



**TOWN OF CARMAN
BY-LAW No. 17/2021**

Being a By-law of Town of Carman to authorize the Expenditure and Borrowing of money for the town's contribution to the Personal Care Home Project.

WHEREAS Section 311 of *The Municipal Act*, S.M. 1996, C.58, provides in part as follows:

"If approved by by-law, a municipality may undertake, as a local improvement for the benefit of all or part of the municipality,

(b) any other project the cost of which includes a capital component."

AND WHEREAS subsection 320(1) of *The Municipal Act* provides as follows:

"Subject to subsection (2) to (6) and subsection 321(4), a Council may by by-law

(a) approve the local improvement or special service as set out in the plan or proposal;

and

(b) authorize the municipality to impose taxes as set out in the plan or proposal."

AND WHEREAS Section 172 of *The Municipal Act* provides in part as follows:

"In this Division,

"Borrowing" means the borrowing of money, and includes

(b) borrowing to pay for a local improvement under Division 4 (Local Improvements and Special Services) of Part 10,

(e) issuing debentures"

AND WHEREAS the Council of the Town of Carman has prepared Local Improvement Plan #01/2017 providing for the spending, borrowing authority, and imposition of taxes for the town's contribution to the Personal Care Home Project as a local improvement pursuant to Part 10 of *The Municipal Act*;

AND WHEREAS in order to complete such undertaking, it will be necessary for the Town of Carman to borrow the sum of \$1,000,000.00, as hereinafter provided, which is the amount of the debt intended to be created by this by-law;

AND WHEREAS the consecutive annual amounts, including principal and interest, required to be raised each year for 15 years, as hereinafter provided, for paying the principal and interest under this by-law are the amounts set out in Schedule "A" hereto;

AND WHEREAS the requirements are prescribed in Sections 318, 319 and 320 of *The Municipal Act* have been complied with;

AND WHEREAS the assessed value of the whole lands chargeable under this by-law according to the latest revised Assessment Roll is \$150,281,930;



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AND WHEREAS the amount of the existing borrowing debt of the Town of Carman is \$2,112,311.71, of which no portion of the principal or of the interest thereon is in arrears;

NOW THEREFORE the Council of the Town of Carman in regular session assembled enacts as follows:

1. THAT pursuant to subsection 320(1) of *The Municipal Act*, the Town of Carman adopts Local Improvement Plan #01/2017 attached hereto as Schedule "B".
2. THAT the Town of Carman may expend up to One Million dollars (\$1,000,000.00) for its contribution to the Personal Care Home Project as a local improvement.
3. THAT for the aforesaid project, the said municipality may borrow One Million dollars (\$1,000,000.00), such borrowing shall be issued by the Town of Carman, in the Province of Manitoba, and shall be payable at the Access Credit Union Ltd. in Carman, and shall be dated the 1st day of January 2018.
4. THAT the said borrowing shall bear interest at a rate estimated for the time being at 3.875% per annum, and subject in any event to the authorization of The Municipal Board at the time of sale, and shall mature in accordance with the maturities set out in Schedule "A" hereto on the 31st day of December in each of the years 2018 to 2032, both inclusive.
5. THAT the issuance of borrowings shall be signed by the Mayor, or by some other person authorized by by-law to sign same, and by the Chief Administrative Officer of the Town of Carman and there shall be affixed thereto the corporate seal of the said municipality.
6. THAT during the currency of the said borrowing; namely, in each of the years 2018 to 2032, both inclusive, there shall be raised annually by a special mill rate on all the rateable property in Local Improvement District Number One, an amount sufficient to meet the requirement for principal and interest.
7. THAT pursuant to subsection 174(3)(d) of *The Municipal Act*, pending the issue of the borrowing, the Council of the Town of Carman may agree with a bank or person or borrow from the general funds of the municipality for temporary advances from time to time to meet expenditures incurred for the purpose aforesaid, and the total of such advances shall not exceed One Million Dollars (\$1,000,000.00).



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DONE AND PASSED as a by-law of the Town of Carman, in the Province of Manitoba
this _____ day of _____, 2017.

Town of Carman

Mayor

Chief Administrative Officer

Read a first time this _____ day of _____, 2017.

Read a second time this _____ day of _____, 2017.

Read a third time this _____ day of _____, 2017.

