



**CAPITAL REGION HOUSING CORPORATION
BOARD OF DIRECTORS MEETING**

AGENDA

9:30 a.m. Tuesday, May 29, 2018
625 Fisgard St., Victoria
Room 488

	Report / Item Number
1. Approval of Agenda	
2. Approval of Minutes of May 17, 2018	18-10
3. Delegation of Authority and Signing Authority Policy - Clarifications	PPS/CRHC 2018-20
4. Co-investment Fund Grant Application – Village on the Green	PPS/CRHC 2018-21
5. Co-investment Fund Grant Application – Carey Lane	PPS/CRHC 2018-22
6. Westview – Section 219 Covenant Agreement	PPS/CRHC 2018-23
7. Management Report	PPS/CRHC 2018-24
8. Adjournment	

**Minutes of a Meeting of the Capital Region Housing Corporation Board of Directors
Held May 17, 2018 in Room 488, 625 Fisgard St, Victoria,**

PRESENT: **Directors:** D. Screech (Chair); B. Braude; S. Price (via telephone); G. Young
 Regrets: J. Carline; W. McIntyre
 Staff: K. Lorette; C. Culham; P. Kitson; S. Grigg
 Recorder: C. English

The meeting was called to order at 1:00 p.m.

1. APPROVAL OF AGENDA

It was **MOVED** by Director Price, **SECONDED** by Director Braude
That the agenda be approved as circulated.

CARRIED

2. APPROVAL OF MINUTES OF MAY 1, 2018

It was **MOVED** by Director Braude, **SECONDED** by Director Price
That the minutes of May 1, 2018 be approved as circulated.

CARRIED

3. BROCK ROOF REPLACEMENT

It was **MOVED** by Director Braude, **SECONDED** by Director Young

Award Contract 18/196 Option 1 for the Brock Place Roof Replacement to Top Line Roofing in
the amount of \$468,861, to be completed in 2018.

CARRIED

4. ADJOURNMENT

It was **MOVED** by Director Braude, **SECONDED** by Director Price
That the meeting be adjourned.

CARRIED

The meeting was adjourned at 1:03 p.m.

David Screech, Chair

Colleen English, Recorder

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF MAY 29, 2018**

SUBJECT **Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy – Clarifications**

ISSUE

To amend the Delegation of Authority and Signing Authority Policy to create operational efficiencies and to align with the Capital Regional District (CRD) Procurement Policy, 2017.

BACKGROUND

At the May 1, 2018 Capital Region Housing Corporation (CRHC) Board meeting, staff presented the *Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy Report* (Appendix A). The Board of Directors referred the Delegation of Authority and Signing Authority Policy back to staff to clarify the effective date, the intended role of the CRD Chief Financial Officer as an Officer of the CRHC, and to clarify the role of the CRD Chief Administrative Officer. During discussion, the Board also requested clarification from staff on the responsibilities of the CRHC Secretary-Treasurer under the increased authority.

Effective date of policy

A Board policy comes into effect on a date determined by the Board. Ideally, the Delegation of Authority policy comes into effect immediately, so the CRHC can work within the existing CRD purchasing and contracts framework.

Effective date of articles amendment

The now-amended articles of incorporation come into effect when they are inserted into the CRHC's corporate record book. This will occur prior to the appointment of a new CRHC Board in October, 2018. Until that time, the current articles and Board structure will remain in place. Once the articles are deposited with the BC Registry Services, but prior to the appointment of a new CRHC Board, the current CRHC Board will continue in office pursuant to the current articles and the *Business Corporations Act* (BC).

Treasurer responsibilities under the new articles, policy

Under the articles of incorporation, the Directors may elect or appoint any individual, whether a director or not, into an office of the corporation, such as president, secretary, or otherwise. Specific offices are left to the Board's discretion. The *Business Corporations Act* (BC) does not require any specific offices. All obligations, such as those for issuing and approving financial statements, are the responsibilities of the directors as a whole, subject to any delegation of power under the articles of incorporation.

