> <p>Previously notified by CLHIN of annual funding allocation of \$1,642,500 for 90 spaces assisted living spaces.</p>	 Letter for Perley and Rideau Veterans' Health  Fougere, Perley and Rideau Supportive Health <p>The start of 90 Assisted Living (AL) services spaces to seniors in their homes in Ottawa South is being planned for implementation in the last quarter of the 2010-11 fiscal year (first quarter of 2011 calendar year).</p>
Project Manager Contract	<p>Awarded to CB Richard Ellis (CBRE). Letter of Intent approach agreed to with CBRE, prior to signing contract.</p> <p>Project Manager started PM services on December 8, 2010.</p>	Draft contract being reviewed for Perley Rideau by Lang Michener, who will finalize negotiations once CEO gives direction.
Land Lease with Ontario Realty Corporation (ORC)	<p>ORC has agreed to extend the remaining 36-year land lease to 40 years to coincide with 40 year financing by IO.</p> <p>Leasehold Mortgage under negotiation with IO.</p>	Communication taking place between IO and ORC to finalize arrangements.
Development Control Agreement and Site Plan Approval	City has committed to finalizing approval prior to December 25, 2010	Conditions met.
Hydro One Right of Way	Hydro One conditional approval provided November 10, 2010	
City of Ottawa Building Permits		1. Building B (Russell Road) permit

		<p>application submitted early December. (4-6 week approval process.)</p> <ol style="list-style-type: none"><li>2. Building A (Perley Centre) permit application planned for February, 2011.</li><li>3. Tennant fit-up and Perley Centre renovations' permit application planned for May, 2011.</li></ol>
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**Infrastructure Ontario**  
**Financing Agreement - Requirements**

**Documentation Requirements – Board and Management**

**1. Board Resolution, Approval and Key Documents**

Following approval by IO Credit Review Committee and execution of a Term Sheet, Infrastructure Ontario will require a number of documents to be executed by the Board, Management and Legal Counsel including the following:

<b>Requirement</b>	<b>Comment</b>	<b>Oversight</b>
<ul style="list-style-type: none"> <li>• Copy of Articles of Incorporation</li> </ul>	<ul style="list-style-type: none"> <li>• Ok, already provided</li> </ul>	---
<ul style="list-style-type: none"> <li>• Certificate of No Litigation (Original with Seal)</li> </ul>	<ul style="list-style-type: none"> <li>• IO format and structure</li> </ul>	<ul style="list-style-type: none"> <li>• To SCAL for consideration</li> </ul>
<ul style="list-style-type: none"> <li>• General By-Law/Borrowing By-Law (Copy) of the Corporation</li> </ul>	<ul style="list-style-type: none"> <li>• Ok, we have this in our Board Governance Guide for Directors</li> <li>• Submit in present form</li> </ul>	---
<ul style="list-style-type: none"> <li>• Copy of Funding/Servicing Agreements with the City of Ottawa</li> </ul>	<ul style="list-style-type: none"> <li>• To be negotiated and signed</li> </ul>	<ul style="list-style-type: none"> <li>• To SCAL for consideration</li> </ul>
<ul style="list-style-type: none"> <li>• Officer’s Certificate w/ attachments (Original with Seal)</li> </ul>	<ul style="list-style-type: none"> <li>• IO format and structure</li> <li>• Various declarations</li> </ul>	<ul style="list-style-type: none"> <li>• To SCAL for consideration</li> </ul>
<ul style="list-style-type: none"> <li>• Corporate Borrowing Resolution (Original with Seal or Certified True Copy with Seal)</li> </ul>	<ul style="list-style-type: none"> <li>• IO format and structure for this specific loan</li> </ul>	<ul style="list-style-type: none"> <li>• To SCAL for consideration</li> <li>• Board to approve</li> </ul>
<ul style="list-style-type: none"> <li>• Legal Opinion by External Legal Counsel</li> </ul>	<ul style="list-style-type: none"> <li>• IO format and structure</li> </ul>	<ul style="list-style-type: none"> <li>• To Legal Counsel for preparation</li> <li>• SCAL for information</li> </ul>

IO model documents will be provided to the SCAL for consideration and recommendation to the Board, guidance to Management, as appropriate.

**2. Conditions Precedent to First Construction Advance**

Prior to the first construction advance under any financing agreement, we are required to comply with the following condition:

*“Borrower to provide IO with definition of project management roles and responsibilities and authorities as approved by Board of Directors. An internally appointed Project Manager approved by IO shall be in place.”*

The Board will be required to approve the project management roles and responsibilities and authorities. The Project Manager must be ‘acceptable to’ and approved by Infrastructure Ontario. Management will provide a proposed Project Manager role and responsibilities based on the RFP and CBRE’s response thereto, to the SCAL for consideration and recommendation to the Board. Management has informed IO of the selection of CBRE as project manager.

