



Notice of Meeting and Meeting Agenda Capital Regional Hospital District Board

Wednesday, December 13, 2023

1:15 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

The Capital Regional District strives to be a place where inclusion is paramount and all people are treated with dignity. We pledge to make our meetings a place where all feel welcome and respected.

1. TERRITORIAL ACKNOWLEDGEMENT

2. APPROVAL OF THE AGENDA

3. MOTION TO CLOSE THE MEETING

3.1. [23-944](#) Motion to Close the Meeting

- Recommendation:**
1. That the meeting be closed for Land Acquisition in accordance with Section 90(1)(e) of the Community Charter. [1 item]
 2. That such disclosures could reasonably be expected to harm the interests of the Regional District. [1 item]
 3. That the meeting be closed for Intergovernmental Negotiations in accordance with Section 90(2)(b) of the Community Charter. [1 item]

4. ADOPTION OF MINUTES

4.1. [23-928](#) Minutes of the November 8, 2023 Capital Regional Hospital District Board

- Recommendation:** That the minutes of the Capital Regional Hospital District Board meeting of November 8, 2023 be adopted as circulated.

Attachments: [Minutes - November 8, 2023](#)

5. REPORT OF THE CHAIR

6. PRESENTATIONS/DELEGATIONS

The public are welcome to attend CRD Board meetings in-person.

Delegations will have the option to participate electronically. Please complete the online application at www.crd.bc.ca/address no later than 4:30 pm two days before the meeting and staff will respond with details.

Alternatively, you may email your comments on an agenda item to the CRD Board at crdboard@crd.bc.ca.

7. CONSENT AGENDA

8. ADMINISTRATION REPORTS

8.1. [23-922](#) Mt. Tolmie Hospital Acquisition - Approval of Capital Bylaw No. 420

- Recommendation:**
- 1) That funding in the amount of \$10,000,000 be approved for the acquisition of Mt. Tolmie Hospital;
 - 2) That Capital Regional Hospital District (CRHD) Bylaw No. 420, "Capital Regional Hospital District Capital Bylaw No. 190, 2023" be introduced and read a first, second, and third time.
(WA)
 - 3) That CRHD Bylaw No. 420 be adopted.
(WA, 2/3rds on adoption)

Attachments: [Staff Report: Mt Tolmie Hospital Acq'n-Approval of Capital Bylaw](#)
[Appendix A: CRHD Bylaw No. 420](#)

9. REPORTS OF COMMITTEES

9.1. [23-904](#) 365 Latoria Drive, Colwood - Approval of Capital Bylaw No. 421

- Recommendation:** The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:
1. That Capital Regional Hospital District (CRHD) Bylaw No. 421, "Capital Regional Hospital District Capital Bylaw No. 191, 2023" be introduced and read a first, second and third time.
(WA)
 2. That CRHD Bylaw No. 421 be adopted.
(WA, 2/3rds on adoption)

Attachments: [Staff Report: 365 Latoria Drive, Colwood-Apprvl of Captl Bylaw No. 421](#)
[Appendix A: CRHD Bylaw No. 421](#)

10. BYLAWS

11. NOTICE(S) OF MOTION

12. NEW BUSINESS

13. 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, November 8, 2023

1:10 PM

6th Floor Boardroom
625 Fisgard Street
Victoria, BC

PRESENT

DIRECTORS: K. Murdoch (Chair), C. McNeil-Smith (Acting Chair), M. Alto (EP), J. Bateman (for M. Tait), J. Brownoff, J. Caradonna, C. Coleman, Z. de Vries, B. Desjardins, R. Fenton (for P. Brent), S. Goodmanson, G. Holman, P. Jones, D. Kobayashi, M. Little, C. Plant, D. Murdock, L. Szpak, D. Thompson, S. Tobias, M. Westhaver (for S. Brice), A. Wickheim (EP), K. Williams, R. Windsor

STAFF: T. Robbins, Chief Administrative Officer; N. Chan, Chief Financial Officer; A. Fraser, General Manager, Integrated Water Services; L. Hutcheson, General Manager, Parks and Environmental Services; K. Lorette, General Manager, Planning and Protective Services; K. Morley, General Manager, Corporate Services; M. Barnes, Senior Manager, Health and Capital Planning Strategies; D. Elliott, Senior Manager, Regional Housing; S. Henderson, Senior Manager, Real Estate; C. Nielson, Senior Manager, Human Resources; M. Lagoa, Deputy Corporate Officer; S. Orr, Senior Committee Clerk (Recorder)

EP - Electronic Participation

Guest: R. Bortolin; Stewart McDannold Stuart, Barristers & Solicitors

Regrets: Directors Brent, Brice, Tait

1. CALL TO ORDER

The Chief Administrative Officer called the meeting to order at 1:31 pm.