At present, the CRHC has a policy, adopted by resolution, setting the Board's composition and creating the role of Secretary/Treasurer. The policy does not define the role's duties. Typical duties of the role are: serves to take director and shareholder meeting minutes, ensure documents required to be kept by the *Business Corporations Act* (BC) are kept, and is responsible for ensuring the preparation of the annual financial statements and their presentation to the Board of Directors, prior to their adoption by the Board and their presentation to the shareholders at an annual general meeting. These responsibilities, in the Corporation's practice, have been assumed by staff. It is up to the discretion of the incoming Board as to what offices are created and what duties are assigned to those offices.

Officers and Agents

As directed, decisions on whether or not to appoint "officers" under the *Business Corporations Act* (BC) shall be deferred to the incoming CRHC Board. Current business, including that under the proposed Delegation of Authority Policy, may continue to be conducted by CRD staff as agents of the CRHC. There is no requirement for signatories of the CRHC to be officers or employees of the CRHC. Individuals authorized by the CRHC, either expressly or impliedly, may enter into contracts and agreements on behalf of the CRHC.

Regarding the CRD's officers required under the *Local Government Act* as officers of the CRHC, the risk factor that a disqualifying conflict of interest may arise (where a CRD and CRHC officer is asked to act against the best interests of one of the two organizations) is continuing to be explored by legal counsel at this time. Findings will be presented to the incoming Board.

Attached in Appendix B is a new policy in alignment with the CRD's policy and the matrix that was presented at the meeting of May 1, 2018.

ALTERNATIVES

Alternative 1

Approves the Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy – May 29, 2018.

Alternative 2

Refers back to staff for more information.

IMPLICATIONS

Governance

Adoption of a robust delegation of authority policy mirroring that of the CRD will provide additional authority to staff and allow the CRHC Board to focus on governance and stewardship of the organization, rather than transaction approval. CRD staff who perform the day-to-day activities of the CRHC will have a better understanding of transactional and purchasing authority,

Once the newly-elected CRD Board is appointed to the CRHC Board, they will have the discretion to further consider officer roles amongst their number, setting the duties as they see fit, and to determine whether or not to appoint the CRD's *Local Government Act* officers as officers of the corporation pursuant to the *Business Corporations Act* (BC).

CONCLUSION

There is no requirement for signatories of the CRHC to be officers or employees of the CRHC. Current business, as authorized by the proposed Delegation of Authority Policy, may continue to be conducted by CRD staff as agents of the CRHC. Staff recommend the appointment of officers be deferred until the new Board takes effect and the approval of the Delegation of Authority and Signing Authority Policy be approved in order to create operational efficiencies and increased transactional authority.

RECOMMENDATION

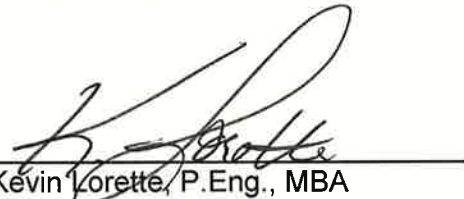
Approves the Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy – May 29, 2018.



Christine Culham
Senior Manager
Capital Region Housing Corporation



Steven Carey
Legal Services
Lawyer and Trade-mark Agent



Kevin Lorette, P.Eng., MBA
General Manager, Planning and Protective Services
Concurrence

CC/SC/ce

Attachments: Appendix A - Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy Report, May 1, 2018

Appendix B – Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy – May 29, 2018



PPS/CRHC 2018-15

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF MAY 1, 2018**

SUBJECT Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy

ISSUE

To amend the Delegation of Authority and Signing Authority Policy to create operational efficiencies and to align with the Capital Regional District (CRD) Procurement Policy, 2017 and to appoint certain CRD staff as officers of the corporation.

BACKGROUND

At the April 11, 2018 CRD Board meeting, Board members approved the CRHC governance structure be realigned to mirror the other CRD corporate entities.

The Delegation of Authority and Signing Authority Policy requires revision to mirror the CRD's policies. Procurement transactions must be within the scope of the CRHC Board-approved annual financial plan and must only be initiated and executed by persons authorized to acquire and purchase goods and services.

