



Notice of Meeting and Meeting Agenda Capital Regional Hospital District Board

Wednesday, October 11, 2017

1:30 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

1. APPROVAL OF THE AGENDA

2. ADOPTION OF MINUTES

2.1. [17-732](#) Minutes for Adoption

Recommendation: That the attached minutes from the September 13, 2017 Capital Regional District Hospital Board meeting be adopted as circulated.

Attachments: [Minutes: September 13, 2017 Hospital Board](#)

3. REPORT OF THE CHAIR

4. PRESENTATIONS/DELEGATIONS

4.1 Presentations

4.2 Delegations

5. ADMINISTRATION REPORTS

5.1. [17-715](#) BC Cancer Agency - Non-Traditional Project Funding Request

Recommendation: That staff be directed to notify the BC Cancer Agency that the Non-Traditional Project funding has been completely expensed and no further resources are currently available. (NWA)

Attachments: [Staff Report: BC Cancer Agency-NTP Funding Request](#)
[Appendix A: Non-Traditional Project Funding Guidelines](#)

6. BYLAWS

7. NEW BUSINESS

8. MOTION TO CLOSE THE MEETING

8.1. [17-688](#) Motion to Close the Meeting

Recommendation: That the meeting be closed 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 regional district.
(NWA)

9. ADJOURNMENT

Voting Key:

NWA - Non-weighted vote of all Directors

NWP - Non-weighted vote of participants (as listed)

WA - Weighted vote of all Directors

WP - Weighted vote of participants (as listed)

Meeting Minutes

Capital Regional Hospital District Board

Wednesday, September 13, 2017

1:30 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

PRESENT:

DIRECTORS: M Alto (Chair), B. Desjardins (Vice Chair), R. Atwell, D. Blackwell, S. Brice, V. Sanders (for J. Brownoff), A. Finall, C. Hamilton, J. Loveday (for L. Helps), D. Howe, M. Hicks, B. Isitt, N. Jensen, W. McIntyre, D. Murdock, C. Plant, S. Price, J. Ranns, D. Screech, L. Seaton, R. Kasper (for M. Tait), K. Williams, R. Windsor, G. Young

STAFF: R. Lapham, Chief Administrative Officer; N. Chan, Chief Financial Officer, L. Hutcheson, General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; T. Robbins, General Manager, Integrated Water Services; C. Nielson, Senior Manager, Human Resources; B. Reems, Corporate Officer; and E. Gorman, Deputy Corporate Officer (Recorder)

OTHER GUESTS: Robert Macquisten, Solicitor, Stewart McDannold and Stuart; Alyssa Grace, Senior Director of Development, BC Cancer Foundation; Stephanie Aldridge, Executive Director, Cancer Strategy and Capital Redevelopment; and Dr. Sam Cater, Regional Medical Director

The meeting was called to order at 1:35 p.m.

1. APPROVAL OF THE AGENDA

MOVED by Director Plant, **SECONDED** by Director Brice,
That the agenda be approved as circulated.
CARRIED

2. ADOPTION OF MINUTES

2.1. [17-674](#) Minutes for Adoption

MOVED by Director Price, **SECONDED** by Director Howe,
That the minutes from the Jul 12, 2017 Capital Regional Hospital District Board meeting be adopted as circulated and,
That the minutes from the August 2, 2017 Capital Regional Hospital District Board Special Meeting be adopted as circulated.
CARRIED

3. REPORT OF THE CHAIR

There was none.

4. PRESENTATIONS/DELEGATIONS

4.1 Presentations

4.11. [17-634](#) Presentation: BC Cancer Agency

Ms. Aldridge spoke to the presentation which is on file with Legislative Services. A discussion ensued regarding why the cancer rates in BC are so low, standard of living and outcomes for treatment are significantly higher in British Columbia than other provinces.

**MOVED by Director Howe, SECONDED by Director McIntyre,
That the Capital Regional Hospital District Board report back at the October 11,
2017 Hospital Board meeting on options and implications for the possible funding
to the BC Cancer Agency Project.**

CARRIED

4.2 Delegations

There were none.

5. ADMINISTRATION REPORTS

5.1. [17-622](#) Galiano Health Care Society - Non-Traditional Project Funding Request

Mr. Lorette spoke to the report.

**MOVED by Director Howe, Seconded by Director McIntyre,
That the Galiano Health Care Society's funding request of \$150,000 from the
Non-Traditional Projects reserve, subject to the Galiano Health and Community
Wellness Centre receiving debt financing, be approved.**

CARRIED

5.2. [17-653](#) The Summit at Quadra Village Project Main Works Packages Award of Contracts CRHD.2017-12-015 through CRHD.2017-19-022 inclusive

Mr. Lorette spoke to the report.