2. TERRITORIAL ACKNOWLEDGEMENT

A Territorial Acknowledgement was provided in the preceding meeting.

3. ELECTION OF THE CHAIR OF THE HOSPITAL DISTRICT BOARD

The Chief Administrative Officer called for nominations for the position of Chair of the Capital Regional Hospital District Board for 2024.

Director Williams nominated Director Murdoch. Director Murdoch accepted the nomination.

The Chief Administrative Officer called for nominations a second time.

The Chief Administrative Officer called for nominations a third and final time.

Hearing no further nominations, the Chief Administrative Officer declared Director Murdoch Chair of the Capital Regional Hospital District Board by acclamation.

4. ELECTION OF THE ACTING CHAIR OF THE HOSPITAL DISTRICT BOARD

Chair Murdoch called for nominations of Acting Chair of the Capital Regional Hospital District Board for 2024.

Director Williams nominated Director McNeil-Smith. Director McNeil-Smith accepted the nomination.

Chair Murdoch called for nominations a second time.

Chair Murdoch called for nominations a third and final time.

Hearing no further nominations, Chair Murdoch declared Director McNeil-Smith Acting Chair of the Capital Regional Hospital District Board by acclamation.

5. INAUGURAL ADDRESS OF THE CHAIR

Chair Murdoch expressed appreciation for the opportunity as Chair of the Hospital District Board. He stated there is work going on behind the scenes. He has spent the last year attending meetings and creating connections with people with whom could be a partner in looking at innovative solutions for the Hospital Board. He is hopeful that this board will have more interaction with Island Health, the Province, and other municipalities in the region. He looks forward to busier and more interesting times for the Hospital District Board. He thanked the board, staff and business partners, particularly Island Health.

6. APPROVAL OF THE AGENDA

MOVED by Director Coleman, **SECONDED** by Director Desjardins,
That the agenda for the November 8, 2023 Session of the Capital Regional
Hospital District Board be approved.
CARRIED

7. ADOPTION OF MINUTES

- 7.1. [23-842](#) Minutes of the October 11, 2023 and the minutes of the October 25, 2023
Capital Regional Hospital District Board Meetings

MOVED by Director Kobayashi, **SECONDED** by Director Desjardins,
That the minutes of the Capital Regional Hospital District Board meetings of
October 11, 2023 and October 25, 2023 be adopted as circulated.
CARRIED

8. PRESENTATIONS/DELEGATIONS

There were no presentations or delegations.

9. CONSENT AGENDA

There were no consent agenda items.

10. ADMINISTRATION REPORTS

There were no administration reports.

11. REPORTS OF COMMITTEES

- 11.1. [23-747](#) Revenue Anticipation Borrowing Resolution for Current Capital Regional
Hospital District Operating Expenditures

MOVED by Director Caradonna, **SECONDED** by Director de Vries,
That the Revenue Anticipation Resolution be adopted to allow the temporary
borrowing of up to \$11 million for current Capital Regional Hospital District
operating expenditures.
CARRIED

12. BYLAWS

There were no bylaws for consideration.

13. NOTICE(S) OF MOTION

There were no notice(s) of motion.

14. NEW BUSINESS

There was no new business.

15. ADJOURNMENT

MOVED by Director Caradonna, **SECONDED** by Director de Vries,
That the October 11, 2023 Capital Regional Hospital District Board meeting be
adjourned at 1:39 pm.
CARRIED

CHAIR

CERTIFIED CORRECT:

CORPORATE OFFICER

**REPORT TO CAPITAL REGIONAL HOSPITAL DISTRICT BOARD
MEETING OF WEDNESDAY, DECEMBER 13, 2023**

SUBJECT **Mt. Tolmie Hospital Acquisition – Approval of Capital Bylaw No. 420**

ISSUE SUMMARY

Approval of a Capital Regional Hospital District (CRHD) \$10,000,000 Capital Expenditure Bylaw is required to proceed with the acquisition of Mt. Tolmie Hospital.

BACKGROUND

In a closed October 12, 2022, meeting, the CRHD Board granted the Chief Administrative Officer the authority to purchase 3690 Richmond Road (Mt. Tomie Hospital) and execute a 20-year Lease and Operator Agreement with BC Housing.

