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Please note this document is 29 pages long



**Maison Boréal Home Inc.
Business Plan**

Affordable Senior Housing:
Transitional Living Centre

Proposed 32 Unit Apartment Development
for Chapleau & area

Vision

Seniors can choose to prolong their independence through Maison Boreal Home's offered services, maintaining their relationship in a warm social setting, as part of a familiar community

Mission Statement

To provide a secure comfortable home in Chapleau within walking distance of the downtown area, with supportive services tailored to the physical and social needs of the residents

Contents

- History
- Executive Summary
- Meeting the Need
- Market Analysis
- Construction Project Management Plan
- Operating Management Plan
- The Project
- Financial Plan
 - Target for fundraising
 - Cost construction breakdown
 - Operating annual expenses
 - Annual revenue
- -Project Viability & Cost Summary

History

- Chapleau developed Cedar Grove as an assisted living facility in 1978
- Ownership of Cedar Grove Lodge was transferred to the hospital by the Municipality and is now an independent living facility (1995)
- Hospital opened new Long Term Care Beds in 1996-97
- Long Term Care residents transferred to the hospital; assisted living residence converted to independent living apartments in 1997-98
- The Transitional Living Chapleau Committee (TLCC) became a Committee of Municipal Council in 2008
- Transitional Living in Chapleau Committee (TLCC) was formed in January 2008 to pursue the development of a residence for seniors who are unable to live independently, but do not require chronic medical care.
- Feasibility study was completed in December 2009
- Result has been a gap in affordable housing options for seniors in the region
- Incorporation of TLCC as Maison Boréal Home Inc., April 2011



Executive summary

- Feasibility Study completed in accordance with CMHC guidelines
- demographic & market analysis support this development
- the Municipality is studying the possibility of offering a site at no cost, including site remediation
- the development will provide a catalyst for redevelopment of the urban core
- the building will be 24,000 sq. ft., 3 storeys
- private bed/sitting suites with en-suite bath will also have double suites
- residents will pay 80% of the AMR for the 20 funded units
- the financial plan assumes contract services & full time/part time help
- total estimated cost is \$5.3 million to be amortized over 30 yrs
 - the Organization requires \$5 million from government sources
 - the Organization must raise \$300,000.00

Meeting the Need

- Consider all the mental, emotional, physical and psycho-social needs of each resident.
- Encourage and maintain the active participation of all residents and families in decisions affecting their home and life style.
- Educate, inform and increase awareness of the needs of potential residents to the families, to the community at large.
- Provide a positive and cheerful environment.
- Provide an integrated network of service providers to residents.
- Offer all services in both official languages.



Market Analysis

Demographics

Key Age Cohort Trends Township of Chapleau

Year	Total Population	0-19 (%)	20-64 (%)	65+ (%)
1996	2935	885 (30.2)	1730 (58.9)	320 (10.9)
2001	2835	820 (30.0)	1665 (58.8)	345 (12.2)
2006	2355	620 (26.3)	1430 (60.7)	305 (13.3)
2010 (EST.)	2320	570 (25.0)	1400 (60.0)	350 (15.0)
2011 Census	2116			

