

**Ministry of Seniors Affairs
Program Guidelines**

For The

**Fire Sprinkler Retrofit Program
For Licensed Small or Rural Retirement Homes**

October 11, 2017

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Introduction

In May of 2013 the Office of the Fire Marshall of the province of Ontario announced, “Ontario is the first province to make automatic sprinklers mandatory in care homes for seniors, homes for people with disabilities, and vulnerable Ontarians.”

Through the increased knowledge of the effectiveness of fire sprinklers to reduce deaths and injuries in a fire, the Office of the Fire Marshall consulted with stakeholders and investigated the possibilities of installing fire sprinklers in all care facilities. On January 1, 2014, the Ontario Fire Code was amended to require the retrofit of automatic fire sprinklers in all care occupancies, including licensed retirement homes.

The government has taken steps to make the retrofit as cost effective as possible while protecting the safety of occupants, staff and first responders, from the deadly effects of fire. The five year implementation phase began with smoke alarms and progressed to sprinklers.

In recognition of the financial challenges conveyed by the retirement home sector the 2017-18, Ontario Budget allocates funding to help small or rural retirement homes that would not otherwise be able to afford the cost of installing automated fire sprinkler systems in their facilities by January 1, 2019.

The Ministry of Seniors Affairs’ (“the ministry”) grant program, the Fire Sprinkler Retrofit Program for Licensed Small or Rural Retirement Homes (“the *Program*”), is intended to provide a portion of the costs of installation of automated fire sprinkler systems (the “project” to be funded). The *Program* is for licenced retirement homes that are small or rural and otherwise unable to afford the full cost of installing fire sprinklers.

This program’s purpose is limited to the funding of proposals for projects that will fulfill the fire sprinkler retrofit requirements pursuant to Section 9.7 of Division B of the *Ontario Fire Code* (“OFC”). The program does not address any other OFC or *Building Code* requirements that may apply to these retirement homes. Nor does it replace the need to complete any of the other OFC or Building Code requirements. For *Program* eligibility requirements for applicants and proposals, see Appendix A.

Important Dates

Please note that all *Program* materials are due at 5:00 p.m. Eastern Standard Time on the specified date:

1. October 11, 2017 – Application period opens
2. December 1, 2017 - Retirement home’s notification of intent due to the ministry
3. June 1, 2018 - Application period closes and complete application packages must be received by the ministry

Submission Limits

Only one application per licensed retirement home will be considered for the *Program*.

Application Process

Please note that incomplete application forms or application forms without signature and required attached documentation, will not be considered eligible.

1. The retirement home (“applicant”) submits a Notification of Intent (“NOI”) by December 1, 2017 which informs the ministry that the applicant intends to apply.
 - a. The NOI should be signed by a person who has the authority to bind the retirement home in a funding agreement with the ministry. This should be the same person who subsequently submits the application.
 - b. The signed NOI must be received and/or postmarked no later than December 1st, 2017.
2. The applicant can access *Program* information and the application form via the ministry website. Documents include:
 - a. A saveable PDF application form to be completed by the applicant and submitted to the ministry by e-mail or regular mail (see contact information for the ministry address);
 - b. These *Program Guidelines*;
 - c. A Request for Quotation (“RFQ”). This is a template document that applicants may use to obtain quotes from at least three service providers, which describe the proposed work and cost.
3. The applicant prepares and submits the application package to the ministry. Applicants must complete all sections of the application and sign the attestation section.
4. The submission must contain all supporting documents as described in the application form itself and as summarized in these *Program Guidelines* (see below). These include:
 - a. A copy of the last Retirement Home Regulatory Authority (“RHRA”) Routine Inspection Report;
 - b. An asbestos report (if applicable);
 - c. An audited financial statement from the previous year;
 - d. A complete schedule of all care service fees and auxiliary fees; and
 - e. Three completed RFQs, with a notation of which quote the applicant recommends be approved by the ministry.