**Infrastructure Ontario**  
**Financing Agreement - Requirements**

**Foundation Related**

**1. Fundraising Funds**

Prior to the first construction advance, we will also be required to provide:

*“Confirmation of \$1,150,000 in fundraising funds prior to advances. Lender will consider financing pledges in hand.”*

This may require written confirmation from the Foundation that fundraising funds of a specified value are committed to, and available for, the project. This may also require evidence that the Foundation has the means to meet the commitment, i.e. financial statements.

**2. General Security Conditions**

As security for any advances under the Financing Agreement, we will be required to make an “Assignment of all fundraising pledges” ...made by the Foundation. This pledge may need written support and confirmation from the Foundation.

**3. Conditions Precedent to Debenture Conversion up to the Limit in the Financing Agreement**

We will be required to provide

*“Confirmation of Fundraising funds of \$1,150,000 shall have been spent in the project”.*

IO will require conversion to a debenture not later than 3 years after commencement of construction.

Under the current understanding with the Foundation, the plan is to provide \$1 million in 5 instalments, commencing in 2010 and concluding in 2014. With a construction period from March, 2011 to December 2012, all Foundation contributions would be required to have been spent by March 2014, three years after commencement of construction. Therefore, depending on timing of receipt, the final \$200 k contribution in 2014 from the Foundation may not have been ‘spent’ on the project prior to conversion to long term debenture financing.

The Foundation may be a need to advance the flow of contributions from the Foundation to conclude by the end of 2013, or not later than March 2014, in order to meet IO’s requirements.

Ministry of Health  
and Long-Term Care

Office of the Minister

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Ministère de la Santé  
et des Soins de longue durée

Bureau du ministre

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SEP 09 2010

HLTC2980IT-2010-1389

Rear-Admiral (Ret'd) Peter Martin  
Board Chair  
Perley and Rideau Veterans' Health Centre  
1750 Russell Road  
Ottawa ON K1G 5Z6

Dear Rear-Admiral Martin:

I am pleased to advise you that pursuant to section 5 of the *Long-Term Care Act, 1994*, I hereby approve Perley and Rideau Veterans' Health Centre, which was previously approved as an agency under section 5 of the *Long-Term Care Act, 1994*, to provide the following additional community service:

- Assisted Living Services for High Risk Seniors / Supportive Housing - 7258245

This approval is effective on April 1, 2010.

As you are aware, approved agencies are required to comply with the provisions of the *Long-Term Care Act, 1994*.

I would like to thank you, the other members of your board, and the staff of your organization for your support and dedication to help shape a future health care system that provides choices that reflect how Ontarians truly want to live.

Sincerely,

A handwritten signature in cursive script that reads "Deb Matthews".

Deb Matthews  
Minister

c: Hon Dalton McGuinty, MPP, Ottawa South  
Michael LeMay, Interim Board Chair, Champlain Local Health Integration Network

November 26<sup>th</sup>, 2010

M. Greg Fougère  
Executive Director and CEO  
The Perley and Rideau Veterans' Health Centre  
1750 Russell Road  
Ottawa ON K1G 5Z6

*Greg*  
Dear M. Fougère:

I would like to thank you and M. Martin for meeting with our Interim Board Chair, M. Michael Lemay and me last week. As we discussed, the Champlain LHIN continues to support The Villages project and wishes to continue working collaboratively with the Perley and Rideau Veterans' Health Centre to ensure its success.

As such, this letter is to confirm that the Champlain LHIN wishes to enter into a service agreement with the Perley and Rideau Veterans' Health Centre effective April 1<sup>st</sup>, 2011 to March 31<sup>st</sup>, 2014 which will outline the terms and conditions of funding over those 3 years. The service agreement will modify the agreement which is in the process of being signed by both parties and which is set to expire March 31<sup>st</sup>, 2011.

The new agreement will reflect the extension of the duration of the agreement, and will indicate that the performance targets will be revisited on an annual basis as the Perley Rideau Assisted Living residences are occupied. The targets will be set based on both (i) the Provincial Assisted Living for High Risk Seniors Policy and (ii) the Perley Rideau Assisted Living Functional Program approved by the Champlain LHIN Board in 2010.

We look forward to bringing this exciting innovative and important project to implementation. Affordable housing and the necessary supports seniors need to maintain their independence must be the cornerstone of all our efforts to meet the needs of an aging population.

You will be receiving a copy of the new agreement for your review and signature shortly.

If you have any questions please feel free to contact me.

Sincerely,



Robert Cushman  
Chief Executive Officer