Market Analysis

Demographics

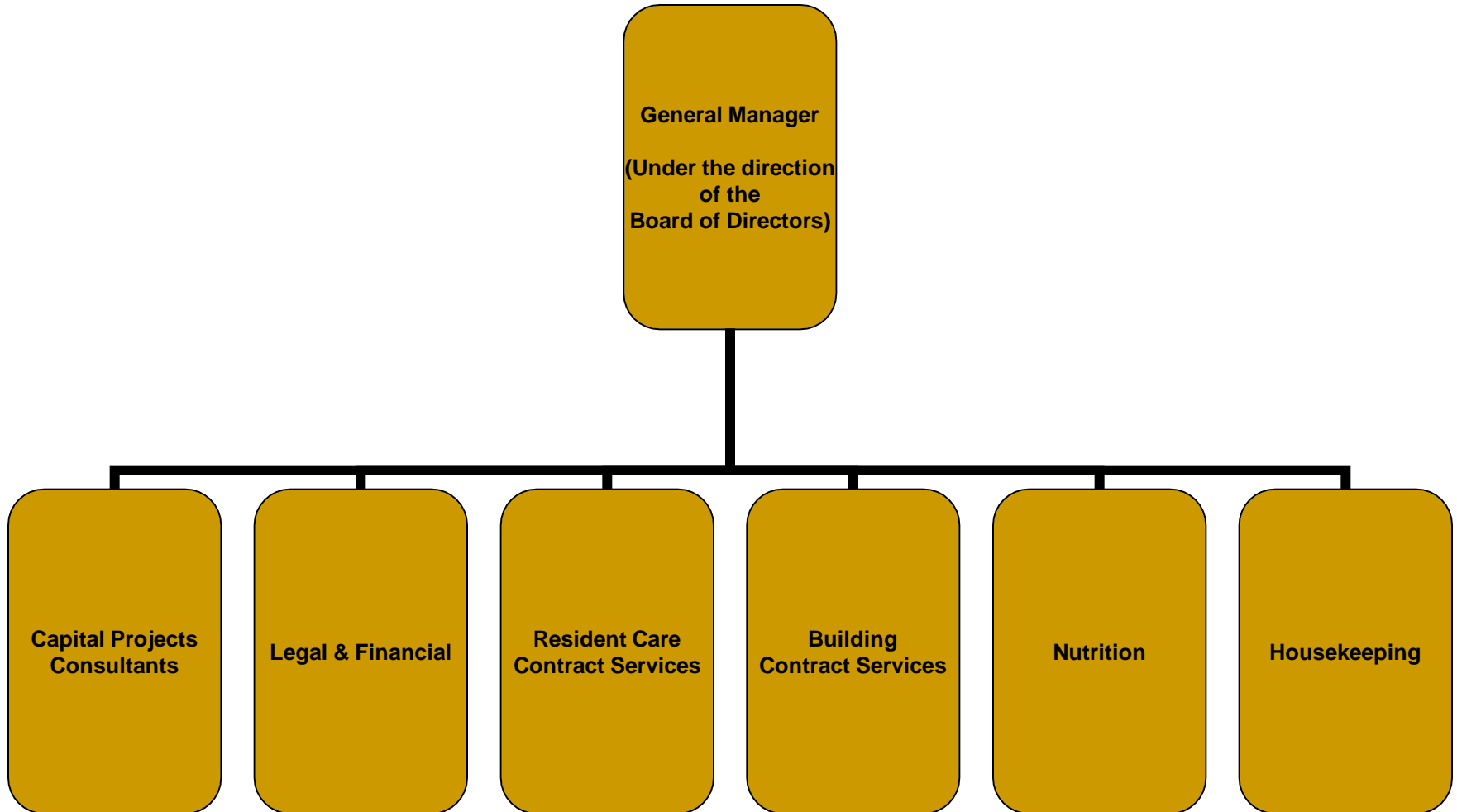
- There is a higher percentage of aging adults in this community relative to the rest of Ontario with projected growth of 15% in the numbers of people 55 to 74 years of age and overall increase of 43% since 2001.
- For example In 2009, the results of this increase are already felt, as our senior retirement housing and the hospital's long term beds, are overtaxed forcing people to leave the area to find assisted living options.
- There is currently no supportive care suites within a 210 km radius of Chapleau.
- Maison Boréal Home is designating 20 units of the 32 as affordable housing units.

Construction Project Management Plan

- The Development Team
 - multi-disciplinary team
 - selected members from the Board
- The Board of Directors
 - 10 members
- The Professional Team
 - Architectural (Ron Awde)
 - Civil & Structural Engineers (STEM Engineering Group)
 - Mechanical & Electrical Engineers (STEM Engineering Group)
 - Cost Consultants (Marshall & Murray)
 - Loan Monitoring (Paul Bergeron)
 - Legal Consultants (Weaver Simmons)
 - Audit & Bookkeeping (KPMG)



Operating Management Plan



The Project

- Proposed Site
- Proposed Floor Plans
- Proposed Building & Amenities
 - Resident Suites
 - Living & Dining Areas
 - Building Components & Systems



Site Selection

- Site selection - 4 sites considered:

- ✓ - Beech Street & Lorne Street
- ✓ - Birch Street - North Side
- ✓ - Birch Street - South Side
- ✓ - Pine Street - Waterfront

- Criteria included:

- Ease of access to services and activities
- Support feeling like a part of community
- Availability
- Cost

