

Summary of Municipal Benchmarking

Staff consulted with AdvantAgeOntario, a provincial association representing more than 200 not-for-profit, municipal and charitable long-term care homes in Ontario as well as staff at the Ministry of Long-Term Care. They indicated that non-profit operators have significant challenges funding upfront capital costs for development of new beds.

The Province has recently made policy changes to provide additional financial help to the non-profit LTC sector. The Development Grant framework has been re-worked, adding eligibility costs and increasing the maximum subsidy envelope. As well, non-profit operators now have easier access to capital as the Ministry is providing loan guarantees to Infrastructure Ontario loans. Even with these measures, a funding gap exists and the non-profit sector struggles to raise funds. Timing of receipt of government funds are a challenge for non-profits, as these grants are not dispensed until construction has substantially been completed. They, therefore, do not have sufficient funds when municipal fees and charges are payable.

Table 1 below provides a list of municipalities that currently provide some form of development charge relief to long-term care or hospice developments.

LTC and Hospice DC Relief

| Municipality | |
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| City of Toronto | Council has directed staff to examine the feasibility of reducing or eliminating development charges for non-profit long-term care homes. In the interim, until a new DC by-law is in effect, staff have proposed to defer DCs owing on developments for non-profit LTC operators for the period in which it continues operating as a non-profit. If the operation is changed to a for-profit operation, development charges will be applicable and based on the prevailing policies at the time when the operation change occurred. |
| Town of Orangeville | Provides a 20% exemption to DCs for long term care homes (for-profit and non-profit) |
| City of Greater Sudbury | Provides a 100% DC exemption for non-profit long term care homes and hospices if they are exempt from taxation under, section 3 of the <i>Assessment Act</i> |
| Niagara Region | Provides a 50% exemption to DCs for long term care homes (for-profit and non-profit) |
| City of London | Provides a 50% exemption to DCs for not-for-profit long-term care homes and hospices if defined in, and exempt from taxation under, section 3 of the <i>Assessment Act</i> . |
| City of Burlington | Hospices are exempt through DC by-law |