The CRHD intends to purchase and lease the proposed site to BC Housing. The proposal will see the property renovated and operating 50 new units of affordable housing within a single-story multi-unit residential building. This building will be owned by the CRHD and operated by BC Housing. Upon purchase, the property will be leased to BC Housing on a 20-year term where BC Housing will then facilitate the required building modifications as necessary. This project will provide a significant housing contribution to the capital region that needs additional affordable housing options while also serving as a strategic acquisition for the Hospital District with the potential for a future designated health facility on the site.

A Bylaw (Appendix A) authorizing the capital contribution is required in order to proceed with the acquisition of Mt. Tolmie Hospital.

ALTERNATIVES

Alternative 1

- 1) That funding in the amount of \$10,000,000 be approved for the acquisition of Mt. Tolmie Hospital;
- 2) That Capital Regional Hospital District (CRHD) Bylaw No. 420, “Capital Regional Hospital District Capital Bylaw No. 190, 2023” be introduced and read a first, second, and third time; and
- 3) That CRHD Bylaw No. 420 be adopted.

Alternative 2

That this report be referred back to staff for additional information based on Capital Regional Hospital District Board direction.

IMPLICATIONS

Legal Implications

Capital Regional District (CRD) staff have reviewed the *Hospital District Act* and are of the opinion that the Hospital District can acquire land provided it intends to use the land for a health facility in future and as such is able to lease or license the property in the interim.

Intergovernmental Implications

The Mt. Tolmie Affordable Housing Project represents a strategic investment by the CRHD that involves the support of the CRD, BC Housing, Canada Mortgage and Housing Corporation and Island Health. The acquisition also included the Ministry of Citizen Services who manages property dispositions on behalf of Island Health and this process involved First Nations consultation.

Financial Implications

A \$10,325,000 funding contribution through the Regional Housing First Program (RHFP) will allow the CRHD to purchase the land outright and provide 50 units of affordable housing. An appraisal was conducted on May 4, 2022, by D.R. Cole & Associates estimating the value of the property at \$10,275,000.

The CRHD will contribute \$10,000,000 to acquire the land, and the CRD will provide the balance of funding, \$325,000 through the Land Banking and Housing Service. The \$10,000,000 project budget is reflected in the amended 2023-2032 CRHD Ten Year Capital Plan that was approved by the Board on March 15, 2023, as the project was still confidential it was listed as an RHFP contribution. As planned, the project will be fully funded from Reserve.

A public notice of disposition is required prior to executing the long-term lease with BC Housing and will be undertaken by staff after acquiring the property.

CONCLUSION

The acquisition of the Mt. Tolmie property will allow the Hospital District to meet its Board-directed contribution to the RHFP and increase its land holding equity base for the development of a future designated health facility. Adoption of the capital expenditure bylaw is required to complete the purchase.

RECOMMENDATION

- 1) That funding in the amount of \$10,000,000 be approved for the acquisition of Mt. Tolmie Hospital;
- 2) That Capital Regional Hospital District (CRHD) Bylaw No. 420, “Capital Regional Hospital District Capital Bylaw No. 190, 2023” be introduced and read a first, second, and third time; and
- 3) That CRHD Bylaw No. 420 be adopted.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Rianna Lachance, BCom, CPA, CA, Acting Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: CRHD Bylaw No. 420, “Capital Regional Hospital District Capital Bylaw No. 190, 2023”

CAPITAL REGIONAL HOSPITAL DISTRICT BYLAW NO. 420

CAPITAL EXPENDITURE BYLAW NO. 190, 2023

WHEREAS the Board of the Capital Regional Hospital District proposes to expend money for the capital expenditures described in Schedule 'A' attached hereto and forming an integral part of this Bylaw;

And whereas those capital expenditures have received the approval required under Section 23 of the *Hospital District Act*;

Now therefore the Board of the Capital Regional Hospital District enacts the following capital expenditure bylaw as required by Sections 32 of the *Hospital District Act*;

1. The Board hereby authorizes and approves the expenditure of money necessary to complete the capital expenditure as described in Schedule 'A' attached hereto totalling \$10,000,000.
2. The payment of the portion that the Capital Regional Hospital District is responsible for shall be funded through monies budgeted in the current year of operation.
3. The Board hereby delegates the necessary authority to the Treasurer of the Capital Regional Hospital District to settle the terms of the expenditure.
4. This Bylaw may be cited for all intents and purposes as the "Capital Regional Hospital District Capital Bylaw No. 190, 2023.