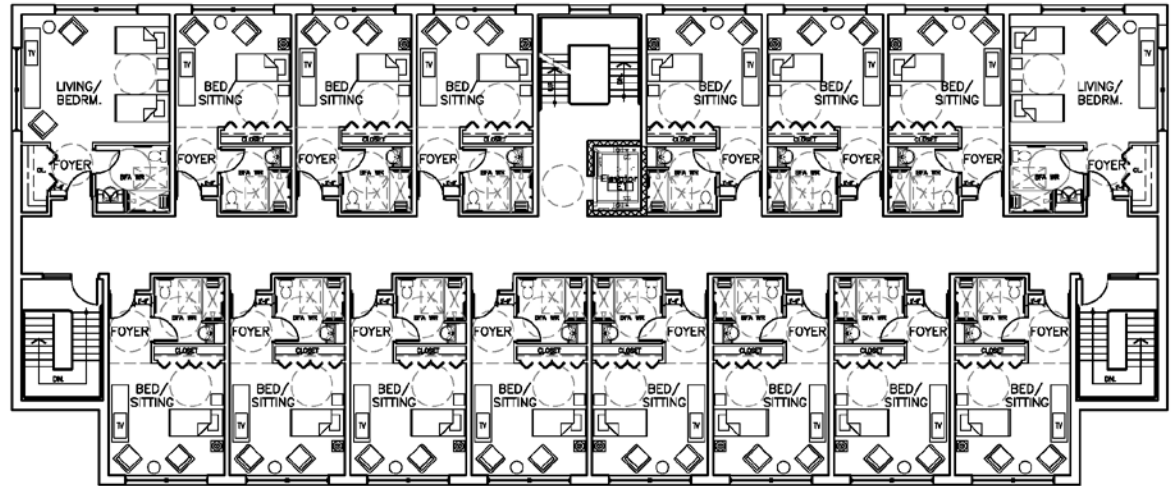


Site Selection: Preferred Site

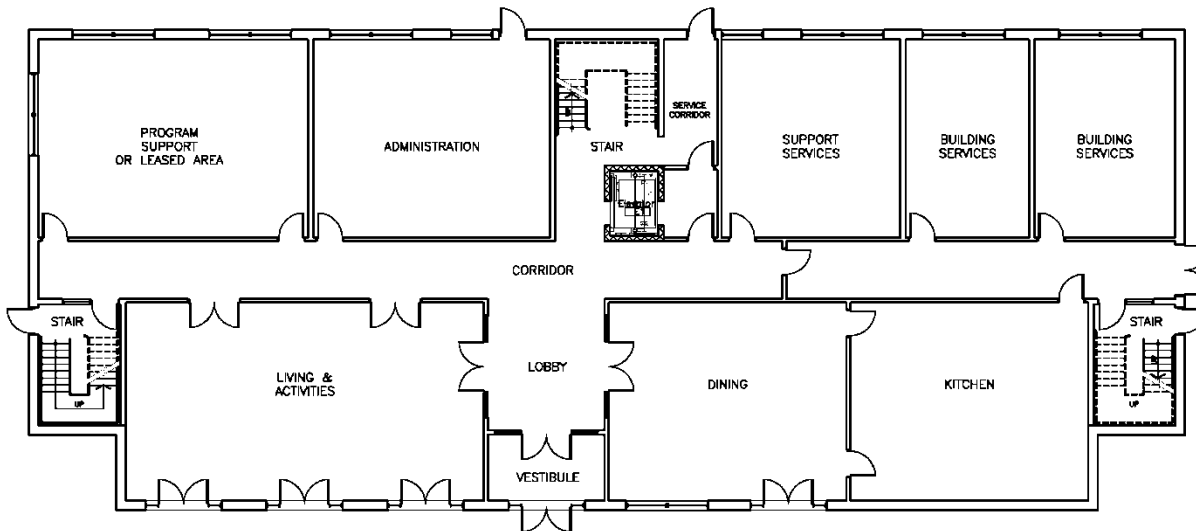
- Beech Street & Lorne Street
 - + Proximity to downtown
 - + Adequate open space
 - + Proximity to municipal parking
 - + Keystone to downtown redevelopment
 - + Vacant property
 - + Ample green space



