



**Region of Durham – Finance &
Administration Committee
Lakeridge Health Bowmanville
Redevelopment**

September 12, 2023



Background – Bowmanville Hospital



- In December 2020, Regional Council approved an allocation of up to \$37.5M in Local Share from its Community Investment Grant Program in support for the Bowmanville Hospital redevelopment.
 - Premised on a estimated Total Project cost of \$500M in 2020.
- Over the course of the last 30 months, further refinements and development of detailed plans with Lakeridge Health team members and the Ministry of Health have progressed.
- The Ministry and Infrastructure Ontario are targeting a Fall 2025 construction start and a 2.5 year estimated construction duration for the Bowmanville Hospital redevelopment.

Case for Support – Bowmanville Hospital



- Improvements to aging and insufficient Lakeridge Health hospitals across Durham Region is a high priority to support growth and aging.
 - Routinely Lakeridge Health operates at over 105% capacity. This pressure will continue with projected growth!
- A commitment to critical infrastructure spending from the Region of Durham is crucial to providing essential healthcare to our communities.
- The Bowmanville Hospital redevelopment will result in enhanced healthcare accessibility for the residents of Durham Region including advanced medical technologies, upgraded facilities, and expanded services.
 - 'Opening Day' capacity of 136 in-patient beds – an increase of almost 30% from current.
 - Designed capacity of 178 beds to meet projected acute care demand by 2040+.
 - New on-site hemodialysis services & Ambulatory Care Clinic services.

Current Status



- Final Design refinements negotiated with the Ministry and confirmation of planned Fall 2025 construction dates with the Province have resulted in clearer and more precise cost estimates.
 - This redevelopment will stimulate economic growth and create jobs within the region.
 - Construction activities will generate employment opportunities, support local businesses and contribute to the overall economic prosperity of Durham Region.
 - When operational in 2028 an estimated 275 additional employees will be working at the Bowmanville Hospital.
 - A modern and well-equipped hospital is essential for attracting and retaining skilled healthcare professionals.
- Construction cost escalation has occurred and total cost is materially higher than forecasted in 2020.
 - Scope of redevelopment is materially the same as 2020 planning estimates re: overall square footage, program scale and programming.

Our ask for the Bowmanville Hospital



- Estimated Total Project Costs are now forecasted (escalated to 2025) to be \$736M based on Ministry and Infrastructure Ontario forecasting models.
- Ministry mandated Local Share requirements have grown to \$110.4M (approximately 15%).
 - The *We Care We Can Campaign* is focused on this objective and has engaged deeply with the community with this Local Share goal.
- We are seeking continued Regional Council support for Local Share contribution of 7.5% of project costs. This amounts to an additional \$17.7M.
 - While a commitment is necessary in the short term, funding outflow can be deferred until Fall/Winter 2027 (expected timeline for Substantial Completion).

Concluding Context



- Healthcare and making our hospitals in Ontario strong is a main priority for all Ontarians, and more specifically, for the residents of Durham Region.
- With the new hospital estimated to be a decade away, we have an opportunity now to complete an extremely important healthcare project that will benefit all the residents of Durham Region.
- Redevelopment of the Bowmanville Hospital is on track for a Fall 2025 construction start and site diligence work is underway.
- We have financial support commitments in place from the Province and increased funding under strong consideration from the Municipality of Clarington.
- The Region of Durham's continued commitment to this critical healthcare project at the 7.5% level of project costs will make this project a reality.