READ A FIRST TIME THIS DAY OF , 2023

READ A SECOND TIME THIS DAY OF , 2023

READ A THIRD TIME THIS DAY OF , 2023

ADOPTED THIS DAY OF , 2023

Chair

Corporate Officer

SCHEDULE 'A'

**CAPITAL REGIONAL HOSPITAL DISTRICT BYLAW NO. 420
"CAPITAL REGIONAL HOSPITAL DISTRICT CAPITAL BYLAW NO. 190, 2023"**

Name of Project	Project Description	Project Number	Amount Covered by CRHD Bylaw
Mt. Tolmie Hospital	Acquisition of Property	C190-23-01	\$10,000,000
		Total	\$10,000,000

**REPORT TO HOSPITALS AND HOUSING COMMITTEE
MEETING OF WEDNESDAY, DECEMBER 06, 2023**

SUBJECT **365 Latoria Drive, Colwood – Approval of Capital Bylaw No. 421**

ISSUE SUMMARY

Approval of capital borrowing and expenditure bylaw for a long-term care facility in Royal Bay.

BACKGROUND

On April 14, 2021, the Capital Regional Hospital District (CRHD) approved the acquisition of five acres of land in Royal Bay located at 365 Latoria Drive for \$8,400,000 for the future development of a long-term care facility. The proposed design for the project was initially based on the Summit project in Victoria, BC, which was modified to accommodate recent changes in space requirements, clinical best practice, pandemic considerations, and service delivery models resulting in a three storey, 306 bed facility.

The facility is broken out into two identical 150 bed blocks, with each block comprised of two identical L-shaped buildings. Within each building there are three stories of 13 bed houses (with one bariatric room each), one 20 bed hospice unit, and one 26 bed unit for a specialized long-term care population of younger residents suffering from brain injury. The two blocks will be united by a mall that contains a bistro, village square with hairdressing, therapy treatment and other services, multipurpose spaces, and a 35-client adult day program space. In a separate structure adjacent to the buildings and the mall is a proposed childcare space for up to 37 children. The design also includes space for a loading dock, kitchen, facility support spaces, storage, and parking for 215 cars.

CRHD will provide a long-term bare land lease to Island Health and enter into a project development agreement with Island Health to build, own, and operate the new facility. Ownership of the land will remain with the CRHD. Staff will report back to the Board with an updated budget and more details on the nature of the partnership once these agreements have been finalized in 2024.

The approval of this capital borrowing and expenditure bylaw will allow the CRHD to set upper limits on borrowing and allow CRHD to fund project pre-development costs planned for 2023 as in the approved 2023-2032 10-Year Capital Plan. The CRHD will undertake temporary borrowing to finance these costs until the partnership agreement terms are negotiated at which time staff will report back to the Board on the long-term borrowing strategy and amortization period.

ALTERNATIVES

Alternative 1

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

1. That Capital Regional Hospital District (CRHD) Bylaw No. 421, “Capital Regional Hospital District Capital Bylaw No. 191, 2023” be introduced and read a first, second and third time; and
2. That CRHD Bylaw No. 421 be adopted.

Alternative 2

That the 365 Latoria Drive, Colwood Capital Borrowing and Expenditure Bylaw report be referred back to staff for additional information based on Hospitals and Housing Committee direction.

IMPLICATIONS

Alignment with Board & Corporate Priorities

The Royal Bay development meets corporate priority (14a-1) and service plan goal by advancing a health facility in the Westshore.

Financial Implications

The new long-term care project at Royal Bay has been included in the CRHD 10-Year Capital Plan since 2022 as a potential partnership between the CRHD and Island Health. Island Health will provide \$156,585,800 (70%) and CRHD \$67,108,200 (30%; not including land acquisition cost), for a total construction project cost of \$223,694,000. It's important to note that these costs are preliminary, based on schematic designs, and will be refined to a Class C estimate, with a revised budget to be brought back for Board review in 2024.

Reflecting this commitment, the amended 2023-2032 CRHD 10-Year Capital Plan, approved by the CRHD Board on March 15, 2023, incorporates both the total project budget and the CRHD's financial share.

The CRHD's contribution will be financed through the Municipal Finance Authority. Annual debt servicing costs have been included in the approved 2023 CRHD Budget. Currently the plan is based on a debt repayment term of 15 years. However, it is anticipated that upon receipt of completed designs and a revised budget and before issuance of long-term debt, the amortization term will be amended in the plan to a longer term of 25 or 30 years. Based on the CRHD Debt Funding Guidelines (2009), debt funding and borrowing terms are selected for capital projects based on the nature, scope, total project cost and life expectancy of the assets. The anticipated service life of the asset and anticipated land lease term is anticipated to be greater than 20 years.

