



Capital Regional Hospital District

CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
Notice of a Meeting on Wednesday, April 11, 2012 at 1:30 pm
in the Board Room, 6th Floor, 625 Fisgard Street, Victoria, BC

AGENDA

1. **APPROVAL OF AGENDA**
2. **ADOPTION OF MINUTES OF DECEMBER 14, 2011, MARCH 7 AND MARCH 28, 2012**
3. **REPORT OF THE CHAIR**
4. **PRESENTATIONS/DELEGATIONS**
5. **REPORTS OF COMMITTEES**
- 5.1 **PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE –**
March 28, 2012

1. Guidelines for Funding Non-Traditional Capital Projects

That the NTP guidelines (attached) intended to: assist the CRHD in its deliberations of project funding requests; and, clarify the policy context and assessment process for community agencies interested in accessing NTP funds, be approved.

(NWA)

6. **NEW BUSINESS**
7. **ADJOURNMENT**

Voting Key:

- **WA** = Weighted vote of all Directors;
- **WP** = Weighted vote of participants (as listed) only;
- **NWP** = Non weighted vote of participants (as listed) only;
- **NWA** = Non weighted vote of all Directors.



Capital Regional Hospital District

**MINUTES OF THE INAUGURAL MEETING OF THE
CAPITAL REGIONAL HOSPITAL DISTRICT BOARD,
held Wednesday, December 14, 2011 in the Board Room, 625 Fisgard Street, Victoria, BC**

PRESENT: **Directors:** M. Alto, D. Blackwell, A. Bryson, S. Brice, J. Brownoff, L. Cross, T. Daly, V. Derman, B. Desjardins, D. Fortin, C. Hamilton, D. Howe, M. Hicks, G. Hill, B. Isitt, N. Jensen, F. Leonard, W. McIntyre, J. Mendum, W. Milne, J. Ranns, L. Wergeland and G. Young
Staff: K. Daniels, Chief Administrative Officer; J. Hull, General Manager, Integrated Water Services, L. Hutcheson, General Manager, Environmental Sustainability; R. Lapham, General Manager, Planning and Protective Services; D. Lokken, General Manager, Corporate Services; A. Orr, Senior Manager, Corporate Communications; L. Rushton, General Manager, Parks and Community Services; M. Rachwalski, Senior Manager, Health and Capital Planning Strategies; S. Santarossa, Manager, Legislative Services and S. Norton (Recorder).

INAUGURAL MEETING

1. CALL TO ORDER – CHIEF ADMINISTRATIVE OFFICER

Mr. Daniels called the meeting to order at 2:44 p.m.

2. ELECTION OF CHAIR (pursuant to Section 13 of the *Hospital District Act*)

Mr. Daniels called for nominations for the position of Chair of the Hospital District Board for 2012.

Director Leonard nominated Director Hill.
Director Hill accepted.

Mr. Daniels called for nominations a second and third time and hearing none, declared nominations closed and declared Director Hill Chair of the Hospital District Board for 2012 by acclamation.

Chair Hill assumed the Chair.

3. ELECTION OF ACTING CHAIR (pursuant to Section 13 of the *Hospital District Act*)

Chair Hill called for nominations for the position of Acting Chair of the Hospital District Board for 2012.

Director Leonard nominated Director Young.
Director Young accepted.

The Chair called for nominations a second and third time and hearing none, declared nominations closed and declared Director Young Acting Chair of the Hospital District Board for 2012 by acclamation.

HOSPITAL BOARD MEETING**1. APPROVAL OF AGENDA**

MOVED by Director Leonard, **SECONDED** by Director Blackwell,
That the agenda be approved.

CARRIED

2. ADOPTION OF MINUTES OF THE MEETING OF NOVEMBER 9, 2011

MOVED by Director Leonard, **SECONDED** by Director Blackwell,
That the minutes of the meeting of November 9, 2011 be adopted.

CARRIED

3. REPORT OF THE CHAIR

Chair Hill noted the serious challenges faced by the Hospital Board and thanked staff for their advice and guidance.

4. PRESENTATIONS/DELEGATIONS – None**5. ADMINISTRATION REPORTS****5.1 TEMPORARY BORROWING FOR CURRENT OPERATING EXPENDITURES – RESOLUTION**

MOVED by Director Leonard, **SECONDED** by Director Cross,
That the Resolution to allow the temporary borrowing of up to \$9,000,000 for current operating expenditures be approved.

