

## Media Release – Communiqué



March 31, 2009

### **FINANCIAL CLOSE REACHED ON NIAGARA HEALTH SYSTEM'S NEW HEALTH CARE COMPLEX**

#### **Site preparation and construction set to begin within weeks**

ST. CATHARINES – A major milestone has been achieved for the Niagara Health System's (NHS) new health-care complex. The Niagara Health System and Infrastructure Ontario announced today that Plenary Health Niagara and the Niagara Health System reached financial close on March 27, 2009. This means that financing is in place to design, build, finance and maintain the new facility and plans to start construction remains on schedule for spring 2009.

The project will provide a sizeable boost to the regional and Ontario economies during construction by directly and indirectly supporting and creating approximately 5,400 jobs, many of which will be in the Niagara region. At the peak of construction activity, about 1,000 workers are expected on the site daily.

The state-of-the-art health care complex to be located at First Street and Fourth Avenue in St. Catharines will replace the aging St. Catharines General Site and Ontario Street Site (formerly the Hotel Dieu Hospital) and will provide new regional services never before available in Niagara, including treatments for cancer, heart disease and longer-term mental health disease.

The new facility will include:

- The Walker Family Cancer Centre to provide close-to-home treatment for the more than 1,200 cancer patients who currently travel to Hamilton or Toronto for life-saving radiation treatment;
- A new Regional Longer-Term Mental Health Centre with longer-term inpatient mental health beds, combined with acute inpatient mental health beds and ambulatory care services for Niagara residents;
- A new Regional Cardiac Catheterization Centre to provide diagnostic investigation services, reducing hospitalizations for heart disease, lowering wait times and improving access to treatment;
- 80 per cent single patient rooms, the most available in a community hospital in Ontario
- Environmentally friendly design features resulting in LEED® certification as part of the government's commitment to reduce energy use and greenhouse gas emissions;
- CBRN (chemical, biological, radiological or nuclear) containment capability to deal with infectious outbreaks and disasters;
- 80 per cent paperless system;
- More windows to enhance natural light in patients' rooms and public and staff areas;
- State-of-the-art operating suites designed to take advantage of sophisticated image-guided and laparoscopic surgery; and
- A patient focused site design with healing gardens, ponds and walking paths.

The community-based hospital of up to 375 beds will offer acute and critical inpatient services, surgical, emergency and ambulatory services available under one roof for the residents of St. Catharines, Thorold, Niagara-on-the Lake and the area.

The Niagara Health System project will be delivered using an alternative financing and procurement model. Plenary Health Niagara will receive annual payments from Niagara Health System over a 30 year period.

Payments cover construction, building maintenance, lifecycle repair and renewal and project financing. Lifecycle refers to ensuring that heating and cooling systems, windows, floors and roofing structures, for example, are kept in excellent working condition over the 30 year period. The payments are like a fixed-rate mortgage with maintenance and repair expenses included and will total approximately \$1.42 billion after 30 years. In today's dollars this is equivalent to approximately \$759 million.

Construction of the new facility is on schedule to begin May 2009 and will be completed by the end of 2012, which means the new health-care complex will open its doors to patients in 2013. Within the next few weeks, a construction crew will begin site preparation work, including building a fence around the site and temporary access roads. Groundbreaking will take place the afternoon of Tuesday, April 28, 2009.

Plenary Health Niagara's team includes Plenary Group, Borealis Infrastructure, PCL Constructors Canada Inc., Bregman + Hamann Architects, Silver Thomas Hanley Architects, and Johnson Controls. The long term financing for the NHS project was arranged by TD Securities Inc., RBC Capital Markets and BMO Capital Markets. Société Générale, TD Bank and Bank of Montreal provided construction financing for the project. Long-term debt financing is provided through the private placement market.

Infrastructure Ontario will post a copy of the Value for Money (VFM) report in the coming months and the project agreement will be posted online at [www.infrastructureontario.ca](http://www.infrastructureontario.ca) in the coming weeks.

Infrastructure Ontario and the Ministry of Health and Long-Term Care will work with the Niagara Health System to build the new health-care complex, which will remain publicly owned, publicly controlled and publicly accountable.

Visit [www.infrastructureontario.ca](http://www.infrastructureontario.ca) or [www.niagarahealth.on.ca/construction/newcomplex](http://www.niagarahealth.on.ca/construction/newcomplex) for more information.

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**Contacts:**

Amy Tang  
Minister's Office  
Energy and Infrastructure  
416-327-6747

Jessica Hooker  
Infrastructure Ontario  
416-327-5325

Caroline Bourque-Wiley  
Niagara Health System  
905-378-4647 x 43113

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## Quotes

***George Smitherman, Deputy Premier and Minister of Energy and Infrastructure***

“This project is part of our government’s five-year \$30-billion-plus infrastructure investment plan which represents the biggest investment in health care infrastructure in more than a generation. The new health-care complex will be LEED certified and have leading-edge energy efficient features.”

***Debbie Sevenpifer, President and CEO, Niagara Health System***

“The ability of our doctors, nurses and entire health-care team to provide patients with leading edge treatment and quality care will be greatly enhanced once the new health-care complex opens. While we are very excited about the patient care benefits of the project, the fact that the project will be a major catalyst for the Niagara economy and local job creation is truly appreciated during these difficult economic times.”

***David Caplan, Minister of Health and Long-Term Care***

“The new hospital is an essential part of our government’s commitment to renew hospitals. It will not only provide a range of state-of-the art medical services, but also it will help lower wait times and improve access to care for the people in Niagara region.”

***Jim Bradley, Member of Provincial Parliament, St. Catharines***

“Families in Niagara are getting a state-of-the-art facility that will create thousands of jobs now and deliver critical services that will enhance the quality of care for thousands of people across the region for many years to come.”

***Betty Lou Souter, Chair, Niagara Health System Board of Trustees***

“Today is a great day for the future of healthcare in Niagara. This new health care complex will enable the doctors, nurses and our entire health-care team deliver the best healthcare possible for our children and our grandchildren for generations to come.”

***Mike Marasco, Plenary Health CEO***

“Our team is thrilled to have reached this very important milestone and look forward to working with our partners at the Niagara Health System over the next 34 years to build and maintain a state-of-the art hospital and cancer centre that will be built not only for today, but for generations to come.”

***Terrence Sullivan, President and CEO, Cancer Care Ontario***

“The new Walker Family Cancer Centre will mean that over a thousand patients per year won’t have to travel from Niagara to Hamilton or Toronto for radiation treatment. Patients will have access to high-quality cancer services much closer to home in a state-of-the-art facility.”

***Tom Closson, President and CEO, Ontario Hospital Association (OHA)***

“The Ontario Hospital Association supports this type of innovative financing model. It is making possible the construction of a state-of-the-art hospital in St. Catharines -- one that will improve working conditions, improve operating efficiency and, most importantly, improved patient outcomes.”

***Walter Sendzik, CEO St. Catharines - Thorold Chamber of Commerce***

"The economic impact of the new state-of-the-art hospital and regional health care services cannot be underestimated. This project will generate jobs - both short and long term, and just as importantly, it positions our community as a place for businesses to grow and invest. As a vital part of the Paths to Prosperity Plan, today's announcement is key to our future prosperity as a community."

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