NOT PROCESSED WITH



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TOWN OF CARMAN

Sold To: To be determined

SCHEDULE "A" TO BY-LAW No. 17/2021

Local Improvement Debenture Issue

Term (Yrs):	15	Amount:	1,000,000.00
Date:	January 1, 2018	Rate (%):	3.8750
Payable:	December 31st	Annual Payment:	89,156.74
		First Year's Payment:	89,156.74
		Adjusted Last Year's Payment:	89,156.83

MATURITY SCHEDULE

Year	Interest	Principal	Balance
2018	38,750.00	50,406.74	949,593.26
2019	36,796.74	52,360.00	897,233.26
2020	34,767.79	54,388.95	842,844.31
2021	32,660.22	56,496.52	786,347.79
2022	30,470.98	58,685.76	727,662.03
2023	28,196.90	60,959.84	666,702.19
2024	25,834.71	63,322.03	603,380.16
2025	23,380.98	65,775.76	537,604.40
2026	20,832.17	68,324.57	469,279.83
2027	18,184.59	70,972.15	398,307.68
2028	15,434.42	73,722.32	324,585.36
2029	12,577.68	76,579.06	248,006.30
2030	9,610.24	79,546.50	168,459.80
2031	6,527.82	82,628.92	85,830.88
2032	3,325.95	85,830.88	0.00
TOTALS	337,351.19	1,000,000.00	1,337,351.19



SCHEDULE "B"
BY-LAW No. 17/2021

Local Improvement Plan No. 1/2017
For the Building of a Personal Care Home in Carman
(Pursuant to Subsection 315(1) of *The Municipal Act*)

(a) Description of the Proposed Local Improvement

Prologue

Providing appropriate housing and a continuum of care for seniors to *age in place* within the Town of Carman and the surrounding municipalities of Dufferin, Thompson, Roland and Grey is of paramount importance and a key priority for our communities. This priority is undermined by the limitations of our community's present 70-bed Boyne Lodge Personal Care Home. Despite the selfless dedication of caregivers and the on-going commitment by Southern Health-Santé Sud and Manitoba Health to address the limitations created by considerable obsolescence in the facility, it is apparent these limitations are insurmountable without extensive very disruptive and costly renovations. As the facility was built at a time that could not have anticipated the current personal care needs of seniors, the community is resolute in its position that to sustain our seniors, a new Personal Care Home must be built.

This commitment is further driven by Southern Health-Santé Sud's needs assessment that indicates that over the next ten years, demand for PCH beds in the region our communities encompass will exceed supply if no additional beds are added. This reality has become a call to action for our communities - we need a new personal care home integrated within an "Aging in Place" Campus. To this end, our communities gave a mandate to a committee of local government and community representatives to advance this cause. This led to the creation of a community non-profit corporation, Boyne Care Holdings, to begin the planning process.

Given the projected demographic faced by all provinces, of aging baby boomers needing care over the next thirty years, coupled with burgeoning construction costs, the reality is that projected bed needs will be great and the fiscal resources limited. It is with that dilemma in mind that we have explored a model that would see a new personal care home to serve our region being built by the stakeholder communities, owned by local governments and operated by Southern Health-Santé Sud. This community owned social enterprise initiative, which also proposes a range of complementary "aging in place" housing options and services, is described in the following synopsis.

As the commitment to our seniors is woven through the fabric of our communities, we have put a considerable effort into exploring this sustainable and community driven model that captures the creative nuances of social enterprise. Citizens in our



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communities have encouraged us to move ahead, and the stakeholder local governments have all indicated their support.

We wish to emphasize that our highest priority is the well-being of our senior citizens. Considerable momentum has been built, and our communities are ready and willing to proceed on this project now. We look forward to partnering with Southern Health-Santé Sud and Manitoba Health to work together to meet the needs of our seniors, our communities, and our governments for today and into the future.

Present Situation

Located in Carman, Manitoba, the Boyne Lodge is a 70 bed Personal Care Home that was built in 1967 by the communities and municipalities in its catchment area which encompasses the Town of Carman and the Rural Municipalities of Dufferin, Roland, Thompson and Grey. Spearheaded by Carman's Young Citizens Group, the Lodge was built as a seniors' hostel to provide housing and light care for seniors with minor cognitive and physical impairments. Over the ensuing five decades, the needs of its residents and the community have changed to the point where 94% of Boyne Lodge residents have Level 3 and 4 needs – care levels for which the current building was not intended or designed. For the well-being of some of our community's most vulnerable people and the professionals who care for them, this facility needs to be replaced.