CARRIED

6. NEW BUSINESS – None.**7. MOTION TO MOVE IN CAMERA**

MOVED by Director Brice, **SECONDED** by Director Derman,
That the Hospital District Board close the meeting and move in camera in accordance with the Community Charter, Part 4, Division 3, 90(1) (e) the acquisition, disposition or expropriation of land or improvements, if the Board considers that disclosure could reasonably be expected to harm the interests of the Hospital District; (m) a matter that, under another enactment, is such that the public may be excluded from the meeting.

CARRIED

The Hospital District Board moved in camera at 2:47 pm and rose without report at 3:45 pm.

8. ADJOURNMENT

MOVED by Director Leonard, **SECONDED** by Director Blackwell,
That the meeting be adjourned at 3:45 pm.

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER



Capital Regional Hospital District

**MINUTES OF THE SPECIAL MEETING OF THE
CAPITAL REGIONAL HOSPITAL DISTRICT BOARD,
held Wednesday, March 7, 2012 in the Board Room, 625 Fisgard Street, Victoria, BC**

PRESENT: **Directors:** G. Hill (Chair), G. Young (Vice Chair) D. Blackwell, A. Bryson, S. Brice, J. Brownoff, L. Cross, V. Derman, B. Desjardins, D. Fortin, C. Hamilton, D. Howe, M. Hicks (arr. 10:23), B. Isitt, N. Jensen, F. Leonard, W. McIntyre, J. Mendum, and J. Ranns
Staff: R. Lapham, General Manager, Planning and Protective Services; D. Lokken, General Manager, Corporate Services; M. Rachwalski, Senior Manager, Health and Capital Planning Strategies; S. Santarossa, Corporate Officer (Recorder).

ABSENT: **Directors:** M. Alto, T. Daly, D. Howe, W. Milne, L. Wergeland

The Chair called the meeting to order at 10:10 am.

1. APPROVAL OF AGENDA

MOVED by Director Bryson, **SECONDED** by Director Fortin
That the agenda be approved.

CARRIED

2. HOSPITAL BOARD ORIENTATION

The Chair provided some opening remarks regarding the Hospital District including its mandate and governance and the scope (inventory) of current assets.

Bob Lapham and Maurice Rachwalski gave a PowerPoint presentation that included an overview of the:

- Staff organizational chart of the Hospital District
- Traditional capital projects: Major and minor capital
- Non-traditional capital projects
- Drivers of healthcare capital

Director Hicks arrived at 10:23 am.

Discussion ensued relative to:

- What is the appropriate way to fund hospitals and how is the local share of acute health determined
- Whether the CRHD has the level of expertise required to make decisions regarding health facilities
- How the CRD's decision-making and public consultation processes mesh with VIHA's

Staff was requested to report back on whether previous CRHD funding was sufficient for the capital infrastructure that was funded.

Discussion continued regarding:

- The possibility of a first stage addiction centre in the region
- The need for additional revenue sources should the CRHD be required to provide further services
- The appropriate CHRHD funding levels

3. PROVISIONAL 2012 BUDGET AND 10-YEAR CAPITAL PLAN (PREVIOUSLY APPROVED)

Bob Lapham gave a PowerPoint presentation regarding the 2012 Operating Budget and noted a 2% increase over 2011. He stated that the provisional budget needed to be approved before the end of 2011 and was approved by the previous Board in November.

Director Fortin departed at 11:05 pm.

Director Hicks departed at 11:06 pm.

MOVED by Director Brice, **SECONDED** by Director Bryson,
That the 2012 Capital Regional Hospital District Provisional Budget be approved.

CARRIED

Bob Lapham provided a brief overview of the 2012-2021 Ten Year Capital Plan and the debt servicing implications. The Ten Year Capital Plan was approved by the Board in November.

MOVED by Director Derman, **SECONDED** by Director Desjardins
That the 2012-2021 Ten Year Capital Plan be approved as submitted.

CARRIED

4. ADJOURNMENT

MOVED by Director Derman, **SECONDED** by Director Brice,
That the meeting be adjourned at 11:09 am.