Proposed Floor Layout



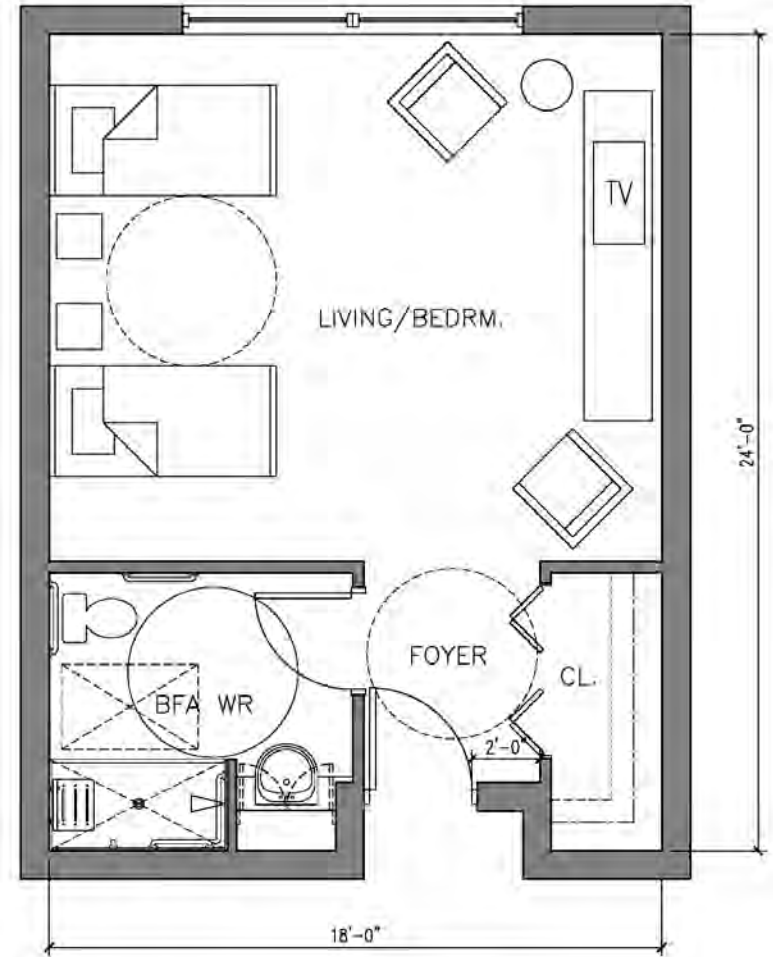
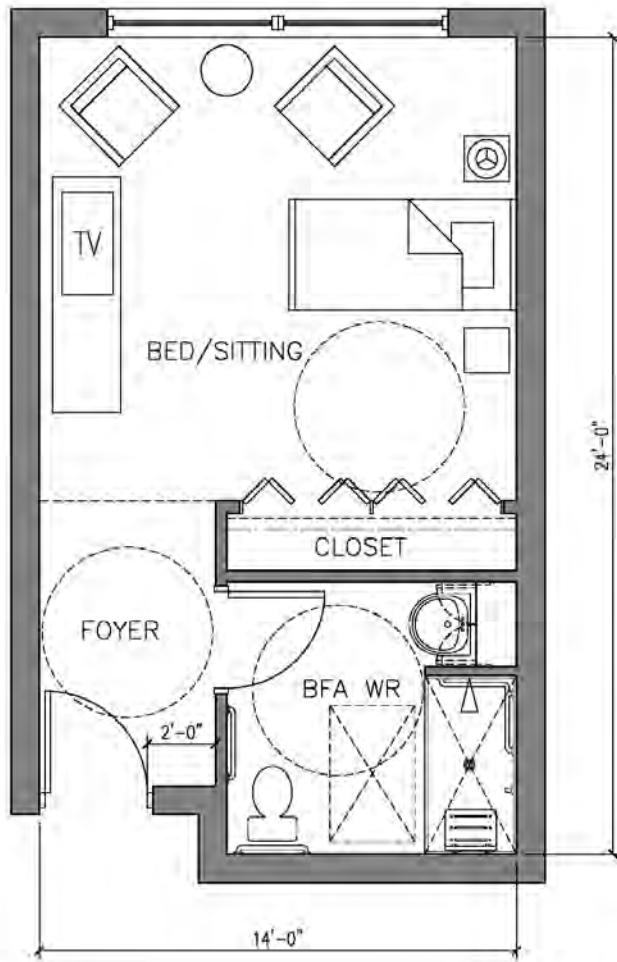
• Second & Third Floors