Corporations may only act through their agents, such as officers, staff, or volunteers. In order to expressly have authority to direct, supervise, and monitor the day-to-day activities of the CRHC and create an explicit fiduciary responsibility to the CRHC, certain CRD staff should be appointed into officer roles.

The amended Delegation of Authority and Signing Authority Policy is attached as Appendix A. For information and comparison, the policy from 2016 is attached as Appendix B.

ALTERNATIVES

Alternative 1

- a) Approves the Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy – May 1, 2018; and
- b) Approves the resolution in Appendix F, appointing the CRD's Chief Administrative Officer, Chief Financial Officer, General Manager, Planning and Protective Services, and General Manager Corporate Services, as Officers of the Capital Region Housing Corporation.

Alternative 2

Refers back to staff for more information.

FINANCIAL IMPLICATIONS

CRD staff operate under an administrative procurement policy (Appendix C), which sets how purchases are made; a contracts and agreements policy (Appendix D), which sets procedures for ensuring agreements are within delegated authority and made using the approved contract

template; and a delegation bylaw, which sets out the explicit powers and financial limits applicable to staff (Appendix E, Capital Regional District Delegation Bylaw No. 1, 2017).

The proposed amended CRHC Delegation of Authority and Signing Authority Policy is built upon the structure set out in the CRD Delegation Bylaw. The three instruments create a decentralized purchasing model where staff in operating departments and divisions are responsible for purchasing, rather than a centralized department.

The proposed CRHC Delegation of Authority and Signing Authority Policy balances the need for both Board oversight and corporate control with operational efficiency. It increases the purchasing limit for the General Managers and Chief Financial Officer to \$500,000 and up to \$100,000 for authorized staff; the land agreement limit for the CAO to \$500,000; and the grant agreement authority for the GMs and the CAO to \$500,000. The proposed Delegation of Authority and Signing Authority Policy also aligns the CAO's purchasing limit by specifying that the authority to purchase is up to \$5-million, provided that the purchases are consistent with the annual budget.

The proposed CRHC Delegation of Authority and Signing Authority Policy includes the ability for the Board or the CAO to designate certain staff as approving authority for transactions less than \$50,000, and for the General Manager and the Senior Manager to designate certain staff with signing authority for smaller transactions, such as entering tenancy agreements, approving rent subsidy applications, purchasing services for housing maintenance, or buying goods such as appliances.

Increased delegation does not mean the CRHC Board will be removed from operational and capital procurement oversight. Under the proposed approach, the Board will continue to be engaged in the following ways:

1. Through the annual budgeting process, the Board will approve the financial plan, including the capital plan;
2. The Board will approve sources of funding for projects and operational procurements through the financial plan approval process and related loan authorization approvals and processes;
3. Each year, a list of capital projects will be brought to the relevant CRHC Board Standing Committees for review and approval. For each project, staff will highlight the project budget and proposed procurement approach. The CRHC Board (through the Hospitals and Housing Committees) will be given the opportunity to provide direction regarding the approach and to designate specific projects in which it wishes to take a more active role. For those designated projects, Board approvals will be obtained in the major steps of the procurement;
4. Procurements will be conducted in accordance with the policy framework approved and with appropriate corporate controls, bringing significant items directly to the Board; and
5. The Board will review policies implemented by the Officers from time-to-time and direct staff to make changes as necessary.

CONCLUSION

At the April 11, 2018 CRD Board meeting, Board members approved the CRHC governance structure be realigned to mirror the other CRD corporate entities. The purpose of the amendments is to create efficiencies within the practices of signing of documents as well as to align the CRHC Delegation of Authority and Signing Authority Policy with the Capital Regional District Delegation Bylaw No. 1, 2017. The CRHC's officers will revise and adopt a Contracts and Agreements Policy to align with these instructions. The CRHC Board will continue to participate in the operational and capital planning process and any transactions not identified and approved through the annual process are subject to Board approval.

RECOMMENDATION

- a) Approves the Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy – May 1, 2018; and
- b) Approves the resolution in Appendix F, appointing the CRD's Chief Administrative Officer, Chief Financial Officer, General Manager, Planning and Protective Services, and General Manager Corporate Services, as Officers of the Capital Region Housing Corporation.