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**MINUTES OF A SPECIAL MEETING OF THE
CAPITAL REGIONAL HOSPITAL DISTRICT BOARD,
held Wednesday, March 28, 2012 in the Board Room, 625 Fisgard Street, Victoria, BC**

PRESENT: Directors: G. Hill (Chair), G. Young (Acting Chair), D. Blackwell, A. Bryson, S. Brice, J. Brownoff, J. Cullington (for C. Hamilton), T. Daly, V. Derman, D. Fortin (12:04), P. Gerrard (for L. Wergeland), J. Herbert (for N. Jensen), D. Howe, M. Hicks, L. Hundleby (for B. Desjardins), B. Isitt, W. McIntyre, J. Mendum, W. Milne, J. Ranns and V. Sanders (for F. Leonard)
Staff: K. Daniels, Chief Administrative Officer; L. Hutcheson, General Manager, Environmental Sustainability; R. Lapham, General Manager, Planning and Protective Services; D. Lokken, General Manager, Corporate Services; T. Robbins, Acting General Manager, Integrated Water Services; L. Rushton, General Manager, Parks and Community Services; A. Orr, Senior Manager, Corporate Communications; M. Rachwalski, Senior Manager, Health and Capital Planning Strategies; S. Santarossa, Corporate Officer, and S. Norton, Corporate Assistant, Legislative Services (Recorder)

ABSENT: Directors: M. Alto and L. Cross

The Chair called the meeting to order at 12:00 pm.

1. APPROVAL OF AGENDA

MOVED by Director Derman, **SECONDED** by Director Brownoff,
That the agenda be approved.

CARRIED

2. 2012 BUDGET BYLAW

MOVED by Director Brownoff, **SECONDED** by Director Brice,
That Bylaw No. 373 cited as "Annual Budget Bylaw, 2012" be introduced and read a first and second time.

CARRIED

MOVED by Director Brownoff, **SECONDED** by Director Brice,
That Bylaw No. 373 be read a third time.

CARRIED

MOVED by Director Brownoff, **SECONDED** by Director Brice,
That Bylaw No. 373 be adopted.

CARRIED

Director Fortin entered the meeting at 12:04 p.m.

3. ADJOURNMENT

MOVED by Director Brownoff, **SECONDED** by Director Blackwell,
That the meeting be adjourned at 12:05 pm.

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

Planning, Transportation & Protective Services Committee's Report**Victoria, BC 28 March 2012****To the Chair and Directors of the Capital Regional Hospital District Board:****Your Planning, Transportation & Protective Services Committee Reports and Recommends as follows:****1. Guidelines for Funding Non-Traditional Capital Projects**

That the NTP guidelines (attached) intended to: assist the CRHD in its deliberations of project funding requests; and, clarify the policy context and assessment process for community agencies interested in accessing NTP funds, be approved.

(Background information can be found in the attached staff report.)

**STAFF REPORT TO
THE PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE
MEETING OF MARCH 28, 2012**

SUBJECT GUIDELINES FOR FUNDING NON-TRADITIONAL CAPITAL PROJECTS

PURPOSE

To develop guidelines (Appendix "A") to assist the Capital Regional Hospital District (CRHD) planning and decision-making for funding of non-traditional capital projects (NTP), and to also clarify for community agencies the process and requirements for NTP funding eligibility.

BACKGROUND

In November 2011, the Capital Regional Hospital District (CRHD) Board adopted a set of recommended principles as a framework to guide the development of an NTP policy (Appendix "B"). Although not exhaustive, these principles are consistent with other capital funding practices such as the Capital Regional District's (CRD) Regional Housing Trust Fund and Canada Mortgage and Housing's Residential Rehabilitation Assistance Program.

ALTERNATIVES

1. Approve the attached NTP guidelines intended to: assist the CRHD in its deliberations of project funding requests; and, clarify the policy context and assessment process for community agencies interested in accessing NTP funds.
2. Not approve the attached recommended guidelines, and provide staff with further direction to amend these guidelines and return with these amendments.

FINANCIAL IMPLICATIONS

Alternative 1:

This Alternative would provide clarity for applicants of the policies and procedures for NTP funding and for the CRHD Board in assessing the merits of each proposal. CRHD investments would need to be secured through an agreement such as a registered notation on title.

There are currently no pending requests for NTP funding.

Alternative 2:

There are no financial implications with this Alternative, except that decisions on NTP funding requests would be deferred until staff return with a follow up report recommending a set of amended guiding principles.

COMMUNITY IMPLICATIONS

As part of ongoing community activities, staff will continue to work with the Vancouver Island Health Authority (VIHA) and non-profit service providers to identify how NTP funds can leverage sustainable, healthcare related community services.