5. The ministry will:
 - a. Assess the application to determine if the applicant and proposal meets all eligibility requirements;
 - b. Where necessary, contact an applicant for more information or to further discuss the application and proposed retrofit work;
 - c. Approve or deny the application;
 - d. Advise the applicant in writing of the decision; and
 - e. Advise approved applicants of the terms and conditions for funding, including:
 - i. The ministry's approved amount of funding;
 - ii. The applicant's submission of additional documents, to the ministry including:
 1. A PDF copy of the technical drawings (design drawings and hydraulic calculations) to the ministry;
 2. A project plan with timelines; and
 - iii. The approved applicant's entrance into a *Program* agreement with additional terms and conditions of funding.
6. An approved applicant will sign and submit the *Program* agreement to the following program e-mail address msasprinklerretrofit@ontario.ca or regular mail to the Ministry of Seniors Affairs with the subject line [*Retirement Home Name*] *Program Agreement*.
7. Upon receiving the signed agreement, the ministry will print out two hard copies, counter sign each, and return one of the signed copies to the applicant. Pursuant to the terms of the agreement, the ministry will provide the grant to the retirement home in installments (see below for details on the funding schedule).
8. Among other *Program* terms and conditions, funding recipients are required to:
 - a. Use the funding for the purpose of the *Program* to carry out the project described in the agreement, and
 - b. Submit a final report to the ministry (see below for additional details about the final report).

Ministry staff will be available to provide feedback for unsuccessful projects, if requested. Final funding decisions for the Program are planned for July 31, 2018.

Funding Schedule

The ministry has sole discretion to determine whether each applicant and proposal meets its eligibility criteria, and whether to provide full or partial funding to any approved applicant.

The *Program* projects are cost-shared. The ministry may provide up to 50 per cent of the eligible project cost to for-profit retirement homes and up to 75 per cent of the eligible project cost to not-for-profit retirement homes. The retirement home is responsible for funding all of the remaining costs to cover the total cost of the approved project.

The ministry will issue payments according to the terms of the funding agreement and as follows:

1. **Payment 1 – Up to 25%** upon ministry approval of the application. This first payment is to assist the retirement home in retaining its recommended service provider.
2. **Payment 2 – Up to 50%** upon the retirement home's submission of a Material Test Certificate (above ground and below ground as required) from the service provider. This certificate is confirmation that the installation is complete and operational.

After the Ministry provides the retirement home with Payment 2, the retirement home will be required to provide a final report to the Ministry with the Building Permit Closure document from local officials. This Closure document is confirmation that the retirement home is in compliance with the OFC's requirements with respect to automatic fire sprinklers. The applicant will submit a final report that will describe how the grant funds were spent and what results were achieved, and will include photos of the completed project. The Ministry may request documentation to demonstrate the completion of the project.

3. **Payment 3: Up to 25%** of the remaining approved funding will be provided by the ministry to the recipient upon successful completion of the project and the ministry's review of the final report, the building permit and any other required documentation.

All costs must be incurred by December 31, 2018. Extensions beyond December 31, 2018 require pre-approval by the Ministry.

Completion of the Project

All requirements in respect of project completion, provision of the final report and any other required documents and information, must be completed on or before December 31, 2018. Specific details will be contained in the *Program* agreement. If the retirement home has not spent program funding by this date, unspent funds may be recovered by the ministry, as provided for by the *Program* agreement.

Contact Information

Mailing address for the Ministry:

Ministry of Seniors Affairs
777 Bay Street, Suite 601C
Toronto, Ontario
M7A 2J4

Inquiries through email: msasprinklerretrofit@ontario.ca

Website: <https://www.ontario.ca/page/ministry-seniors-affairs>

Appendix A: Program Eligibility Criteria and Funding Model

Applicants must meet the following criteria to be eligible for funding:

1. The applicant must be the operator of a retirement home as defined under the *Retirement Homes Act, 2010*;
2. The retirement home must be licensed by the Retirement Homes Regulatory Authority;
3. The retirement home must in addition be:
 - Small – 49 or less suites; or
 - Rural – located within Statistics Canada's census subdivisions (including lower-tier and single-tier municipalities) that meet at least one of the following criteria: have a population of less than 100,000 people or have a population density of 100 people/km² or less
 - Able to effectively demonstrate their inability to otherwise afford the cost of the retrofits.
4. The retirement home must be independent: that is, not a franchise or otherwise operated as part of a “chain”.