Christine Culham
Senior Manager
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA
General Manager
Planning and Protective Services
Concurrence



Robert Lapham, MCIP, RPP
Chief Administrative Officer
Concurrence

CC/ce

Attachments: Appendix A - Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy, 2018

Appendix B – Capital Region Housing Corporation Delegation of Authority and Signing Authority Policy, 2016

Appendix C – Capital Regional District Procurement Policy and Procedures, 2017

Appendix D – Capital Regional District Awarding and Execution of Contracts and Agreements Policy, 2015

Appendix E – Capital Regional District Delegation Bylaw No. 1, 2017

Appendix F – Appointment of Officers Resolution

**CAPITAL REGION HOUSING CORPORATION
DELEGATION OF AUTHORITY AND SIGNING AUTHORITY
May 1, 2018**

	DOCUMENT	APPROVING AUTHORITY	SIGNEE	COMMENTS
1	Land Use Agreements under \$5,000 and less than 30 days for recreation	General Manager, Senior Manager or Designate	Senior Manager or Staff	Used for licenses and short-term leases of amenity rooms and shared spaces. Not to be used for tenancy agreements
	Leases (up to \$100,000)	CAO, CFO, or GM	General Manager, CFO, CAO	
	Leases (up to \$500,000)	CAO	CAO	Land and land use agreements.
	Leases (more than \$500,000)	Board	Chair and Corporate Officer at direction of the Board	
	Land Acquisition/Disposal/Use (up to \$100,000)	CAO, CFO, or GM	General Manager and CFO	Legal documents relating to: purchases, easements, rights-of-way, encroachment agreements, restrictive covenants, etc
	Land Acquisition/Disposal/Use (up to \$500,000)	CAO	CAO	
2	Land Acquisition/Disposal/Use (more than \$500,000)	Board	Chair and Corporate Officer at direction of the Board	
	Contracts under \$50,000	Senior Manager or Designate	Designated Staff	All expenditures must be within budget approval.
	Contracts less than \$100,000	General Manager, Senior Manager or Designate	Senior Manager or Designated Staff	Limit depends on the lesser of \$100,000 or what is on the staff/volunteer form listed with Finance & Technology.
	Contracts up to \$500,000	CAO or General Manager	CAO or General Manager	
	Contracts up to \$5,000,000	CAO	CAO	
	Contracts more than \$5,000,000	Board	Chair and Corporate Officer at direction of the Board	New construction, acquisition of goods & services (painting, floor coverings, garbage disposal)
3	Grant applications and use of funding up to \$500,000	CAO, CFO or General Manager	CAO, CFO, or General Manager	
	Grant applications and use of funding more than \$500,000	Board	Chair and Corporate Officer at direction of the Board	
	Mortgage Documents up to \$500,000	CAO	CAO	
	Mortgage Documents more than \$500,000	Board	Chair and Corporate Officer at direction of the Board	Mortgage Commitment Letter, Mortgage, Modification of Mortgage, Mortgage Loan Renewal Authorizer
	Operating Agreement	CAO or CFO	CAO or CFO	Operating Agreement, Amendments
	Tenancy Agreements and Rent Subsidy Forms	Senior Manager or Designate	Designated Staff	Tenancy Agreement, Application for Rent Subsidy
	Utility Agreements	CAO, General Manager, or Senior Manager	CAO, General Manager, Senior Manager or designate	Telephone, hydro, gas, cablevision. Approving and signing authority values as above in Contracts section.

*Designate = Individual appointed by the Board of the CRHC or by the CAO to act in an individual's absence. This authority cannot be further delegated.

*Designated Staff = Individual appointed by the Senior Manager or General Manager to exercise signing ability on a regular basis. This authority cannot be further delegated.