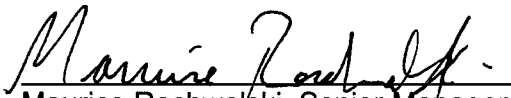
CONCLUSION

The recommended NTP program guidelines are based on practices currently employed with other capital funding programs. With the Board's desire to continue supporting local community priority projects and an increased discipline in the health funding framework, Alternative 1 would provide the opportunity for the CRHD to clarify for future proponents the business processes of the NTP program.

RECOMMENDATION

That the Planning, Transportation and Protective Services Committee recommends that the Capital Regional Hospital District Board:

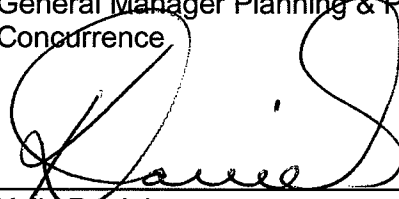
1. Approve the attached NTP guidelines intended to: assist the CRHD in its deliberations of project funding requests; and, clarify the policy context and assessment process for community agencies interested in accessing NTP funds.



Maurice Rachwalski, Senior Manager
Health & Capital Planning Strategies



Robert Lapham (MCIP)
General Manager Planning & Protective Services
Concurrence



Kelly Daniels
Chief Administrative Officer
Concurrence

Attachments: 2

COMMENTS:

Appendix "A"

Capital Regional Hospital District Non-Traditional Project (NTP) Funding Guidelines

BACKGROUND

The Capital Regional Hospital District (CRHD) Board has endorsed the use of CRHD funds to contribute towards the capital costs of non-traditional healthcare facilities.

Traditional healthcare projects funded by the CRHD involve facilities owned by the Vancouver Island Health Authority (VIHA) used primarily for the reception and treatment of persons:

- (a) suffering from the acute phase of illness or disability;
- (b) convalescing from or being rehabilitated after acute illness or injury; or
- (c) requiring extended care at a higher level than that generally provided in a private hospital.¹

Non-Traditional Projects (NTPs) category was established by the CRHD to support the provision of community-based healthcare services by not-for-profit agencies (other than VIHA) for facilities providing: i) primary healthcare; and ii) residential-types of care.

STRATEGIC CONTEXT

Consistent with the authority of the CRHD to provide capital for 'hospital projects', and recognizing that social resilience and wellbeing are vital elements of a healthy and sustainable region embarking on the development of a new CRD *Regional Sustainability Strategy*, the NTP Fund contributes capital to community projects that provide health-related services but are unable to secure full capital funding from VIHA or other sources.

CRHD decisions to partner in providing capital funding to selective NTP can leverage ongoing service delivery funding from VIHA as well as capital and support service contributions from non-profit societies.

The NTP Fund was established by the CRHD for the following purposes:

1. To assist in the acquisition, development and retention of facilities that provide permanency in the community-based provision of healthcare related services.
2. To contribute to projects throughout the entire Region, as CRHD funds are requisitioned annually through property taxes provided by businesses and residents of the Region.
3. To facilitate social and economic investment in healthcare facilities.
4. To assist people in core housing need requiring physical and emotional care and services, particularly seniors, and persons who are: physically disabled; developmentally challenged; with chronic mental health issues; and, other with special needs identified as a priority for community response.
5. To leverage onetime capital and ongoing operational and service funding from other levels of government, community groups and the private sector.
6. To address strategic directions that are outlined in VIHA service plans or in the CRD's *Regional Sustainability Strategy*.

¹ In accordance with Provincial statutes, these categories of use are defined under the *Hospital Act* and applied under the authority granted to Hospital Districts under the *Hospital District Act*.

FUNDING PRINCIPLES

The following principles were developed to help direct the NTP capital funding *Guidelines*:

- To be eligible for Capital Regional Hospital District funding, facilities must be designated by the Minister of Health as health care facilities as currently required under the *Hospital District Act*.
- Proponents must demonstrate both the need for capital funding, as well as the demand for services delivered through the facility to be constructed or upgraded.
- That CRHD funds be provided on a cost-shared basis only, leveraging other community contributions.
- The CRHD should not be the primary capital funder and CRHD funding should be conditional on confirmation that all other funding is secured by the applicant.
- That the public interest be served by ensuring facilities receiving CRHD funding continue to be used for their originally intended purpose.

