

Angie Cathrae

From: Carl Noble [REDACTED]
Sent: Saturday, January 01, 2011 11:56 AM
To: emergencyservices@bmts.com
Subject: FW: TOWN OF SOUTH BRUCE PENINSULA

Angie: Could you please forward this to council. I will not be re reading this to them but will answer any questions they have about the Clinic or what our request for a guarantor is all about. It should be straight forward. Thanks for now, Carl

TOWN OF SOUTH BRUCE PENINSULA

THE SAUBLE MEDICAL CLINIC INCORPORATED IS A "NOT FOR PROFIT INCORPORATION" WHICH IS NOT OWNED BY ANYONE BUT IS OPERATED BY A BOARD OF DIRECTORS. THE BOARD IS ELECTED AT THE ANNUAL GENERAL MEETING WITH FOUR DIRECTORS ELECTED EACH YEAR FOR A TWO YEAR TERM. ALL DECISIONS REGARDING THE BUILDING ARE MADE BY THE BOARD. SOME OF THE DECISIONS ARE FINANCIAL, LEASING AND MAINTENANCE OF THE BUILDING.

THE LAND FOR THE BUILDING WAS GIVEN TO THE CLINIC IN 2005 AND IT TOOK SEVERAL MONTHS OF WORK BY MEMBERS OF THE CLINIC TO GET THE TITLE CLEARED OF AN "IN PERPETUITY" CLAUSE BEFORE IT COULD BE TRANSFERRED TO THE CLINIC WHICH WAS DONE DECEMBER 2008. THE CLINIC PAID FOR THE SURVEY, LAND TRANSFER, PROPERTY CLEAN UP, BUILDING PERMIT AS WELL AS ALL LEGAL FEES. THE CLINIC REQUESTED RELIEF FOR THE CLEAN UP AND BUILDING PERMIT, WHICH WAS APPROXIMATELY \$28,000.00, AND WERE REFUSED. THE CLINIC ALSO LOST 11 FEET ACROSS THE FRONT TO THE COUNTY AS WELL AS 10 FEET ALONG THE EAST SIDE WHICH THE TOWN TOOK FOR A DRAINAGE EASEMENT TO THE WETLANDS. THE CLINIC WAS ASKED TO FILL OUT A REQUEST FOR A DONATION FORM, WHICH WAS DONE AND THE INFORMATION WHICH WAS PUT INTO THE REQUEST WAS USED AGAINST THE CLINIC WHEN THEY ASKED THE TOWN TO ACT AS A GUARANTOR FOR A MORTGAGE.

THE REASON THE TOWN WAS ASKED TO ACT AS GUARANTORS FOR THE MORTGAGE FOR THE CLINIC WAS TO GIVE IT A MORTGAGE WHICH WOULD BE APPROXIMATELY 1% LESS THAN MARKET, PLUS IT WOULD GIVE IT A 25 YEAR AMORTIZATION WHICH WOULD HAVE GIVEN IT TIME TO GET THE BUILDING COMPLETELY LEASED AND PAY THE MORTGAGE PAYMENTS WITH THE TENANTS EXISTING IN THE BUILDING. THE REQUEST FOR THE TOWN TO ACT AS GUARANTOR WAS IN FEBRUARY OF 2010 AND IT WAS TENTATIVELY APPROVED WITH THE REQUEST FOR LEGAL ADVICE. WHEN THE INFORMATION REACHED THE PAPERS, AN UNSOLICITED LETTER WAS SENT TO THE TOWN BY MR. GREENFIELD AND THE TOWN USED THAT INFORMATION TO DENY THE GUARANTEE IN OCTOBER OF 2010. THIS WAS ALL DONE EVEN THOUGH THE BANK OFFERED ASSURANCES THAT IF THE CLINIC FAILED THE TOWN WOULD BE IN A POSITION TO TAKE OVER OWNERSHIP OF THE CLINIC JUST BY ASSUMING THE BALANCE OF THE EXISTING MORTGAGE. THE DELAY BY THE TOWN IN MAKING THEIR DECISION REGARDING THE GUARANTEE HAS COST THE CLINIC APPROXIMATELY \$60,000.00 IN INTEREST ON THE EXISTING MORTGAGE AND LOANS OUTSTANDING. THE