Funding Model

The ministry will consider the following in making a funding determination:

1. Whether the proposed project meets the Program's objectives; and
2. Whether the project can be completed before January 1, 2019.

Exceptional Circumstances – Additional Funding

The ministry may in exceptional circumstances consider providing grant recipients with additional funding, on a case by case basis, as warranted by the project and consistent with the *Program* objectives. For such consideration, the applicant must clearly demonstrate both the exceptional circumstances and financial hardship, which will be considered within the overall context described within the application.

Assessment

The ministry will assess each application based on the eligibility of the applicant and the nature of the proposed project.

Prior to approving an applicant, the ministry will consider the following:

1. The project completion date must meet OFC requirements for retrofit of fire sprinklers in retirement homes;
2. The activities and approach proposed are realistic for achieving the desired goals in a reasonable timeline;
3. Resident and staff safety is taken into consideration in the project plan;
4. The applicant and all persons proposed to carry out the project, are capable of carrying out the project and managing the funds in a responsible and ethical manner; and
5. The project proposal demonstrates value for money and reasonable costs.

Note that ministry staff may contact third parties (i.e. service providers) to verify feasibility as well as the proposed timelines. As well, applicants may be requested to more fully demonstrate an ability to finance its cost share component.

Accountability, Agreement, Project Delays and Changes, Reporting and Acknowledgment

Grant recipients must enter into a funding agreement between the recipient and the ministry.

Grant recipients are responsible for managing and executing their projects under the terms of the agreement.

The agreement will set out the terms and conditions governing the project and its timeline, the project budget, the payment of the grant in installments, and requirements of the recipient, including reporting.

Note that grant recipients are accountable to the ministry for all aspects of how the project was carried out and funds spent. This includes the requirement that recipients make the retirement home accessible to the ministry for unannounced checks regarding the progress of the project activities. Grants may be rescinded or grant funds may be recovered when the recipient is in default of the agreement, or where the recipient has indicated it no longer needs the grant or cannot complete the project.

Project Delays or Proposed Changes

Recipients are required to inform the ministry of any proposed changes that effect the carrying out of the project, including any changes to its scope, budget or timelines. Such proposed changes require prior written consent from the ministry. When significant changes are required, the agreement may be amended accordingly.

Reporting

Recipients are required to:

1. Submit a final report within thirty days of the completion of the project, describing the work done and reconciling the budget with actual expenditures.
2. Include copies of proof of expenditures and provide them to the ministry pursuant to the terms of the agreement.
3. Keep all financial and other records relating to the grant or to the project for a period of seven years. This includes records of all expenditures related to the grant, including payments to the service provider.

Acknowledgement of Funding

In an effort to demonstrate transparency and accountability related to how public funds are spent, recipients must credit the support of the Government of Ontario in any communications or marketing materials that promote activities funded by the Program. The ministry may specify how such credit should be provided.

Appendix B: Eligible and Ineligible Work

The Program will fund projects to carry out the following categories of work, consistent with the Program's objectives. These are:

1. **Water capacity work**
 - a. Increased water capacity to meet the increased demand of the automatic fire sprinklers, and
 - b. Installation of water tanks and pump to meet the need of sprinkler water demand.
2. **Automatic sprinklers installation**

Installation of automatic fire sprinklers that meet all applicable OFC, Building Code, and other applicable legal requirements.

Note that sprinkler systems that use water mist to manage need for an increased water supply are acceptable.

3. **Remediation work**

The ministry will consider, in its discretion and on a case by case basis, additional remedial work related to the installation of the automatic fire sprinklers:

 - a. Asbestos abatement as a result of the installation; and
 - b. Remediation of the structure as required to comply with *Building Code* requirements, where such remediation resulted from the installation work.

