

COMMUNITY ISSUES AND SOCIAL PLANNING COMMITTEE

*HIS WORSHIP, THE MAYOR
AND COUNCILLORS*

RE: CASCADE RESIDENCE REPLACEMENT PROCESS

RECOMMENDATIONS:

1. **THAT** the replacement facility for the Cascade Residence be developed in Burnaby, as opposed to another part of the Health Region.
2. **THAT** the Cascade Residence remain operational until the replacement facility is built, and the transfer of residents from Cascade to other facilities will occur smoothly, with minimal disruption to the residents or their families.
3. **THAT** the City be willing and interested in working with the Health Region and other parties to ensure that a quality replacement facility for the Cascade Residence is developed in Burnaby.
4. **THAT** the City be willing to work with the short listed applicants in refining their proposals and, if so requested, having preliminary discussions about the possible incorporation of City land into the proposals, subject to the guidelines put forward in Section 5.0 of this report.
5. **THAT** the Mayor, on behalf of Council, be asked to write to Paul McDonnel, Chair of the Simon Fraser Health Region, expressing the City's expectations and positions regarding the replacement process for the Cascade Residence.
6. **THAT** a copy of this report be sent to Burnaby's four MLAs.

REPORT

The Community Issues and Social Planning Committee at its meeting held on 2000 May 24 received and adopted the attached report to provide an overview of the Cascade Residence Replacement process.

Respectfully submitted,

Councillor D. Johnston
Chair

: COPY - CITY MANAGER
- DIRECTOR FINANCE
- DIR. PLNG. & BLDG.
- CITY SOLICITOR

Councillor N. Harris
Vice Chair

TO: COMMUNITY ISSUES AND SOCIAL PLANNING COMMITTEE 2000 May 17

FROM: DIRECTOR PLANNING AND BUILDING OUR FILE: 17.466

SUBJECT: CASCADE RESIDENCE REPLACEMENT PROCESS

PURPOSE: To provide an overview of the Cascade Residence Replacement process.

RECOMMENDATIONS:

1. **THAT** the Mayor, on behalf of Council, be asked to write to Paul McDonnel, Chair of the Simon Fraser Health Region, to express the City's following expectations and positions regarding the replacement process for the Cascade Residence:
 - a) the replacement facility for the Cascade Residence will be developed in Burnaby, as opposed to another part of the Health Region;
 - b) the Cascade Residence will remain operational until the replacement facility is built, and the transfer of residents from Cascade to other facilities will occur smoothly, with minimal disruption to the residents or their families;
 - c) the City is willing and interested in working with the Health Region and other parties to ensure that a quality replacement facility for the Cascade Residence is developed in Burnaby; and
 - d) the City is willing to work with the short listed applicants in refining their proposals and, if so requested, having preliminary discussions about the possible incorporation of City land into the proposals, subject to the guidelines put forward in Section 5.0 of this report.
2. **THAT** a copy of this report be sent to Burnaby's four MLAs.

REPORT

1.0 BACKGROUND

At its 2000 March 26 meeting, Councillor Johnston informed the Community Issues & Social Planning Committee (CISPC) that the Simon Fraser Health Region (SFHR) had announced plans to close the Cascade Residence, a 205 bed extended care facility at Burnaby Hospital. Arising from discussion of the matter, the Committee asked staff to prepare a report which provides an overview of the Cascade Residence replacement process, the relationship of the process to needs in the city, and a proposed role for the City to play in the process.

This report responds to the Committee's request.

2.0 OVERVIEW OF CASCADE RESIDENCE REPLACEMENT PROCESS

The Cascade Residence at Burnaby Hospital is licensed for 205 Extended Care beds. Part of the facility was built in the 1950s, while the other part was built in the early 1970s. The Master Plan for Burnaby Hospital, prepared in 1991, recommended that Cascade Residence be upgraded or replaced. *The Road Ahead*, SFHR's 1999 strategic plan for Continuing Care residential services, also recommended that priority be given to closing and replacing the Cascade Residence. The Cascade Residence is an old facility with many four-bed rooms and washrooms that are difficult to access. The Health Region is pursuing the replacement option, having concluded that bringing the facility up to current residential care design standards would be cost-prohibitive.