CLINIC IS NOW IN A POSITION WHERE THEY MUST REQUEST A MORTGAGE OF \$1,2 M FROM THE BANK INSTEAD OF THE ORIGINAL AMOUNT WHICH WOULD HAVE BEEN \$1,1 M THE EXISTING MORTGAGE WHICH WAS REQUIRED TO FINISH THE BUILDING TO THE EXTENT WHICH IT NOW IS IN, IS CARRIED BY 10 PEOPLE, WHO WERE WILLING TO PUT UP \$1,010,000.00 TO PAY THE CONTRACTOR AND TO AVOID A PENALTY WHICH WAS BUILT INTO THE EXISTING LEASE WITH THE FAMILY HEALTH TEAM.

GIVEN THE FACT THAT THE CLINIC RAISED ABOUT \$800,000.00 WITH FUNDRAISING IN THE SAUBLE AREA ALONG WITH GIFTS AND BEQUESTS WE NOW HAVE A BUILDING WHICH IS WORTH IN EXCESS OF \$2,300,000.00 AND THE TOWN HAS NOT CONTRIBUTED ANYTHING BUT THE LAND, WHERE OTHER MUNICIPALITIES HAVE DONATED AMOUNTS FROM \$250,000.00 TO \$750,000.00. PLUS THE LAND. THE MOST IMPORTANT ITEM FOR THE CLINIC WAS THE GUARANTEE AND THE TOWN EVEN REFUSED THAT, MAINLY BECAUSE OF PERSONAL REASONS BY PREVIOUS MEMBERS OF COUNCIL AND INFIGHTING WITHIN COUNCIL. INTERFERENCE WAS SO BAD WITH ONE MEMBER OF COUNCIL IT COST US A LEASE WITH SHOPPERS DRUG MART AND LEGAL FEES FOR PHONE CALLS FROM A LAWYER TO THE MAYOR LETTING HER KNOW THAT A LIEN HAD BEEN PLACED ON THE CLINIC AND THAT SHE SHOULD KNOW ABOUT IT, EVEN THOUGH WE WERE NOT INVOLVED IN ANYWAY WITH THE TOWN AT THAT TIME.

ANOTHER ITEM WHICH CAUSED ILL FEELINGS WITH PREVIOUS DIRECTORS AS WELL AS THE PRESENT DIRECTORS WAS THE ADDENDUM WHICH WAS PLACED ON THE EXISTING DEED WHICH SHOWED A DEFINITE LACK OF CONFIDENCE BY THE PREVIOUS COUNCIL FOR WHAT ALL DIRECTORS OF THE CLINIC WERE TRYING TO DO FOR THE TOWN AND FOR CHARITIES OF THE MUNICIPALITIES IN THE FUTURE. WHAT THE BOARD OF THE CLINIC WOULD LIKE TO SEE IS THAT WE BE APPRISED OF ANY PROBLEMS WHICH MAY BE RAISED BY THE TOWNS LEGAL COUNSEL. THAT THE TOWN NOT USE MR. GREENFIELD, AS HE HAS A DEFINITE CONFLICT WITH ONE OF THE PERSONS WHO HOLD THE PRESENT MORTGAGE AS WELL AS OFFERING UNSOLICITED ADVICE TO THE TOWN WHEN THEY ORIGINALLY HAD AGREED TO BE THE GUARANTOR, BUT WOULD LIKE LEGAL ADVICE AND MR GREENFIELD GAVE THEM A "JUST IN CASE SCENARIO" WHICH WAS IN CASE WE LOST OUR "NOT FOR PROFIT STATUS" THE TOWN COULD NOT ACT AS GUARANTOR, AND THAT APPARENTLY IS WHY THE GUARANTEE WAS TURNED DOWN BY THE PREVIOUS COUNCIL.

ALL WE ARE ASKING IS THAT THE VOLUNTEERS WHO HAVE AND ARE RUNNING THE BOARD OF THE CLINIC BE TREATED FAIRLY AND WITH RESPECT FOR WHAT THEY HAVE ATTAINED AND WHAT THEY ARE TRYING TO ATTAIN. I AM SURE THAT AGREEMENTS CAN BE IN PLACE BETWEEN THE BANK, THE TOWN AND THE CLINIC WHICH WILL ALLOW US TO MOVE FORWARD AND MAKE THE CLINIC A PROUD PART OF THE MUNICIPALITY.