

For Immediate Release
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Construction on New Royal Ottawa Hospital and Research Institute Begins

OTTAWA – On his last day as President and CEO of the Royal Ottawa Health Care Group, George Langill made his final, and perhaps, most important public announcement of his 30-year career -- “The construction of the new Royal Ottawa Hospital and the uOttawa Institute of Mental Health Research will now begin. The final agreements are signed, and there is no turning back.”

The completion of Financial Close, the final set of agreements related to the re-development deal, confirms that the state-of-the-art psychiatric teaching hospital and a new mental health research institute will begin construction immediately. It also confirms that the re-development project is irreversible.

“Finalizing the deal was never timed to happen on my last day of work,” said Mr. Langill. “But I am so relieved that I was able to see this project through to construction, alongside the project team and the community volunteers who worked to make it happen. Our thanks go to Premier McGuinty and Minister George Smitherman who honoured their commitment to see the project through.”

The agreement was finalized between the Royal Ottawa Health Care Group (ROHCG), the governing authority for the Royal Ottawa Hospital and Brockville Psychiatric Hospital, and The Healthcare Infrastructure Company of Canada (THICC). The agreement, which spans 20 years and 8 months, includes the development of a 188-bed hospital and a research institute -- all contained within 399,178 square feet.

The unique deal blends both capital and operating costs covering monthly mortgage payments, as well as non-clinical operations of the new Royal Ottawa Hospital and the new University of Ottawa Institute for Mental Health Research. All clinical services will continue to be funded by the Ministry of Health and Long Term Care (MOHLTC).

“The McGuinty government takes great pride in advancing this state-of-the-art hospital and research institute to the construction phase,” said Richard Patten, MPP Ottawa Centre. “We have all worked together to see this day through, to have new mental health facilities that will be second-to-none in North America, and available for use as early as December 2006.”

Residents in the Royal Ottawa Hospital neighbourhood will begin seeing signs of construction today: a fence will be erected around the construction site; the main entrance for the Royal Ottawa Hospital will be changed from Carling Avenue to Merivale Road; and the entrance from Carling Avenue will be converted to a one-way route.

There will also be some explosive blasting in the coming weeks to allow for excavation of the new building site, located directly in front of the existing facilities on Carling Avenue. Residents will be kept up-to-date of the construction schedule over the next two years while construction takes place.

“I am proud that as a community we rallied together to insist that mental health be given its due attention,” said Paul Hindo, Chair of the Board of Trustees of the Royal Ottawa Health Care Group. “We extend our thanks to the Government of Ontario, and congratulations to the communities of eastern Ontario who will benefit greatly.”

Highlights of the Royal Ottawa Hospital and uOttawa Institute of Mental Health Research re-development project

- The agreement, which blends the financing for the capital and facility management services, will cost \$256 million over the course of the 20 year, eight month arrangement. This compares favourably to a traditionally built and operated facility which would have cost \$273 million for the same product, a present value savings of \$17 million;
- The capital cost for the design and construction of the building alone, including the hospital and the research institute, is \$126.8 million;
- Payment begins when the facilities are open for occupancy in late 2006 and covers the mortgage for the facilities; all utilities including heating, air conditioning, and lighting; food and linen services; security, housekeeping, ground maintenance, and ongoing maintenance;
- A ‘life cycle’ program is built into the deal which ensures that the facilities are kept in a ‘like-new’ condition for the duration of the agreement and continuously maintained;
- All collective agreements at the Royal Ottawa Hospital will be honoured in the new facility.

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