

# Trochu Housing Corporation\*

\*Incorporated as a Canada Not For Profit by the Town of Trochu

Trochu Seniors  
Supportive  
Living Facility  
Project

## An Update Presentation for Kneehill County Council

By Barry Kletke, Mayor of Trochu, Sam Smalldon, President of Trochu Housing Corporation and Scott Baerg, Senior Operating Officer with Covenant Health

February 27, 2024



# Agenda

1. Seniors Housing Project Proposal
2. Project Stakeholder Model
3. Capital Development Process
4. Capital Project Work Plan
5. Project Partnership Models
6. Trochu/County Partnership
7. Next Steps



# Seniors Housing Project Proposal

1

- 12 acres of serviced land in Trochu
- 80 units to meet the needs of Trochu Area
  - 40 units LTC, Supportive Living 4/4D (24x7 Care)
  - 16 units Lodge Living (Accommodation)
  - 24 units Independent Living (Life Lease)
- \$41 Million Estimate for Capital Project
  - \$10 Million Estimate for Take-Out Financing
  - \$5 Million Estimate from Life Lease
  - \$24 Million Estimate for Capital Grants
  - \$2 Million Estimate for Fundraising
- \$20 Million Estimate for Project Interim Financing Limit



# Project Stakeholder Model

2

- Town of Trochu and Surrounding Communities
- Trochu Community Seniors Advisory Committee
- Trochu Seniors Housing Society
- Kneehill County
- Covenant Health
- Federal Government (CMHC, MPs)
- Provincial Government (Alberta Seniors, Alberta Health, AHS, MLAs)

# Capital Development Process

3

- Project Planning
- Project Construction
- Project Commissioning
- Project Opening





# Project - Planning and Site Work

## 3.1

- Capital grant letters received from Province for \$21 Million.
- Capital grant application still pending for CMHC for \$3 Million.
- RFP process for both Architectural Design and Construction Management.
- Firms have been selected to start the detailed project design process.
- Detailed design process will take about six months to complete.
- A project tender will be issued in early Summer with a Guaranteed Maximum Price contract once all project funding is in place.
- Town has started work on the ASP and site services for the building site to be ready for October 2024.



# Project Planning Updates

## 3.2

- Town will formally request approval from the ADM Municipal Affairs for a debt limit extension in the next few months.
- The business plan is still viable and sustainable, the Town requires the borrowing debt limit extension to proceed.
- Reviewing and updating contracts and agreements.
  - Update borrowing agreement with Kneehill County dated October 12, 2021.
  - Finalize borrowing and operating agreement with Covenant Health.
  - Finalize contracts with Prime Consultants (Architect and Construction Manager).
  - Finalize capital funding agreements with Province.