Demographics and Demand

The Boyne Lodge catchment area includes 14 communities in five municipalities, all within a 50 kilometre drive from Carman. Total population of the catchment area in 2016 exceeded 10,000 residents, with an estimated 1,010 people over the age of 75 years (9.4% of 2016 population). With a total of 88 PCH beds in the catchment area (70 in Boyne Lodge, 18 in the St. Claude Pavillon), the ratio of beds to residents aged 75+ is 87.1 per 1,000, which is below the provincially recommended ratio of 110 beds per 1,000. By 2022, the catchment areas 75+ population is projected to grow to 1,207, and by 2042 that number balloons to 2,070. This means that unless changes are made, the ratio of 75+ residents to PCH beds will decrease to 42.5 beds per 1,000 – less than half of the present recommended ratio.

Heavy demand for scarce PCH beds in the Southern Health-Santé Sud region has also increased the use of Alternate Level of Care (ALC)/Transitional beds for those people waiting placement in a PCH. Analysis shows that from 2005-2012, 47.9% of people waiting placement did so in Transitional Care facilities, while another 52.1%, representing 17,183 transitional care days, were in acute care facilities, where cost of care can exceed \$1,000 per day per person.



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Leadership

After learning from Manitoba Health officials that there were no plans on the horizon to replace the Boyne Lodge, the Mayor of the Town of Carman and the Reeve of the R.M. of Dufferin looked to a new Manitoba model of a community-built Personal Care Home developed by Niverville Heritage Holdings. With a strong community mandate, the Town and Municipality created Boyne Care Holdings Inc., (BCH) a community-based, non-profit corporation populated by **the following slate of directors:**

- Kelvin Smith, Chair
- Les Vanderveen, Vice Chair
- Linda MacNair, Secretary
- Barbara Lepp, Director
- Shawn McCutcheon, Director
- Bob Mitchell, Mayor, Town of Carman (ex officio)
- Brent VanKoughnet, Chair of Community Council (ex officio)
- Tyler King, Economic Development Officer (ex officio)

This Board was tasked with creating and implementing a plan to replace the outdated Boyne Lodge. BCH engaged Gordon Daman, who was integrally involved in the realization of the Niverville project, as a consultant. To facilitate further community input, a Community Council was created. Chaired by Brent VanKoughnet, the Council was made up of representatives from all five stakeholder municipalities. A detailed business plan was developed as the first step on the road to building a new PCH for the Boyne catchment area.

Vision

Our vision is to create an "Aging in Place Campus" on the site of the present Boyne Lodge that encompasses several options for seniors housing, developed over four phases:

a) Phase I

- A new 80-bed Personal Care Home, integrated into the existing structure, which has been deemed to be structurally sound, though unsuited for its present purpose. This new PCH will be leased to Southern Health-Santé Sud at a very reasonable rate, to be operated much as Boyne Lodge is today.
- A repurposed Boyne Lodge, to make available:
 - new commercial/office rental space, some of which will be leased by Southern Health-Santé Sud;
 - 30 additional beds to address the transitional care needs of seniors in the region, to be operated by Southern Health-Santé Sud, conditional on operational funding from Manitoba Health.



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b) Future Phases

- Renovations and changes to the function of the Boyne Towers to a mixed housing model including Supportive Housing, which would be operated under an agreement with Southern Health-Santé Sud, conditional on operational funding from Manitoba Health.
- Upon confirmation of demand, development of assisted living units integrated into the campus to build on the vision of a complete and holistic "Aging in Place" environment.
- Upon confirmation of demand, development of life-lease apartments, also integrated into the campus, to complete the "Aging in Place" vision;
- Potential future development of assisted living housing in surrounding communities to extend the "Aging in Place" opportunities.

Governance

It was understood from the outset the importance of developing a governance model that would be sustainable, and so we engaged some of the most stable institutions in our communities – local governments – early in the process. Five local government partners (Town of Carman, R.M. of Dufferin, R.M. of Grey, R.M. of Roland, R.M. of Thompson) indicated their ongoing support for the concept starting with a Memorandum of Understanding in September of 2014, and culminating in the transition of the original Boyne Care Holdings corporation into Boyne Care Holdings 2016. This new not for profit entity, with its membership made up of the stakeholder Councils, will own the Aging in Place Campus, thereby ensuring stable ownership and access to services into the future. Through their presence as members of the newly created Boyne Care Planning and Development Committee, the directors of the original Boyne Care Holdings retain their roles as key drivers of the project under the umbrella of the multi-municipal organization.