CAPITAL REGION HOUSING CORPORATION,
DELEGATION OF AUTHORITY & SIGNING AUTHORITY
February 2, 2016

APPENDIX B

	DOCUMENT	APPROVING AUTHORITY	SIGNEE	COMMENTS
1 LEASES AND LAND ACQUISITION	Leases (Value under \$100,000)	CAO, GM	Senior Manager or Designate	Office and maintenance equipment
	Leases (Value over \$100,000)	Board of Directors	Executive Committee (any 2)	Land, vehicles, accommodation
	Land Acquisition/Disposal/Use	Board of Directors	Executive Committee (any 2)	Legal documents relating to: purchases, easements, rights-of-way, encroachment agreements, restrictive covenants, etc.
2 CONTRACTS	Land Acquisition/Disposal/Use	Board of Directors	Senior Manager or Designate	Expenditures within budget approval.
	Contracts Under \$200,000	CAO	Senior Manager or Designate	Expenditures within budget approval.
	Contracts under \$100,000	GM	Senior Manager or Designate	Expenditures within budget approval.
	Contracts under \$50,000	Senior Manager or Designate	Senior Manager or Designate	Expenditures within budget approval.
	Contracts over \$200,000 (or in excess of approved budgets)	Board of Directors and GM	Executive Committee (any two)	New construction, acquisition of goods & services (painting, floor coverings, garbage disposal)
3 AGREEMENTS	Mortgage Documents	Board of Directors	Executive Committee (any 2)	Mortgage Commitment Letter, Mortgage, Modification of Mortgage, Mortgage Loan Renewal Authorization
	Operating Agreement	Board of Directors	Executive Committee (any 2)	Operating Agreement, Amendments
	Contract Management	Senior Manager or Designate	Senior Manager or Designate	Examples - Progress Claims, Change Orders, consultants
	Tenancy Agreements	Senior Manager or Designate	Senior Manager or Designate	Tenancy Agreement, Application for Rent Subsidy
	Utility Agreements	Senior Manager or Designate	Senior Manager or Designate	Telephone, hydro, gas, oil, cablevision, water
	Investment Account	Senior Manager and CRD Manager Financial Planning and Executive Committee (any 1)	2 signatures: Senior Manager or Designate and Executive Committee (any 1);	
4 PAYMENT PROCESSING	Investment Transactions	Senior Manager and CRD Manager Financial Planning	2 signatures: Senior Manager or Designate and CRD Manager FP or CRD Senior Manager Finance	CRD Manager FP (Financial Planning) & CRD Senior Manager Finance have signing authority at MFA to facilitate transactions.
	Purchasing Card	Senior Manager or Designate	Senior Manager or GM	Travel expenses, on-line purchasing
	Request for Payment under \$50,000	Senior Manager or Designate	Senior Manager or Designate	All costs within approved budgets or contracts previously approved by the Board of Directors. Approvals for payment & cheque requisitions are separate from cheque signing authority
	Request for Payment over \$50,000	Senior Manager or Designate and Sign-off by GM	Senior Manager or Designate	
	Cheque Signing, EFT or Wire Transfer (Less than \$50,000)	Applicable Authorization	Senior Manager or Designate	Applies to manual signature or electronic signature
5 HUMAN RESOURCES	Cheque Signing, EFT or Wire Transfer (Over \$50,000)	Applicable Authorization	2 signatures: Senior Manager or Designate, and CRD Senior Manager, Finance or designate	
	Authorization to Post Existing Union Position	Senior Manager and GM	Senior Manager and GM	
	Authorization to Post a New FTE, either exempt or union	GM and CAO and CRD Board Manager or Senior Manager and GM with CRD HR	GM	
	Dismissal of a Union Employee	CRD HR		
	Dismissal of Exempt Employee	CAO with CRD HR		

**Executive Committee is comprised of the President, Vice President and Secretary/Treasurer
GM is General Manager - CRD Planning & Protective Services. CAO is Chief Executive Officer, CRD



CAPITAL REGIONAL DISTRICT

LEGISLATIVE POLICY

Section	Finance	
Subsection	Policies	(policy #)
Title	PROCUREMENT POLICY AND PROCEDURES	

1. POLICY

This policy will ensure that all goods, services and construction will be acquired in a competitive, fair and open manner that

- is efficient, accountable and maximizes best value;
- advances the Capital Regional District's commitment to economic, environmental, and social responsibility by supporting the acquisition of sustainable products and services; and
- meets the requirements of the *Community Charter*, the *Local Government Act*, the Agreement on Internal Trade (AIT), the New West Partnership Trade Agreement (NWPTA) and public sector procurement standards and competitive bidding law.