MOVED by Director Howe, SECONDED by Director Williams,

- a) That Contract CRHD.2017-12-015-Glazing for the Summit at Quadra Village Project be awarded to Pino-Lite Glass (2010) Ltd. in the amount of \$2,540,242 [excluding GST] and that a project contingency of \$76,207 [excluding GST] be approved.
- b) That Contract CRHD.2017-13-016-Doors, Frames, Hardware for the Summit at Quadra Village Project be awarded to McGregor & Thompson Hardware Ltd. in the amount of \$1,223,975 [excluding GST] and that a project contingency of \$36,719 [excluding GST] be approved.
- c) That Contract CRHD.2017-14-017-Ceramic Tile for the Summit at Quadra Village Project be awarded to Hourigan's Flooring in the amount of \$43,800 [excluding GST] and that a project contingency of \$1,314 [excluding GST] be approved.

d) That Contract CRHD.2017-15-018-Acoustical Ceilings for the Summit at Quadra Village Project be awarded to Talcore Walls & Ceilings Ltd. in the amount of \$543,750 [excluding GST] and that a project contingency of \$16,313 [excluding GST] be approved.

e) That Contract CRHD.2017-16-019-Resilient Flooring for the Summit at Quadra Village Project be awarded to Hourigan's Flooring in the amount of \$1,099,640 [excluding GST] and that a project contingency of \$32,989 [excluding GST] be approved.

f) That Contract CRHD.2017-17-020-Seamless Epoxy Flooring for the Summit at Quadra Village Project be awarded to RADA Resurfacing in the amount of \$358,290 [excluding GST] and that a project contingency of \$10,749 [excluding GST] be approved.

g) That Contract CRHD.2017-18-021-Painting for the Summit at Quadra Village Project be awarded to M & L Painting Ltd. in the amount of \$640,750 [excluding GST] and that a project contingency of \$19,223 [excluding GST] be approved.

h) That Contract CRHD.2017-19-022-Patient Lifts for the Summit at Quadra Village Project be awarded to Guldmann Care-Lift Solutions ULC in the amount of \$871,959.20 [excluding GST] and that a project contingency of \$26,159 [excluding GST] be approved.

CARRIED

6. BYLAWS

There were none.

7. NEW BUSINESS

There was none.

8. MOTION TO CLOSE THE MEETING

8.1. 17-660 Motion to Close the Meeting

MOVED by Director Finall, **SECONDED** by Director Howe,
That the meeting be closed 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 Regional District.

CARRIED

9. ADJOURNMENT

MOVED by Director Loveday, **SECONDED** by Director Desjardins,
That the meeting be adjourned at 1:56 p.m.

CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
MEETING OF WEDNESDAY, OCTOBER 11, 2017**

SUBJECT **BC Cancer Agency - Non-Traditional Project Funding Request**

ISSUE

To consider a Non-Traditional Project (NTP) funding request by the BC Cancer Agency to contribute funding to purchase equipment.

BACKGROUND

On September 13, 2017, the Capital Regional Hospital District (CRHD) Board passed a motion directing staff to report back, at the October Hospital District Board meeting, on options and implications for providing funding to support the purchase of equipment for the BC Cancer Agency.

The BC Cancer Agency provides a comprehensive cancer control program for British Columbia citizens. The BC Cancer Agency's mandate covers the spectrum of cancer care, from prevention and screening, to diagnosis, treatment, and through to rehabilitation. Their mission is to reduce the incidence and mortality rate, and improve the quality of life of people living with cancer. This includes providing screening, diagnosis and care, setting treatment standards, and conducting research into causes of, and cures for cancer. The BC Cancer Agency operates six regional cancer centres, providing assessment and diagnostic services, chemotherapy, radiation therapy, and supportive care.

ALTERNATIVES

Alternative 1

That staff be directed to notify the BC Cancer Agency that the Non-Traditional Project funding has been completely expensed and no further resources are currently available.

Alternative 2

That allocating additional funding be considered for Non-Traditional Projects by increasing the tax requisition.

Alternative 3

That the report be sent back to staff for further consideration based on Board direction.

FINANCIAL IMPLICATIONS

The NTP funding program was established by the CRHD to support the provision of community-based health care services by not-for-profit agencies that are unable to secure capital funding from Island Health. Funding contributions from the NTP funding program are intended to leverage ongoing service delivery funding from Island Health as well as capital and support service contributions from multiple community sources including non-profit societies.

The 2015 CRHD budget decreased the requisition by \$1 million (M) for NTPs for 10 years in order to accommodate a corresponding increase in the Capital Regional District Land Banking and Housing requisition to fund the acquisition of 22 properties from BC Housing that are currently managed by the Capital Region Housing Corporation.

The NTP reserve currently has a balance of \$2.15M. \$1M was approved by the CRHD Board to be allocated to the Broadmead Care Society Nigel House redevelopment, and a further \$1M has notionally been committed to Victoria Hospice Society. The remaining \$150,000 has been committed to the Galliano Health Care Society which would draw the NTP funding reserve down to zero.

To provide funding to the BC Cancer Agency, or any other organization, under NTP an increase in tax requisition would be required. Reinstating the annual \$1M contribution to NTP would result in an increase in the tax requisition of approximately 3.4% (raising the requisition from 3.1% to 6.5% in 2018). A smaller increase of only \$300,000 would result in an increase of 1% in the tax requisition.