Table 1 provides a summary of the financial impacts of a 15 year repayment term and a 30 year repayment term.

Table 1 Cost of Borrowing and Requisition Impact

Description	15-Year Term	30-Year Term
Total Principal & Interest Payment on \$67,108,200 Loan	\$100,001,653	\$133,965,929
Annual Debt Servicing Payment*	\$6,666,777	\$4,465,531
Requisition Base**	\$25,873,275	\$25,873,275
% Requisition Increase	25.8%	17.3%

* Debt servicing costs calculated using MFA indicative rates on Nov 22, 2023. Rates subject to change.

** Impact to forecasted requisition assessed in 2028, the year project is forecasted to be fully funded.

To fulfill the CRHD's commitment to the new 306 bed long-term care project, a Capital Expenditure and Borrowing Bylaw must be approved. As prescribed legislatively, the debt term within the bylaw is an upper limit so the bylaw attached in Appendix A reflects a 30-year amortization. Staff will report back in 2024 on the long-term financing strategy.

CONCLUSION

The Royal Bay development is a partnership between Island Health and the CRHD that will bring much needed long-term care beds as well as space for day care to the Capital Region. CRHD's contribution of \$67,108,200 through an approved capital borrowing and expenditure bylaw supports its ongoing commitment to healthcare development.

RECOMMENDATION

The Hospitals and Housing Committee recommends to the Capital Regional Hospital District Board:

1. That Capital Regional Hospital District (CRHD) Bylaw No. 421, "Capital Regional Hospital District Capital Bylaw No. 191, 2023" be introduced and read a first, second and third time; and
2. That CRHD Bylaw No. 421 be adopted.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Planning & Protective Services
Concurrence:	Kristen Morley, J.D., General Manager, Corporate Services & Corporate Officer
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENT

Appendix A: CRHD Bylaw No. 421, "Capital Regional Hospital District Capital Bylaw No. 191, 2023"

CAPITAL REGIONAL HOSPITAL DISTRICT BYLAW NO. 421

CAPITAL EXPENDITURE & BORROWING BYLAW NO. 191, 2023

WHEREAS the Board of the Capital Regional Hospital District proposes to borrow and expend money for the capital expenditures described in Schedule "A" attached hereto and forming an integral part of this Bylaw;

And whereas those capital expenditures have received the approval required under Section 23 of the *Hospital District Act*;

Now therefore the Board of the Capital Regional Hospital District enacts the following capital expenditure and borrowing bylaw as required by Sections 32 and 33 of the *Hospital District Act*.

1. The Board hereby authorizes and approves the borrowing and expenditure of money necessary to complete the capital expenditures as described in Schedule "A" attached.
2. The Board authorizes and approves the capital borrowing and spending of a net sum not exceeding \$67,108,200 upon the credit of the District by the issuance and sale of securities in a form and a manner agreed to by the Municipal Finance Authority of British Columbia. The term of the securities and the repayment of the principal and interest shall be over a term not to exceed 30 years.
3. To meet the payments of principal and interest during the term of the securities, there shall be included in the estimates of the Regional Hospital District each year, the respective amounts of principal and interest falling due in that year.
4. The Board hereby delegates the necessary authority to the Treasurer of the Capital Regional Hospital District to settle the terms and conditions of the borrowing and to undertake such temporary borrowing as is necessary to provide funding in advance of the receipt of funds from the Municipal Finance Authority of British Columbia.
5. This Bylaw may be cited for all intents and purposes as the "Capital Regional Hospital District Capital Bylaw No. 191, 2023".

READ A FIRST TIME THIS DAY OF , 2023

READ A SECOND TIME THIS DAY OF , 2023

READ A THIRD TIME THIS DAY OF , 2023

ADOPTED THIS DAY OF , 2023

Chair

Corporate Officer

SCHEDULE "A"

Bylaw No. 421

CAPITAL REGIONAL HOSPITAL DISTRICT

CAPITAL BYLAW NO. 191, 2023

Name of Project	Project Description	Project Number	Term of Issue	Amount Covered by CRHD Bylaw	Amount Covered by Province and Island Health	Total Project Cost
365 Latoria Boulevard, Colwood	Royal Bay Long Term Care Facility	C191-23-01	30 Years	\$67,108,200	\$156,585,800	\$223,694,000
Total				\$67,108,200	\$156,585,800	\$223,694,000