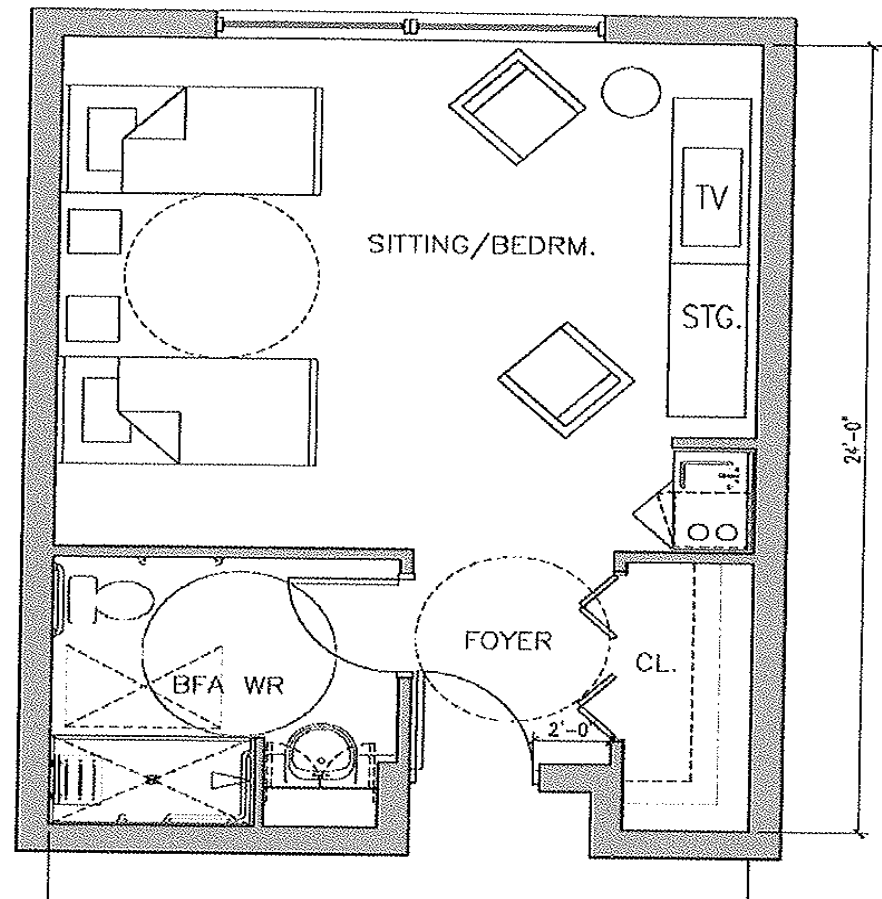
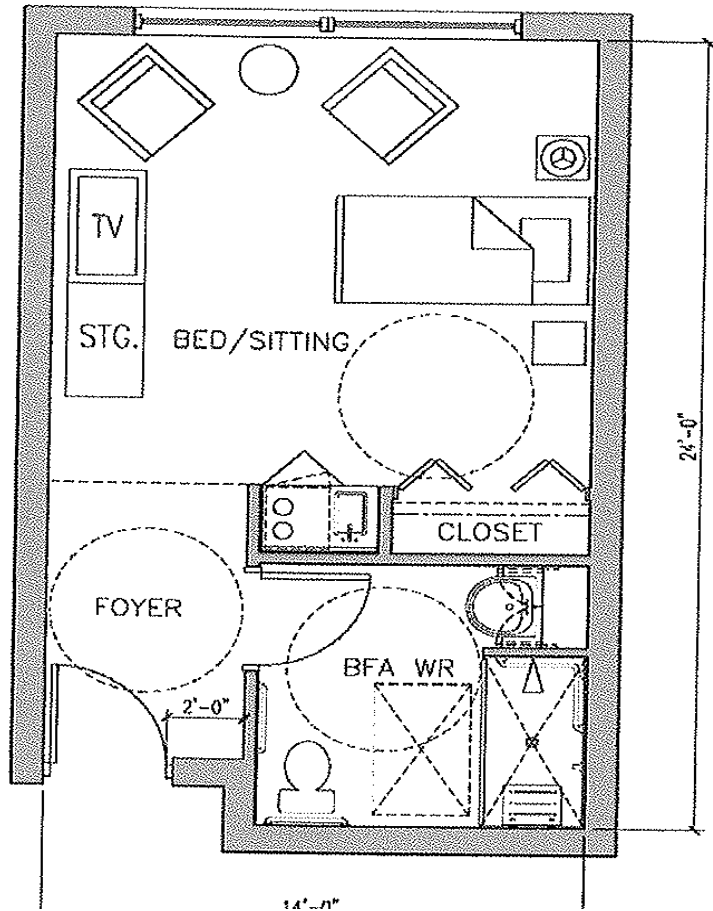
• Ground Floor