2. PURPOSE

This policy outlines authorization and competition requirements for procuring goods, services and construction for the Capital Regional District (CRD), the Capital Regional Hospital District (CRHD) and the Capital Region Housing Corporation (CRHC) (collectively, "CRD").

3. MANAGEMENT OF THE POLICY

This policy is managed by the Finance and Technology Department. Any and all modifications to this policy subsequent to implementation must be reviewed and approved by the Board. Purchasing and supply management activities at the CRD are decentralized by divisions (service), and staff in those divisions are responsible for acquiring goods, services and construction for all operational and capital requirements in accordance with the terms of this policy.

4. SCOPE

This policy applies to all CRD services (functions) and to all acquisitions and purchases made by CRD officers, employees and volunteers. Specific exemptions are set out in section 9 below.

5. DEFINITIONS

Appendix A establishes definitions for terms used in this policy.

6. AUTHORITY FOR PROCUREMENT TRANSACTIONS

Procurement transactions must be within the scope of the Board approved annual financial plan and must only be initiated and executed by persons authorized to acquire and purchase goods and services within the authorized purchasing-+ limits as set out in the CRD Delegation Bylaw ("Authorized Staff").

Authorized Staff must only authorize procurement transactions that are within the signing authority limits set out in the CRD Delegation Bylaw. The signing authority limits are summarized in the following table:

Position	Delegated Signing Authority Limit
Chief Administrative Officer	\$5,000,000
CFO and General Managers	\$500,000
Deputy Project Director – Core Area Wastewater Treatment Project	\$1,500,000
Project Director – Core Area Wastewater Treatment Project	\$3,000,000
Staff/Volunteers	Subject to the approval of the applicable GM or the Chief Financial Officer: The <u>lesser</u> of \$100,000 or the amount set out on a signing authority form held by the Department of Finance and Technology

Refer to the “Awarding and Execution of Contracts and Agreements” policy for more information on delegation and conditions for exercising delegated authority.

7. RESPONSIBLE PROCUREMENT

The CRD’s primary goal in the procurement process is to attain best value using processes that are competitive, open, transparent and non-discriminatory. Where possible, the CRD will give preference to the purchase of goods, services and construction that minimize adverse environmental impacts and greenhouse gas emissions and that promote recycling, re-use and reduction of waste. Authorized Staff will review and modify existing procurement specifications, and create new specifications, to include environmentally and socially responsible options or criteria to be considered along with price and performance.

8. PROCUREMENT THRESHOLDS AND METHODS

The method of CRD procurement is based on the dollar value and the nature of the specific procurement transaction, ensuring that the cost and time associated with using a competitive process is proportionate to the benefit received.

Procurement methods must be selected in accordance with the following table and the procedures set out in Appendix B to this policy:

Estimated Transaction Cost	Method
<i>Goods and Services</i>	
Less than \$5,000	Low Value Process
Less than \$10,000	Informal Quotation Process
\$10,000 to \$75,000	Written Quotation Process <i>or</i> Formal Competitive Process (RFP, ITQ, RFSO)
Greater than \$75,000	Formal Competitive Process (RFP, ITQ, RFSO)
<i>Construction</i>	
Less than \$200,000	Written Quotation Process <i>or</i> Formal Competitive Process (RFP, ITT)
Greater than \$200,000	Formal Competitive Process (RFP, ITT)

Note: Multi-year agreements are dollar value accumulative and shall be subject to the thresholds listed above. The requirement for competitive purchasing may be waived by a GM or the CAO and replaced with negotiations by staff under the circumstances set out in section 8 of Appendix B.