The Region will be providing operating funding for the new facilities, while the proponents will need to come up with their own capital funding. The maximum annual operating budget for the replacement facilities is estimated to be nearly \$10 million, with \$8.1 million being provided by SFHR and the remainder coming from fees charged to residents.

In place of the 205 Extended Care beds at Cascade Residence, the Region is seeking the following:

- *150 multi-level care beds* - By way of background, the Ministry of Health introduced *Multi-Level Care Design Guidelines* in 1992, with the aim of increasing flexibility in care provision and promoting "aging in place" for residents. No new Extended Care facilities have been built in the province for several years. For the proposed

multi-level care component of the Cascade replacement facility, the SFHR anticipates an initial mix of roughly 100 Extended Care beds and 50 Intermediate Care 3 beds.¹

- *50 assisted living units* - Assisted living units are common in the US, but are a relatively new concept for BC. The *Road Ahead* document cites the following definition: “Assisted living is an expanded package of services that includes three meals a day, housekeeping and laundry services, assistance with any or all activities of daily living, transportation, medication management, and varying degrees of nursing care.” The assisted living units for the Cascade Replacement process will be targeted to Intermediate Care 2 clients.

BC Buildings Corporation (BCBC) is coordinating the Cascade Replacement process on the Region’s behalf. The process will consist of two stages, as follows:

- 1) ***Request for Qualifications (RFQ)*** - In this stage, which commenced on 2000 April 26, parties with an interest in developing a replacement for the Cascade facility are being invited to express an interest in the opportunity. This stage is intended to pre-qualify proponents, and allow those lacking all the required skills or experience to form partnerships with others who have desirable or necessary complementary skills or experience. The range of desirable background or skills includes, but is not limited to, the following: non-profit or private care facility operators, developers, contractors, design-build proponents, lenders, and other health care or real estate professionals. The deadline for submissions to the RFQ is 2000 May 30.
- 2) ***Request for Proposals (RFP)*** - After receiving the RFQ submissions, BCBC and SFHR will review them against a set of pre-determined criteria. In turn, they will identify a shortlist of three proponents who will be invited to submit more detailed proposals regarding their development schemes. The shortlist will be announced on 2000 June 5, with the deadline for proposals being set at 2000 July 31. A decision regarding the successful proponent is scheduled to be made at the 2000 October 3 SFHR Board meeting.

3.0 PRELIMINARY INTEREST IN RFQ

It is expected that interest in the RFQ will be high, both from non-profit and private care providers and their partners.

At the time of this writing, staff has discussed the Cascade replacement process with the

¹ A glossary of pertinent terms used for the Cascade Residence replacement process is provided in Appendix 1, *attached*.

administrators of three Burnaby non-profit care facility providers. All three have inquired about Burnaby's willingness to enter into preliminary discussions about the possible incorporation of City land into their plans, on the understanding that such lands would improve the viability of their proposals. Recognizing that the RFQ is a preliminary stage in the selection process, and in order to respect the confidentiality of the operators, the identities of the three subject societies is not being conveyed in this report.

A proposed position regarding subsequent discussions about the involvement of Burnaby land, as well as other appropriate roles for the City is the Cascade Residence replacement process, is provided in Section 5.0 of this report.

4.0 RELATIONSHIP TO BURNABY NEEDS

The Cascade Residence replacement process is important for Burnaby for two key reasons:

- 1) ***Age and condition of Burnaby's existing care facilities:*** According to the *Road Ahead* document, 56% of Burnaby's care facilities, and 52% of its care beds, have high investment requirements. Further, in 1999, the average age of Burnaby's facilities was 24 years. New facilities which meet current design guidelines and promote aging in place would be a valuable asset to Burnaby.
- 2) ***Demographics:*** According to Provincial Local Health Area population estimates, Burnaby had 24,480 people aged 65 years and older in 1998 - 44.6% of the Health Region's 65+ year population. By 2006, the figure is projected to reach 27,723 - a 13.2% increase over the 1998 estimate. The largest increase is projected to occur in the 75 year and older population - the group at greatest risk of requiring institutional care.