# THC Project Concept Complete

3.3



## TROCHU SENIORS SUPPORTIVE LIVING FACILITY



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TROCHU  
ALBERTA

COVER PAGE  
Trochu Seniors Supportive Living Facility  
Trochu, Alberta



Issue: CAPITAL FUNDING  
Date: Nov 18, 2022  
Project No: 119349  
Scale: NTS

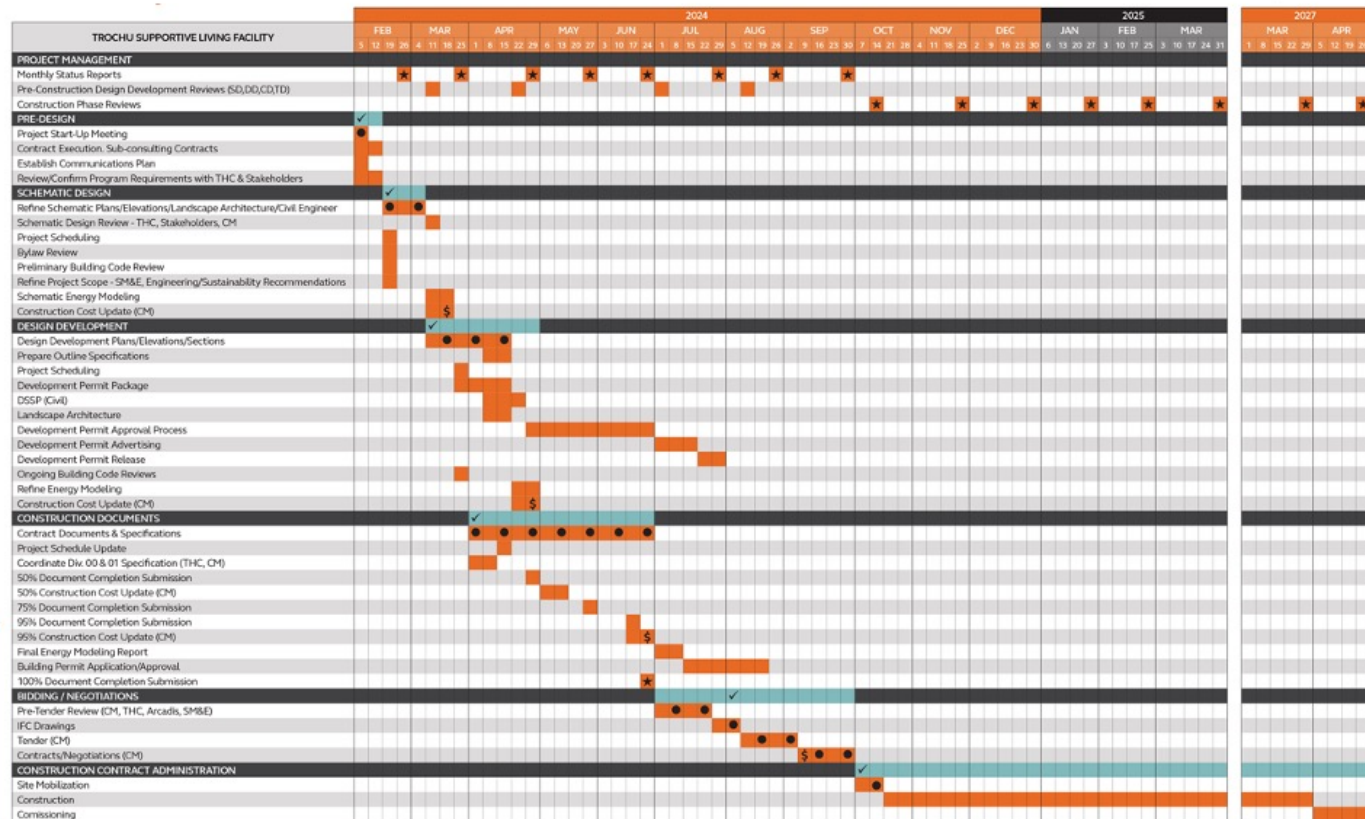
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# Project Work Plan and Timeline

# 3.4

## Project Schedule



### LEGEND

- ★ Deliverables Submission/Milestones
- Bi-Weekly Design/Site Meetings
- 💰 Costing Report Submission
- ✓ THC Approval to Proceed



# Capital Project Work Plan

4

- Project Concept and Planning Work
- Government Relations
- Partnerships
- Sources of Capital Funding
- Business Planning

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- Project Approval
- Project Design, Tender and Contracts
- Project Construction
- Project Commissioning
- Project Opening





# Project Partnership Models

## 5

- Town of Trochu incorporated THC
- Town of Trochu requests Kneehill County support for borrowing (November 2019 and October 2020) (Borrowing Agreement and Bylaw in place October 2021).
- Town of Trochu requests partnership with Covenant Health and AHS (MOU with Covenant).
- THC received capital grant letters from Province and has applied to CMHC (In Progress).
- THC will plan, build and own the project.
- Covenant Health will operate and provide care delivery for residents of the Project (Operating Agreement and MSA)
- Project is scheduled to open Spring 2027).



# Trochu/County Partnership

6

- Project will serve Town of Trochu and Surrounding Communities (County Residents)
- Project will add Seniors Housing Capacity for Kneehill County
- Borrowing Agreement by Town and County together will permit borrowing up to \$20 Million for Interim Financing.
- Need to update timeline and interest rate in Town and County borrowing agreement.
- Need to update borrowing agreement parameters to start 5-year timeline and a maximum 5.5% interest rate.
- Life Lease sales will reach 90% sales target, Community open houses and rate payer consultations are ongoing.
- County has been provided with a seat on the Trochu Housing Corporation Board as oversight



# Next Steps

7

- THC will continue relationship development under the Project Partnership and Stakeholder Models.
- Town and County will update their borrowing agreement for timeline and interest rates.
- THC will continue application for CMHC capital grant.
- THC will update the both project and operating business case to achieve debt-ratio extension.
- THC will ensure project budget approval before construction starts