



CASSELLHOLME BOARD COMMITS TO WORK WITH CITY ON PROPOSED RESTRUCTURING

Urges consultations with residents, families and broader community

FOR IMMEDIATE RELEASE

TUESDAY, DECEMBER 14, 2021

NORTH BAY - Cassellholme Board of Management voted at a special meeting today to move the \$121-million redevelopment project forward while working co-operatively on a proposal to turn ownership and management of the seniors' care facility over to the City of North Bay.

"We truly appreciate the City is looking for a path forward," said Cassellholme Board Chair Chris Mayne, who is also a member of North Bay City Council. "Today our board has taken steps to keep the momentum of goodwill going."

In a unanimous vote last week, North Bay City Council called for Cassellholme to become a city asset in exchange for proceeding with the project's financing arrangement through Infrastructure Ontario (IO).

"The ownership question should be treated as a separate process so that the new build can proceed," said Cassellholme CEO Jamie Lowery.

"We provided all the municipalities with financing options long ago," Lowery said. "Each municipality was asked to indicate their preference. Only the City of North Bay has done so to date and their approval to move forward with Infrastructure Ontario (IO) financing was delivered with strings attached."

The "strings" Lowery referenced is the unconditional and wholesale turnover of Cassellholme to the City of North Bay in return for agreeing to the IO option, however, the City's motion does not address the need for broad consultation in regard to their proposal.

"We fundamentally have no objection to the City's proposition, however, to make changes such as those proposed requires an amendment to provincial legislation governing such matters," added Mayne. "There is no possible way that's happening anytime soon."

With the Legislature in winter recess, and a provincial election looming, there is "literally no one to talk to about such a scenario," Mayne explained.

"Any ownership and management changes must give ample consideration to the safety and care of residents," added Sherry Culling, a provincial appointed Cassellholme board member.

Only the Ministry can review and consider any such request and only the Legislature can deal with it.

"As we have not received any communication from the other partner municipalities, it is not clear they agree with or reject the terms the City of North Bay has put forward." Lowery offered.





The eight other member municipalities of the district long-term care home have yet to weigh in on the City of North Bay proposal.

The resolution adopted by the Cassellholme board calls on the City to provide a more clearly detailed plan about its restructuring proposal. The board also said any such undertaking must include, among other things:

- A fulsome community consultation process; and
- Consideration for the potential impacts on Cassellholme residents.

In the interim, the Board said it will move forward with the much-needed redevelopment.

"We have said all along IO financing is the least costly, and overall, best option. We are happy the City wants to take advantage of it," said Mayne. "Our motion simply says, let's get the financing part done and we can look at the City's idea later."

The clock, however, is running out with a looming deadline of Thursday, Dec. 16 on the IO financing option.

"We were worried it might come to this," said Lowery, "so we had BDO canvass bridge financing choices and secure the best bridge financing option for the municipalities in the off chance we are unable to meet the IO deadline."

If the Dec. 16 deadline passes, all financial arrangements and approvals will be suspended until the new year due to the holidays.

"This delay could potentially increase the cost of the project," Lowery said. "However, bridge financing means Cassellholme can meet obligations with the contractor."

"Bridge financing protects the municipalities from liability for any lost profit, and other costs, the contractor could sue for if funding isn't secured," said Lowery. "This has all been known previously."

Regardless of what the municipalities decide about financing, Cassellholme sent out levy notices in November and the levies are due Jan. 10.

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NOTE: Copy of Cassellholme resolution attached

For additional information pertaining to this release and the Cassellholme project, contact:

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EAST NIPISSING DISTRICT HOME FOR THE AGED

BOARD OF MANAGEMENT - SPECIAL MEETING

RESOLUTION

RESOLUTION NUMBER

125 - 21

December 14, 2021

Recorded Vote

Mark King	Yes	Dave Mendicino	No
Claire Campbell	Yes		
Sherry Culling	Yes		
Chris Mayne	Yes		

Whereas, the Board of Management (the "Board ") appreciates the efforts of the City of North Bay in its enthusiasm to help move the redevelopment financing forward;

Whereas, The Board received, in writing on November 29, 2021, conditional approval from the Ministry of LTC to proceed to construction of the redevelopment;

Whereas, the Board has approved Percon Construction Inc as its General Contractor for the redevelopment and Percon Construction Inc. has agreed to commence construction activities;

Whereas, Unanimous consent, to date, has not been secured for the Board to borrow for the project;

Whereas, the Board has formally issued notice of levy to all municipalities on November 10, 2021;

Whereas, the Board has arranged bridge financing should any member municipality default on the levy as per O. Reg. 79/10 section 295 under the Long-Term Care Homes Act, 2007;

Whereas, on December 9, 2021, the City of North Bay, on less than 24 hours notice, resolved to fundamentally restructure Cassellholme ("Proposed Restructuring") in a transaction that had never previously been discussed with Cassellholme, at any North Bay Council or relevant committee meeting, nor been subject to public or interested party consultation;

Whereas, the City of North Bay has not provided any rationale or policy reasons behind the Proposed Restructuring nor has it provided any details of the Proposed Restructuring;

Whereas, the City of North Bay has not provided any details of the Proposed Restructuring;

EAST NIPISSING DISTRICT HOME FOR THE AGED

BOARD OF MANAGEMENT - SPECIAL MEETING

RESOLUTION

RESOLUTION NUMBER

125 - 21

December 14, 2021

Whereas, The Board of Management has an ongoing responsibility to ensure the safety, well-being and care of its residents and their families and compliance with law and therefore cannot "unconditionally" agree to approving the motion brought forward by the City of North Bay in its current form due to a paucity of detail in this proposed restructuring, which would be highly complicated and require considerable time and approval by the Government of Ontario;

Whereas, the Board of Management also has an ongoing responsibility to all of the member municipalities, each of which would be materially affected by the Proposed Restructuring;

Whereas, the Board of Management is required to carefully consider the facts and details in relation to major transactions and no facts or details have been provided for the Proposed Restructuring;

Whereas, the MLTC must provide its prior approval of the Proposed Restructuring or any change in composition and ownership of Cassellholme which requires an amendment to the Long-Term Care regulation pertaining to Cassellholme;

Whereas there has been no public consultation by any party concerned, regarding such a transition

The Board resolves to investigate the Proposed Restructuring which process shall include but not be limited to:

- Obtaining the details of and rationale for the Proposed Restructuring from the City of North Bay;
- A fulsome community consultation process - which will include defining expectations as they relate to performance, care, compliance, financial sensibility, and the interests of all stakeholders;
- Commissioning of the redevelopment of Cassellholme; and,
- Considering the effects of the Proposed Transaction on all relevant factors including the personal safety of, well-being of, and quality of care received by, residents of Cassellholme.

The Board commits to working constructively with the City of North Bay to provide relevant and helpful information towards the potential change from a District to a Municipal Long-Term Care Home.

The Board resolves that it shall not unreasonably withhold its consent to the Proposed Restructuring.

Carried / Defeated



Chairman

Resolution

125 - 21

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