While acknowledging the importance of the Cascade Residence replacement for Burnaby, several questions and issues will need to be addressed as the process unfolds (e.g., the transfer of unionized hospital employees to a new employer, design and operational details of the assisted living component). Most issues should be resolved over time, with staff providing updates on their resolution in subsequent reports to the Committee. For the present, however, two immediate concerns deserve attention from the city:

- 1) ***Location of replacement facilities:*** As demonstrated by a letter from the Network of Burnaby Seniors to City Council on 2000 May 16, concerns exist in the community that the Cascade replacement facilities could be developed outside of Burnaby. The recent closure of Dogwood Lodge and sale of its property for business

park uses could add credence to this concern.² The RFQ package clearly specifies that the Cascade replacement facilities are to be built in Burnaby. To confirm this position, it is recommended that Council be asked to inform the Health Region Board of its expectation and desire to see the Cascade replacement facilities developed in Burnaby, as opposed to other parts of the region.

- 2) ***Timing of closure of Cascade Residence:*** At the 2000 May 16 Council meeting, concern was expressed that the Cascade Residence remain in operation until the replacement facilities are developed. Health Region officials have indicated that, in the transition period before the new facility is developed, the client mix at Cascade will be adjusted to more closely reflect the mix at the new facility. Further, as was done with the phase out of Dogwood Lodge, it is expected that residents will be given the option of moving into the new replacement facility or to other appropriate care facilities. Health Region officials acknowledge that the process will ultimately involve a net loss of Extended Care beds in Burnaby. They claim that the loss will be more than offset by the facts that their largest wait lists are for beds at the Intermediate Care level and the new facilities will offer residents the ability to “age in place.” Notwithstanding assurances from Health Region staff, it is recommended that Council be asked to convey its expectation to the SFHR Board that the Cascade Residence will remain operational until the replacement facility is built, and the transfer of residents from Cascade to other facilities will occur smoothly, with minimal disruption to the residents or their families.

5.0 ROLE FOR THE CITY

As noted, decisions regarding the RFQ and RFP processes will rest with the Health Region, with assistance from BCBC. While acknowledging the appropriateness of this arrangement, it is believed that the City could play a valuable supportive role in the efforts. Indeed, pursuing such a supportive role would be in keeping with the City’s overarching health goal from the 1998 Official Community Plan:

To cooperate with the Regional Health Board, senior levels of government, community agencies and other appropriate parties to develop the range of health services to address the physical and psychological health needs of Burnaby residents.

² The closure of Dogwood was planned to coincide with the development of the new Normanna Rest Home. Normanna is a quality multi-level care facility which offers residents private rooms and contemporary design features. Nonetheless, it is licensed for fewer beds than Dogwood Lodge (i.e., 100 beds vs. 139 beds).

The City's role regarding the Cascade replacement process could involve the following:

- 1) *provision of information:* e.g., regarding planning, demographics, community context;
- 2) *facilitation of rezoning and development approval:* i.e., the successful application will need to go through the City's rezoning and development approval process; and possibly
- 3) *provision of land:* as noted, some parties with an interest in the Cascade Replacement opportunity have indicated an interest in securing City lands to facilitate their development proposals.

With respect to the latter point, it is suggested that the City only consider making land available under the following conditions:

- 1) the City land is deemed to be necessary for, or significantly beneficial to, the overall viability of a given proposal;
- 2) allocation of the land would be consistent with relevant community plans, as well as City and community objectives; and
- 3) the City would receive fair market value for the lands, either on a sale or lease basis.

Further, before making even preliminary commitments regarding requests about specific City parcels, staff would submit a report to Council to seek approval for the course of action to be pursued.

