



Long-Term Care Capital Infrastructure Pilot Program Fact Sheet

The Long-Term Care Capital Infrastructure Pilot Program is designed to provide approved Private Long-Term Care facilities with the opportunity to access financing of up to 100% of eligible project costs for new construction and/or fit-up of existing long-term care (LTC) facilities.

This funding is intended to facilitate the creation of additional licensed long-term care beds, in areas of need and where a need for increased capacity is required.

Program:

The Long-Term Care Capital Infrastructure Pilot Program will have two components:

- the **Capital Grant Program** for Private Long-Term Care operators will provide approved projects with a grant of up to 20% of eligible project costs up to a maximum of \$50,000 per bed, to a maximum of \$1,000,000 per project, for the construction of net new LTC beds.

The Department of Health and Wellness will administer this Capital Grant Program directly with the successful applicant, separate from Finance PEI.

- the **Long-Term Care Loan Program** for Private Long-Term Care operators will provide approved projects with loan financing up to 100% of the total eligible project costs.

Loans will bear interest at a fixed rate of 2% per annum for the initial 5-year term. Renewal terms will be available, at Finance PEI's prevailing market rate at that future time.

Loan repayment will be amortized over 25-years, and interest only payments will apply for the first 12 months during construction.

Loans will be secured by the assets being financed, including an assignment of HST rebated on project construction costs.

The Province has committed \$15,000,000 towards the Long-Term Care Loan Program, which will be administered by Finance PEI, a Provincial Crown Corporation.

Eligibility:

Eligible Loan Program applicants will be required to meet the following criteria:

- Demonstrate that the proposed project will create net new long-term care beds and has been approved by the Department of Health and Wellness under the initiative;
- Provide a comprehensive business plan and current financial information demonstrating financial viability;
- Demonstrate that the new build will support the adoption of National CSA/HSO Long-Term Care Standards;
- Meet all requirements prescribed in the *Licensed Private Nursing Homes and Nursing Homes Act* and applicable regulations;
- Be in good standing with the Province at the time of application and belong to one of the following groups: non-profit organization, community-based or service organization, or private sector; and;
- Not have received project funding through the one-time bed conversion grant program.

Loan Application Process:	<p>Eligible applicants start the Loan financing process by applying directly to Finance PEI.</p> <p>Applicants will submit the following in support of their application:</p> <ul style="list-style-type: none"> • Pre-approval from the Department of Health and Wellness for the addition of the new long-term care beds under this initiative; • Accountant prepared year-end financial statements for the past 3 years; • Business plan demonstrating capacity to service the new debt with respect to the addition of the new long-term care beds; • Signed program application. • Applicants are evaluated based on their credit worthiness, income, and total debt service capacity.
Program Duration:	<p>Applications under the loan component of the Private Long-Term Care Capital Infrastructure Program will be accepted until the \$15,000,000 allocated to the loan program funding has been fully committed.</p>
Other Information:	<p>Loan Financing Applications are available at Finance PEI, 94 Euston Street 2nd Floor in Charlottetown or on-line at www.princeedwardisland.ca/ltc</p>
Loan Program Contact Information:	<p>Jeff Ready, Director Finance PEI 94 Euston Street, 2nd Floor PO Box 1176 Charlottetown, PE C1A 7M8 T: 902-368-6435 ; E: jcready@gov.pe.ca</p>
Capital Grant Program Contact Information:	<p>Christina Phillips, Director of Seniors Health Department of Health and Wellness 4th Floor Shaw North 105 Rochford Street PO Box 2000, Charlottetown, PE C1A 7N8 T: 902-213-5781 ; E: christinaphillips@gov.pe.ca</p>