	2018	2019	2020	2021	2022
Total Tax Requisition	\$30.7M	\$31.2M	\$28.5M	\$27.7M	\$27.1M
Estimated requisition increase/(decrease)	3.1%	1.9%	-8.6%	-3.0%	-2.1%
Additional increase for NTP (est. \$1M)	3.4%				
Total estimated requisition increase	6.5%	1.8%	-8.4%	-2.9%	-2.0%

The table above illustrates an increase in tax requisition in 2018-2019 in order to accommodate financing costs of the summit project. In 2020, the CRHD will begin receiving lease payments from Island Health which will offset debt servicing of the summit and will result in a projected decrease in requisition. Beginning in 2020 CRHD will be in a stronger financial position to consider regional needs for NTP funding.

CONCLUSION

The NTP funding reserve has been completely allocated to Nigel House, Victoria Hospice Society, and Galliano Health Care Society. Providing funding for the BC Cancer Agency would require an increase in tax requisition and a proposal submission by the Agency demonstrating that it meets the NTP funding guidelines (Appendix A). Additionally, a scan of other potential projects suitable for NTP funding would need to be conducted to determine the need and best use of funding for the region.

RECOMMENDATION

That staff be directed to notify the BC Cancer Agency that the Non-Traditional Project funding has been completely expended and no further resources are currently available.

Submitted by:	Michael Barnes, MPP Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P.Eng., MBA, General Manager, Planning and Protective Services
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

MB/gm

Attachments: Appendix A - Non-Traditional Project Funding Guidelines

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

The CRHD is a subsidiary of the Capital Regional District (CRD). The NTP Fund is an example of how the CRD recognizes that social resilience and wellbeing are vital elements of a healthy and sustainable region, as outlined in the CRD's *Regional Sustainability Strategy*.

Consistent with the authority of the CRHD to provide capital for 'traditional' healthcare projects, the NTP Fund contributes capital to community-based healthcare projects that provide health-related services but are unable to secure sufficient capital funding from VIHA or other sources. CRHD capital funding to selective projects is intended to leverage ongoing service delivery funding from VIHA, as well as capital and support service contributions from multiple community sources, including proponent non-profit societies.

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

1. To assist in significant capital costs associated with non-traditional, 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 community 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 capital and ongoing operational and service funding from other levels of government, community groups and the private sector.
6. To address strategic directions 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*.

NTP FUNDING GUIDELINES

Proposals for NTP funding will be evaluated based on the following guidelines:

- Proponents must demonstrate:
 - a. The demand for the services to be delivered through the facility.
 - b. The need for capital funding to construct or significantly upgrade the facility.
 - c. A capital funding shortfall exists to construct or significantly upgrade the facility.
 - d. Confirmation of ongoing operational funding.
- To be eligible for NTP funding and comply with regulations governing the Capital Regional Hospital District (namely the *Hospital District Act*), facilities receiving funding must be designated by the Minister of Health as a hospital as defined under the *Hospital Act*.
- 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 as a Section 219 covenant.
- Assistance is in the form of a grant that is forgivable - subject to the terms and conditions of the Funding Agreement.
- 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.
- Residential-based projects should provide affordable accommodation for tenants within prescribed income target levels.
- The type of health care services provided must be clearly identified.
- CRHD funds are provided on a cost-shared basis only, along with other community contributions from entities such as: other government agencies; private development industry; corporate donors; community agencies; and individuals.
- The CRHD cannot be the primary capital funder.
- CRHD funding is conditional on confirmation that all other funding is secured by the applicant. Proponents must demonstrate committed funding partnerships.
- 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 and subject to funding availability.

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 project proponent (non-profit applicant) advises the Health and Capital Planning Strategies Division of their intention to apply for NTP funding, describing the project in as much detail as possible.
2. Based on the information provided, staff apply the Fund's Guidelines (eligibility 'test') to determine whether the proposed project meets the basic NTP funding criteria.
3. If the project is deemed to pass the initial 'eligibility test', the proponent is provided with a comprehensive list of proposal requirements that will include:
 - a) 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.
 - b) A detailed project expenses budget, preferably based on a qualified cost consultant, engineering or architect report.
 - c) 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.).
 - d) A tentative project schedule (such as a Gantt chart).
 - e) Legal description of the property, including zoning and Official Community Plan information.
 - f) Confirming 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:
 - i) a letter from the Vancouver Island Health Authority (VIHA) indicating support in having this facility designated for purposes of capital cost sharing;
 - ii) confirmation in writing affirming the applicant is a non-profit society in good standing under the *Society Act*; and,
 - iii) a copy of the society's constitution and bylaws.
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 and Protective Services (PPS) Committee of the CRD/CRHD Board.
6. The PPS Committee then makes a recommendation to the Board of the CRHD for decision.
7. The CRHD Board of Directors vote on the PPS 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

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