6.0 CONCLUSION AND NEXT STEPS

This report has responded to the Committee's request for further information on the process for replacement of the Cascade Residence. Specifically, it has offered an overview of the Cascade Residence replacement process, the relationship of the process to needs in the city, and a proposed role for the City to play in the process. To sum up, key points made in the report are as follows:

- the Cascade Residence at Burnaby Hospital is an aging facility, which the SFHR's 1999 strategic plan for Continuing Care residential services (*The Road Ahead*) identified as a priority for replacement;
- working with BCBC, the SFHR initiated a two stage process to identify proponents to develop the Cascade Replacement: 1) a Request for Qualifications, in which proponents will be invited to submit expressions of interest in the opportunity, and

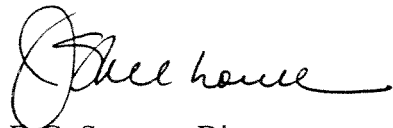
- 2) a Request for Proposals, in which a short list of three proponents will be invited to submit more detailed information on their development plans;
- the Health Region will provide operating funding for the replacement facility, while the proponents will be expected to secure the capital funding;
 - interest in the Cascade Replacement opportunity is expected to be high;
 - three proponents have expressed preliminary interest in exploring the possibility of obtaining City land to improve the viability of their proposals;
 - the Cascade Replacement process is considered important for Burnaby, particularly in light of 1) the deteriorating condition of a sizable portion of the care facility stock in the city, and 2) Burnaby's large and growing seniors' population - most notably in the 75+ year group;
 - many issues will need to be resolved with respect to the Cascade replacement, with the key ones from Burnaby's perspective being 1) gaining assurance that the replacement facility will be developed in this city, and 2) gaining assurance that the Cascade Residence will remain operational until the replacement facility is built, with minimal disruption to the residents or their families; and
 - while decisions regarding proponents to run the Cascade Replacement facilities will ultimately rest with the Health Region, the City can play a variety of valuable supportive roles in the process.

Given the foregoing, it is recommended that the Mayor, on behalf of Council, be asked to write to Paul McDonnell, Chair of the Simon Fraser Health Region, to express the City's following expectations and positions regarding the replacement process for the Cascade Residence:

- 1) the replacement facility for the Cascade Residence will be developed in Burnaby, as opposed to another part of the Health Region;
- 2) the Cascade Residence will remain operational until the replacement facility is built, and the transfer of residents from Cascade to other facilities will occur smoothly, with minimal disruption to the residents or their families;
- 3) the City is willing and interested in working with the Health Region and other parties to ensure that a quality replacement facility for the Cascade Residence is developed in Burnaby; and
- 4) the City is willing to work with the short listed applicants in refining their proposals and, if so requested, having preliminary discussions about the possible incorporation of City land into the proposals, subject to the guidelines put forward in Section 5.0 of this report.

It is further recommended that a copy of this report be sent to Burnaby's four MLAs.

Staff will keep the Committee apprized as the Cascade Residence Replacement process unfolds.



/ D.G. Stenson, Director
PLANNING AND BUILDING

JF:sla:sa

Attachment

cc: City Manager
Director Finance
City Solicitor

GLOSSARY OF TERMS

<u>Term</u>	<u>Explanation</u>
Intermediate Care	A person assessed as “Intermediate Care II or III” requires assistance of a health professional with the daily tasks such as dressing, bathing, grooming or eating. Persons assessed as Intermediate Care II have significant health problems requiring the assistance and supervision of a Registered Nurse. Persons assessed as Intermediate Care III demonstrate added complexity as they exhibit either severe behavioural disturbances and/or physical frailty that requires significant time to manage.
Extended Care	A person assessed as “Extended Care” requires help to walk, and/or transfer in and out of a bed or chair. Extended care clients have ongoing severe functional disability and/or chronic medical problems requiring 24 hour nursing care.
Multi-level Care (MLC) Facility	Multi-level facility care provides a full range of health care and support services designed to allow Intermediate Care II or III, or Extended Care persons to age-in-place. These facilities are required to meet the standards of the Community Care Facilities Act (CCFA) and the standards of the Canadian Council on Health Services Accreditation (CCHSA). Intermediate Care is addressed within Assisted Living (see below).
Assisted Living	The provision of personal care, food and lodging in a safe and secure housing facility operated by a licensed care organization. Assisted living ensures coordinated health services and features individualized partnership agreements for service and risk management to maintain a high degree of tenant and family involvement and encourage independence. Assisted living is a substitute for conventional continuing care for clients assessed as Intermediate Care II. All Assisted Living clients must be assessed to be eligible for residential care placement and SFHR maintains the waiting list for Assisted Living clients.

*Source: Comprehensive Request for Qualifications.
Cascade Replacement.
Simon Fraser Health Region
April, 2000*