



Council Report

Report Number: CORP2025-013
Meeting Date: April 22, 2025
Title: Summit Wellness Centre Update
Description: To update Council on the Summit Wellness Centre project and address debenture increase requirements.
Author and Title: Sara Beukeboom, Director of Corporate Services

Recommendation(s):

That Report CORP2025-013, Summit Wellness Centre Update, be received;

That Council approve an increase to the debenture for the Summit Wellness Centre project (953220301) in the upset amount of \$6,500,000.00; and

That the City's Long-Term Financial Plan be updated to reflect this increase.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

At the Council Meeting of October 20, 2020, Council adopted the following resolution:

That Report CS2020-011, Coboconk Wellness Centre Feasibility Report, be received,

That staff be directed to proceed with working with the Coboconk, Norland & Area Chamber of Commerce to develop the Coboconk Train Station into the Coboconk Wellness Centre;

That staff work with the Coboconk, Norland & Area Chamber of Commerce to secure the required external grant funding to proceed with the project; and

That the required \$1,500,000.00 City contribution to this project be incorporated into the City's Asset Management and 10 Year Financial Plans and future capital budgets for when matching funds are secured for Council's consideration.

At the Council Meeting of November 30, 2021 Council adopted the following resolution:

That the CAO and Treasurer be authorized to pursue provincial grant funding for the Summit Wellness Centre, and implement the project through a special debenture, that debenture not exceeding ten million dollars; and

That Staff report back with an update on any provincial grant funding opportunities.

At the Council meeting of May 17, 2022 Council adopted the following resolution:

That Report CAO2022-005, Summit Wellness Centre, be received;

That project 953220301 – Summit Wellness Centre be approved for special debenture financing to an upset limit of \$10,000,000.00 and considered for inclusion in the Development Charges Background Study; and

That the City Treasurer be authorized to refinance capital project 953220301 – Summit Wellness Centre to reduce reliance on debenture financing in the event the project receives additional financing from grants, development charges or other sources.

Report CAO2022-005 is provided in Appendix B to the Report.

As of May 2022, budget estimates for this project were approximately \$14-15 Million, including contingency. Subject to successful grant applications to offset this estimated project cost, and tendering the work to better realize actual costs, a final funding report and budget reconciliation to Council was always contemplated.

The City subsequently entered into a partnership arrangement with the Coboconk, Norland & Area Chamber of Commerce (the Chamber) to provide oversight, project management and implementation of the project construction.

This report provides Council with an update on project construction, and recommends an increase to project debenture funding to finish the construction phase of this project (and continue to provide concurrent pursuit of offsetting capital grants).

Rationale:

The Summit Wellness Centre (SWC) construction is underway and progressing well. There is a goal to be open in the winter of 2025-26. The Chamber has provided a project update (see Appendix A), and has provided the City with a final budget update for construction completion.

In January 2023, the total capital project cost was estimated at approximately \$16.5 Million. Estimates that are more recent put the final capital project cost at approximately \$17.5 Million.

The community has raised over \$1.3 Million with more than 1,500 donations. There is currently two pending funding requests:

- Ministry of Health - \$2.4 Million
- Federal Ministry of Infrastructure; Green & Inclusive Community Buildings - \$3 Million

The SWC will, in part, serve the needs of future growth. Staff will determine the share of the project's costs that are recoverable from development charges, through preparation of the 2025 Development Charges Background Study by Watson and Associates.

Considering the inflationary environment and rising construction costs for health/medical facilities, the Chamber has managed to aggressively and effectively cost contain and advance this project through to construction.

Other Alternatives Considered:

Council could choose not to fund this project through to construction completion. However, this would not be in alignment with Council's previous direction to support the project as a partner. It is also not recommended as substantial construction progress has been made and completion cannot proceed without known project funding commitment.

Alignment to Strategic Priorities

The SWC is aligned to the 2024 to 2027 Council Strategic Priority of An Exceptional Quality of Life with the action to improve the health and well-being of residents. This facility will serve as a health, primary care and community hub for Kawartha Lakes.

Financial/Operation Impacts:

Project	Original Debenture	Actual Spending	Current Deficit	Estimated Debenture to Complete	Project Deficit
Summit Wellness Centre-953220301	\$10,000,000	10,388,939	(388,939)	\$6,100,000	(6,488,939)

This project is almost entirely funded by debenture. Staff are recommending an increase in the Debenture financing to an upset limit of \$6.5M bringing the debenture financing total to \$16.5M.

As already noted in this report, this debenture amount will be reduced to account for any grant or development charges funding later committed to the project.

Consultations:

- Chief Administrative Officer
- Director, Community Services
- City Treasurer
- Manager, Building and Property
- Manager, Capital Assets

Attachments:

Appendix A – Project Update (2025) – Summit Wellness Centre



Wellness Summit
 Project Update

Appendix B – Report CAO 2022-005



CAO2022-005
Summit Wellness Cent

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