FUNDING GUIDELINES

Based on the above principles, proposals for NTP funding will be evaluated based on the following guidelines:

1. If not already a hospital under the '*Hospital Act*', facilities receiving NTP capital funding must be designated as a hospital by the Minister of Health.
2. Projects must demonstrate committed funding partnerships with entities such as: other government agencies; private development industry; corporate donors; community agencies; and individuals.
3. Projects should assist in the retention of existing or construction of new affordable residential care facilities with healthcare services or other community-based healthcare service facilities.
4. Residential-based projects should provide affordable accommodation for tenants within prescribed income target levels. Proposals should also clearly demonstrate the types of health care services provided and confirmation of ongoing operational funding.
5. The CRHD should not be the primary capital funder.
6. CRHD funding should be conditional on confirmation that all other funding is secured by the applicant.
7. That the public interest be served by ensuring facilities receiving CRHD funding continue to be used for their originally intended purpose. To this end, CRHD funding is subject to a Funding Agreement and/or a notation registered against the property, such a Section 219 covenant.
8. Assistance is in the form of a grant that is forgivable - subject to the terms and conditions of the Funding Agreement.
9. The NTP Fund is limited (currently set at \$1 million annually), so proposals will only be considered for a portion of the total annual budget.

APPLICATION PROCESS

The *Health and Capital Planning Strategies Division* of the Capital Regional District administer NTP funds on behalf of the CRHD (see attached Contacts list). In this role, Division staff apply the NTP guidelines through the following application review and approval process:

1. The applicant contacts the Health and Capital Planning Strategies Division advising of their intention to apply for NTP funding, describing the project in as much detail as possible.
2. Based on the information provided, in consultation with the CRHD Chair, Vice Chair and General Manager of PPS, staff apply the fund's Guidelines to determine the basic suitability of the proposed project for NTP funding (eligibility 'test').
3. If the project is deemed to pass the initial eligibility 'test', the applicant is provided with a comprehensive list of proposal requirements, that will include:
 - Confirmation that the facility is deemed a hospital under the '*Hospital Act*'. If the facility is not already deemed a hospital, CRD staff will assist in obtaining this designation based on the applicant providing:
 - a letter from the Vancouver Island Health Authority (VIHA) indicating support in having this facility designated for purposes of capital cost sharing;
 - confirmation in writing affirming the applicant is a non-profit society in good standing under the *Society Act*; and,
 - a copy of the society's constitution and bylaws.
 - A detailed description of the proposed project, including the type of healthcare service provided, the client group, and eligibility criteria for persons to receive services.
 - A detailed project expenses budget, preferably based on a qualified cost consultant, engineering or architect report.
 - A detailed listing of project revenues, including: sources of applicant equity (land, capital reserves, etc.); contributions in cash or in-kind listed by source; and, the amount of mortgage (if applicable) and source of mortgage payments (tenant rents, operating subsidy from senior government agency such as BC Housing or VIHA, etc.).
 - A tentative project schedule (such as a Gantt chart).
 - Legal description of the property, including zoning and Official Community Plan information.
4. Proponent provides the project proposal to the Senior Manager for review and final completion.
5. CRD staff present the proposal and staff recommendations to the Planning, Transportation and Protective Services (PTPS) Committee of the CRD/CRHD Board.
6. The PTPS Committee then makes a recommendation to the Board of the CRHD for decision.
7. The CRHD Board of Directors vote on the PTPS Committee recommendation.

Please note - applicants are strongly advised to contact the CRD's Health and Capital Planning Strategies Division well in advance of the anticipated need for NTP funds.

HEALTH and CAPITAL PLANNING STRATEGIES DIVISION - CONTACTS

Staff:

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APPENDIX “B”

STAFF REPORT TO THE PLANNING, TRANSPORTATION AND PROTECTIVE SERVICES COMMITTEE

NON-TRADITIONAL CAPITAL PROJECTS FUNDING POLICY PRINCIPLES

The following are proposed principles to guide the Non-Traditional Project capital funding policy:

- To be eligible for Capital Regional Hospital District (CRHD) funding, facilities must be designated by the Minister of Health as health care facilities as currently required under the *Hospital District Act*.
- Proponents must demonstrate both the need for capital funding, as well as the demand for services delivered through the facility to be constructed or upgraded.
- That CRHD funds be provided on a cost-shared basis only, leveraging other community contributions.
- The CRHD should not be the primary capital funder and CRHD funding should be conditional on confirmation that all other funding is secured by the applicant.
- That the public interest be served by ensuring facilities receiving CRHD funding continue to be used for their originally intended purpose.