Commitment

This project, without a doubt, is one of the largest ever undertaken by our local communities. It will need an unprecedented level of commitment and collaboration from all stakeholders, including individual citizens, local governments, Southern Health-Santé Sud, and Manitoba Health, to bring it to fruition. We at Boyne Care Holdings are determined to drive this project forward. We believe this is the only way to address the rapidly growing need for seniors care in a fiscal environment where provincial governments simply will not have the resources to carry the financial burden alone.



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(b) Local Improvement District to be taxed

The Council of the Town of Carman intends to impose this local improvement tax on all assessable property within the Town of Carman Local Improvement District Number One. This will include all taxable assessment, Grant-in Lieu assessment and Otherwise Exempt assessment in the Town of Carman. Local Improvement District Number One includes all properties within the Town of Carman boundaries. The portioned assessment value in 2017 of this property is \$150,281,930.

(c) Identify the Potential Taxpayers Under the Plan

The potential taxpayer, as defined by Section 310 of *The Municipal Act*, is a person who would, if the local improvement were approved by by-law, be liable to pay for the local improvement. In this proposal, the potential taxpayer would include the owners of any assessable property in the Town of Carman Local Improvement Number One.

(d) Method and Rate of Calculating Local Improvement Tax

The local improvement requirement in each year is to be raised by a local improvement tax calculated on the basis of the portioned value of eligible assessable property over fifteen (15) years.

The rate will be calculated on the current year's portioned assessment by the mill rate and based on the 2017 portioned assessment of \$150,281,930; the rate would be 0.6 mills. Applying this mill rate to a residential property valued at \$150,000 (portioned value of \$67,500) an estimated \$40.50 local improvement tax would be levied annually for 15 years.

Pursuant to Section 325 of *The Municipal Act*, taxpayers will not be permitted to prepay their respective local improvement taxes because they are based on assessment.

(e) Estimated Cost of Local Improvement

Budget

A detailed Phase I budget has been developed taking into account estimated capital costs, potential revenue streams from lease arrangements and ancillary services, expenses based on the experience of existing similar operations, and projected debt servicing costs. A community fundraising campaign will be launched with the goal of raising at least \$3.5 million, matching the commitment of \$3.5 million from stakeholder municipalities. Assuming a successful community campaign, the project will start with



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an equity position of \$7 million to secure a mortgage for the balance of the cost. The funds contributed by the community will be applied exclusively to the Personal Care Home and the renovation of the former Boyne Lodge to provide transitional beds. All other phases of the project will be self-financing.

The five member municipalities have agreed to contribute funding as follows:

Town of Carman	\$1,000,000.00
RM of Dufferin	\$1,000,000.00
RM of Grey	\$ 700,000.00
RM of Roland	\$ 400,000.00
RM of Thompson	\$ 400,000.00
Public Donations	\$3,500,000.00

Boyne Care Holdings (2016) Inc. will mortgage the balance of the project using the \$7M to secure a mortgage for the balance of the capital cost.

(f) Particulars of Borrowing

Amount of Borrowing-Town of Carman	\$1,000,000.00
Term	15 years
Interest Rate	3.875%
Annual Payment	\$89,156.74
Due Date	December 31, 2018 to 2032, both inclusive

(g) Other Anticipated Sources of Funding

This project has five member municipalities that will contribute capital money for the building of this Personal Care Home; namely the Town of Carman, the RM of Dufferin, the RM of Grey, the RM of Roland, and the R.M. of Thompson. The balance of the funds will be borrowed by Boyne Holdings (2016) Inc. This company will have shareholders appointed to it by the five municipal councils. The model used will see the rents received by this corporation pay the mortgage of the remainder of the building. The corporation has long-term lease documents and tax sharing documents between the five member municipalities.

(h) Funding of Maintenance of Proposed Local Improvement

Boyne Care Holdings (2016) Inc. will be the organizing company that will look at funding maintenance of the Personal Care Home. The five member municipalities should not have to levy for any maintenance for the life of the asset.



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(h) Funding of Maintenance of Proposed Local Improvement

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**TOWN OF CARMAN
PUBLIC NOTICE
Regarding Local Improvement Plan #01/2017**

PUBLIC NOTICE IS GIVEN that the PUBLIC HEARING regarding Local Improvement Plan #01/2017, that was originally scheduled to be held on the 12th day of October 2017, has been postponed until JANUARY 11, 2018. This will allow all member municipalities to hold individual public hearings regarding the Personal Care Home during the same time frame. Further notice will be given prior to the new Public Hearing date.

Please contact the Town of Carman office if you have any questions.