9. CONTRACTUAL AGREEMENTS

Authorized Staff are responsible for determining whether it is in the best interests of the CRD to establish a written contract with a supplier. The following factors should be taken into consideration:

- P-Cards should be used for straightforward purchases not exceeding \$10,000 in value, unless otherwise authorized by the applicable GM or CAO, and only in accordance with the policies and procedures established by the Department of Finance & Technology.
- A purchase order may be used when the resulting contract is straightforward and does not exceed \$50,000 in value unless otherwise authorized by the applicable GM or CAO, and will contain the CRD's standard purchase order terms and conditions.
- A written contract is to be used when the arrangement is complex or when terms and conditions are required that are not in the CRD's standard purchase order, including, but not limited to: contract security, performance monitoring, insurance, WorkSafe BC compliance and project schedules.
- A written contract must be used where the procurement method selected requires the use of CRD-approved templates (as set out in Appendix B).

Where it is determined that a written contract is required, the contract must be executed in accordance with the "Awarding and Execution of Contracts and Agreements" policy.

10. GENERAL

Late Bids. Submissions not received by the stated closing time and date will be rejected. The CRD will identify the timing device to be used.

Procurements That Exceed Budget. A bid that is accepted under the procedures set out must not exceed the amount that is included for that purpose, specifically or generally, in a budget approved by the Board. Where the bid was not accepted solely due to exceeding budget, the General Manager of the division, must either recommend rejection, revision of the requirements sufficient to reduce the cost to within budget or request approval from the Board for the transfer of additional revenues sufficient to fund the bid amount.

Unsolicited Proposals. Unsolicited proposals received by the CRD will be reviewed by Authorized Staff in the applicable division. Any procurement activity resulting from the receipt of an unsolicited proposal must comply with the provisions of this policy. A contract resulting from an unsolicited proposal will only be awarded on a non-competitive basis when the procurement requirements comply with the non-competitive procurement procedures described in Appendix B.

Identical Bids.

1. If identical lowest bids are received, each of which are less than the signing authority of the General Manager of the division and all other criteria are equal (delivery, service, performance, security of supply and price), the successful bid must be chosen by the drawing of lots under the General Manager's supervision.
2. The General Manager of the division is to recommend to the CAO for decision whether any bid should be accepted as the successful bid if the CRD receives identical lowest bids, each of which are more than the General Manager's signing authority.

Increase to an Existing Contract or Purchase Order. Increases to the value of an existing contract or purchase order must only be approved by the Authorized Staff person that approved the award and only if the total amount of the contract or purchase order, including the increase, is within that Authorized Staff person's signing authority limit and within the project budget as set out in the approved financial plan.

Purchase Standardization. All CRD divisions shall co-operate in the purchase of supplies by simplifying and standardizing like requirements, wherever possible. Every effort should be made to reduce the types and kinds of products used to the smallest number (i.e., considering equivalents or any alternatives suggested) in order to minimize investment.

Co-operative Purchasing. Savings likely to be achieved through purchasing goods and services jointly with other government bodies should be pursued. This policy provides the authority to Authorized Staff to participate with other government agencies or public authorities in joint purchasing ventures when it is in the best interests of the CRD. In such cases, the procedures set out by the agency responsible for the venture will be followed and not the procedures set out in this Policy.

Financial Security. The purchaser may require financial security from potential suppliers if considered to be in the CRD's best interest. Bonding is not required on every bid but it is advisable where there is a large liability or the value is over \$100,000.

Disposal of Surplus Goods. Management in service areas must dispose of all goods and equipment for which there is no longer a use, by any method considered to be in the CRD's best interest, including transfer to another CRD division, public auction, public tender, trade or negotiated sale. If the surplus goods cannot reasonably be sold by any of these means, the goods may be disposed of in such manner as deemed appropriate and may include donation to a not-for-profit agency.

Surplus goods may not be sold to any CRD employee except via public auction or tender. Goods valued at less than \$1,000 may be disposed of on the web through a silent auction.

Prohibitions. The following activities are prohibited:

1. Purchase by the CRD of any goods or services for personal use by or on behalf of any member of the Board, appointed officers or employees or their immediate families.
2. The division of a single purchase into multiple increments to circumvent policies or levels of authority.
3. Committing the CRD or entering into a procurement transaction without the appropriate authority to do so.