Typical Suite Layouts

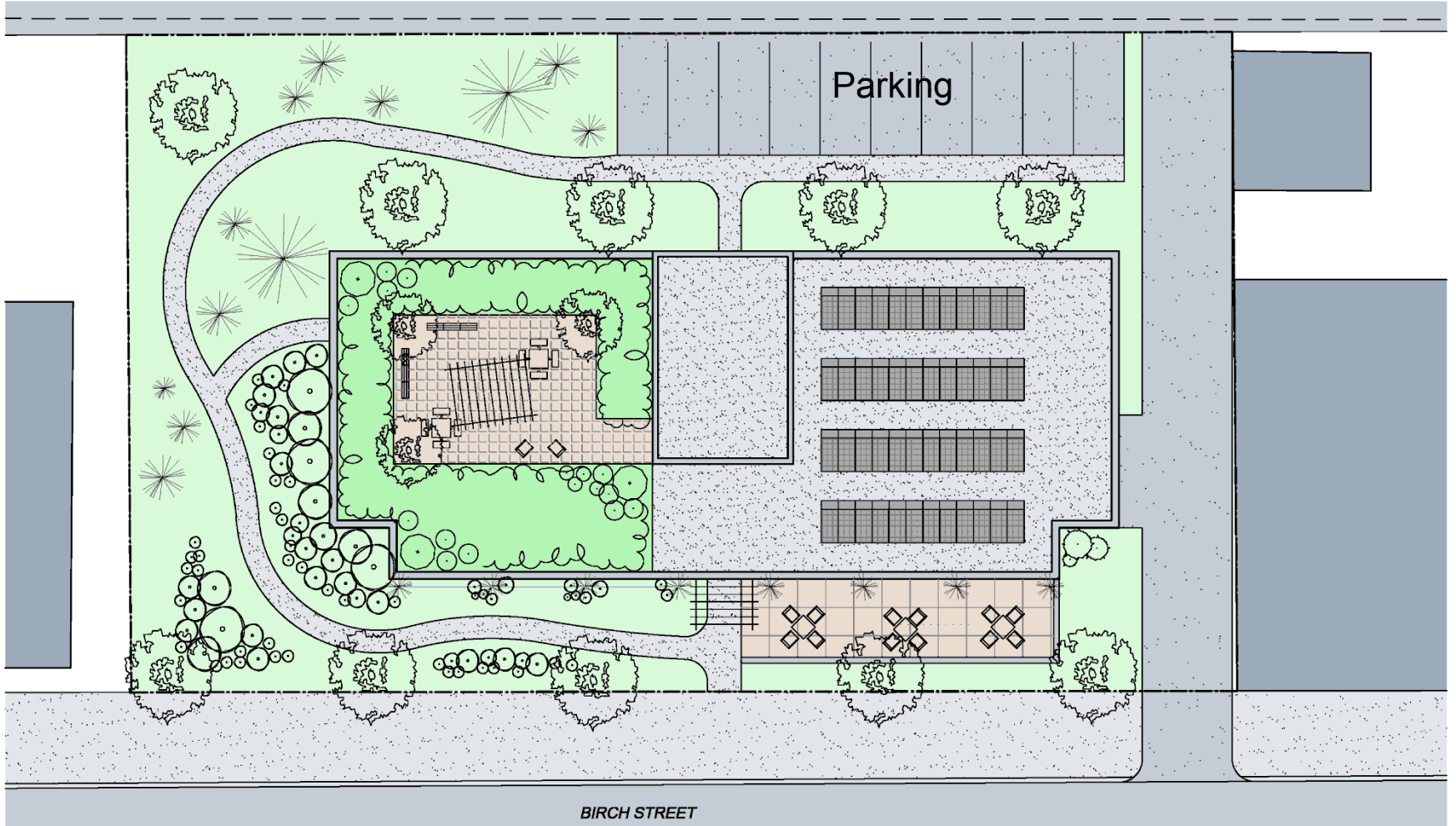
- The following layouts were used in analyzing capital and operating costs for each option



Typical Affordable Self Contained Housing Layouts with fridge, sink & stove.