Examples of *ineligible* expenses include, but are not limited to:

- a. Cosmetic remediation following the installation,
- b. Costs associated with fulfilling other OFC or *Building Code* requirements, including any that are not consistent with the *Program's* objectives,
- c. Activities completed or costs incurred prior to the ministry's approval of an application,
- d. Temporary installations and moveable equipment, such as motorized vehicles, furniture and computers
- e. Administrative or overhead costs related to making the application and fulfilling the terms of the grant,
- f. Renovations or upgrades to buildings or the grounds and gardens of the retirement home, or the building of permanent fixtures (patios, gazebos, facility upgrades)
- g. Furniture
- h. Technology (computers or software, software development)
- i. Refundable taxes and expenses (i.e., the funding will not pay for any tax or expenses for which the retirement home can claim refunds, rebates or credits)

- j. Project expenses that have already been completed or were partially or wholly funded by another government or organization
- k. Any operating costs of the retirement home, including such costs as utilities, rent, and staff salaries and benefits

Appendix C: Definition of Terms Used in Program Materials

Retirement Home

Under the *Retirement Homes Act, 2010*, a retirement home is a residential complex, or part of a residential complex:

- That is occupied primarily by persons who are 65 years of age or older; and
- Is occupied (or intended to be occupied) by at least six persons not related to the operator; and
- Where the operator makes at least two care services available to residents, either directly or indirectly.

Licensed retirement home

A licensed retirement home is licensed by the Retirement Home Regulatory Authority

Small retirement home

For the purpose of this program a small retirement home has 49 or less suites.

Rural

For the purpose of this program, rural Ontario means all Statistics Canada's census subdivisions (including lower-tier and single-tier municipalities) that meet at least one of the following criteria:

- have a population of less than 100,000 people
- have a population density of 100 people/km² or less

Independent

For the purpose of this program, independent means the retirement home is not part of a franchise or otherwise operated by a “chain”.

Sole Proprietorship

The business is owned by one person, not an incorporated business

Corporation

The business/not-for-profit is incorporated

Partnership

The business is owned by two or more partners who carry on business together

Monthly Rental Rate per Residential Unit

The monthly rate charged to a tenant for a residential unit. Suites are residential rental units, for example private or bachelor units, or one- or two-bedroom suites. Suites include portions or divisions of a unit that are separately rented to multiple residents, for

example semi-private or ward-type accommodation.

Note: residential units do not include any premises or parts of premises that are excluded from the definition of “retirement home” by the terms of the *Retirement Homes Act, 2010*, and its Regulation (O.Reg. 166/11). These include premises governed by or funded under the *Homes for Special Care Act*, the *Long-Term Care Homes Act, 2007*, the *Private Hospitals Act*, the *Public Hospitals Act*, the *Services and Supports to Promote the Social Inclusion of Persons with Developmental Disabilities Act, 2008*, premises at which emergency hostel services are provided under the *Ontario Works Act, 1997*, and premises or parts of premises at which a supportive housing program or residential treatment program is provided and funded under the *Home Care and Community Services Act, 1994*, the *Local Health System Integration Act, 2006*, or the *Ministry of Health or Long-Term Care Act*.

Care Service Fees and Auxiliary Fees

A list and fee schedule of the different types of accommodation provided in the retirement home and any alternative package of care services and meals that are available as part of the total charge for accommodation.

Project

An approved proposal for funding under this program.

Material Test Certificate

A quality assurance document used in the industry that certifies compliance with industry specific standards. As referenced by the OFC, outlined in the National Fire Protection Association 13 – Standard for the Installation of Sprinkler Systems.

Building Permit Closure

Municipally issued documentation to close the activities for which a building permit was issued.

Appendix D: Online Resources

Ministry of Seniors Affairs website

<https://www.ontario.ca/page/ministry-seniors-affairs>

Retirement Homes Regulatory Authority website

<http://www.rhra.ca/en/>

Office of the Fire Marshall website

https://www.mcscs.jus.gov.on.ca/english/FireMarshal/OFMLanding/OFM_main.html

Ministry of Municipal Affairs – Ontario Building Code resources website

<http://www.mah.gov.on.ca/Page7393.aspx>