Proposed Site Plan



The Project

Proposed Building & Amenities

Small library, quiet living room & dining room

Laundry room

Central spa facilities

Central kitchen outfitted with commercial quality appliances

Housekeeping, maintenance, garbage & locker rooms

Building features :

- High efficiency Building Envelope

- Geothermal Heating and Cooling

- Universally Barrier Free

- Landscaped Roof Garden Terrace

- Roof Mounted Solar Panels



Financial Plan

Target for fundraising

The targets for fundraising are:

-Federal Government	\$2 500, 000 +/-
-Provincial Government	\$2 500, 000 +/-
-Community	
-Corporate	\$ 200, 000 +/-
-Individual Gifts	\$ 50, 000 +/-
-Events, Lotteries, etc	<u>\$ 50, 000 +/-</u>
-Partnerships	
Total:	\$5 300 000 +/-

The Municipality is providing land at virtually no cost to the project, a municipal tax cap for the first five years and this would represent significant support for the project.

Financial Plan

Potential Capital Contributions

- **Municipality**
 - Tax Relief
 - Direct Grant, ex: property, direct Capital Grant
 - In-kind contributions
- **Provincial**
 - Ministry of Northern Development and Mines
 - Affordable Housing Program
- **Federal Government**
 - Infrastructure Programs
 - CMHC
- **Fundraising**
 - churches and service clubs
 - corporate giving
 - private giving
 - public sector giving



Financial Plan

Construction Cost Breakdown

Environmental Site Assessment	\$ 10,000.00
Construction Costs	\$4 090,356.00
Operating Expenses during Construction	\$ 126,600.00
Professional Fees	\$ 419,000.00
Landscaping	\$ 100,000.00
Legal Fees	\$ 10,000.00
Building Permit Fees	\$ 20,000.00
Disbursements	\$ 30,000.00
Misc.	\$ 25,000.00
Contingency (10 %)	\$ 400,000.00
Total Construction Breakdown	\$ 5 230,956.00

Financial Plan

Operating Annual Expenses (after year 5)

Property Tax	\$18,000.00
Public Utilities	\$18,000.00
Municipal Services	\$30,000.00
Garbage and Grounds upkeep	\$20,000.00
Property Insurance	\$ 5,000.00
Maintenance and Repairs	\$ 8,000.00
Replacement Reserve Contingencies	\$10,000.00
Janitorial Supplies	\$ 5,000.00
Office expenses	\$10,000.00
Wages	\$70,000.00
Other	\$10,000.00
Management Fees	<u>\$ 5,634.00</u>
Total operational Costs	\$209,634.00

Financial Plan

Annual Revenue

Rental Revenues Ground Floor	\$25,000.00
Rental Revenues Second Floor /Third Floor	
- 20 units at 80% of \$550.00 = \$440.00 x 12 months	\$105,600.00
- 12 units at \$1 500.00 x 12 months	\$216,000.00
 Total rental revenue	 \$346,600.00\$

Net operating income \$209,634.00

Rental revenue – Operating income $\$346,000.00 - \$209,634.00 = \$135,366.00$

Rent of 20 units is based on 80% of AMR.

Financial Plan

IAH Rental Housing

Estimated cost per unit \$163,467.00

Therefore IAH funding would be 75% of \$163,467.00 = \$122,600.25

IAH funding for a 20 unit project would be \$2,452,010.40

Implications of No Assisted Living

- Seniors without housing options may leave their community and diminish economic and social contribution
- Diminished health status for aging residents
- Potential for more acute illness or exacerbated chronic condition
- More acute inpatient days and earlier institutionalization



Benefits of the Project

- Long term economic benefits, employment and training offered
- On-the-job training opportunities for youth
- Overcome isolation of elders through community activities & on-site programming
- Possibility of adult day center
- Reduce wait time for senior housing
- Ensuring the elderly remain in familiar surroundings
- Allowing the elderly to remain self-sufficient for as long as possible
- Retain our elders' historic memory and accumulated wisdom



Marketing Plan

- ❑ Direct mail out to all residents in the larger catchment area.
- ❑ A brochure in both official languages.
- ❑ Facebook & twitter links to our web site.

Next Steps

- Submit applications for funding assistance and grants to federal, provincial and local governments
- Mount fundraising campaign
- Develop tender, permit and construction documents