Conflict of Interest. No member of the Board, employee or volunteer shall have any direct or indirect pecuniary interest in any competitive bid or arrangement for the supply of goods, services or construction to the CRD, unless it is first disclosed by the person submitting the bid or supplying the goods, services or construction. All competitive bid documentation must include a section that requires suppliers to disclose any actual or potential conflicts of interest and existing business relationships it may have with the CRD, its elected or appointed officials or employees prior to submission of the bid.

WorkSafeBC. All contracts for service to be provided on CRD property require the contractor to provide proof of registration, where applicable, and remain in good standing with WorkSafeBC throughout the term of their contract. Contractors may be required to provide clearance letters before and after performing work for the CRD. In the event the contractor is not eligible for

registration with WorkSafeBC for reasons other than workplace safety performance, the CRD may register the contractor and pay the applicable WorkSafeBC premiums, at the contractor's expense.

Supplier Performance. Authorized Staff and the department responsible for a procurement transaction will maintain records of supplier performance. The information will be used to ensure contract compliance, to supplement a subsequent prequalification process or to justify a subsequent award to other than the low bidder where it can be demonstrated that such records are part of the evaluation process and criteria.

Supplier Debriefing. When a procurement transaction is awarded using a formal competitive process, unsuccessful suppliers are entitled to a debriefing upon request to obtain feedback on the strengths and weaknesses of their bid.

Insurance. All contracts for services to be provided on CRD property require the contractor to provide and maintain their own insurance coverage acceptable to the CRD, including but not limited to commercial general liability, auto, property/all risk and professional liability. The risk associated with each contract varies and accordingly the CRD may require additional factors, such as being named as an additional insured, cross liability clauses, waiver of subrogation, notice of cancellation and proof of coverage.

Freedom of Information and Protection of Privacy Act. This Policy is subject to the provisions of the *Freedom of Information and Protection of Privacy Act* with respect to the disclosure of information.

Exemptions. This procurement policy establishes the policies and practices applying to the purchase of all types of goods, services and construction with the exception of the following:

1. The borrowing and investing of money
2. The rental, lease, purchase and sale of property, land or accommodation
3. Memberships in professional and vocational associations and their publications and other professional and training activities
4. Health services and social services
5. Legal services
6. Procurements from a public body or non-profit organization
7. The hiring of contract employees
8. Goods and services purchased through provincial and federal corporate supply arrangements
9. Goods and Services purchased from First Nations

Approval Date:	May 10, 2017	Approved By:	CRD Board
Amendment Date:		Approved By:	
Next Review Date:		Reviewed By:	
Supersedes:	Procurement Policy, April 9, 2015		

Attachments

Appendix A – Definitions

Appendix B – Procurement Method Procedure

DEFINITIONS

"Acquire" or "Acquisition" means to obtain by any method, accept, receive, purchase, be vested with, lease, take possession, control or occupation of, and agree to do any of those things, but excludes expropriation, except by agreement under section 3 of the Expropriation Act;

"Best Value" means the optimal combination of Total Cost, performance, economic, environmental and social sustainability, reduced carbon dependency, and reduced waste.

"Bid" includes a proposal submitted in response to a Request for Proposal and a written formal offer, which may or may not be sealed, submitted in a particular form in response to an invitation to supply goods/services/construction, where the specifications and conditions of the goods or services are known and disclosed in the request;

"Board" means the board of the Regional District;

"Construction" means a construction, reconstruction, demolition, repair or renovation of a building, structure or other civil engineering or architectural work and includes site preparation, excavation, drilling, seismic investigation, the supply of products and materials, the supply of equipment and machinery if they are included in an incidental to the construction, and the installation and repair of fixtures of a building, structure or other civil engineering or architectural work, but does not include professional consulting services related to the construction contract unless they are included in the procurement;

"Contract" means a contract for the supply (by way of sale, conditional sale, lease or otherwise) of goods, services or construction, including a purchase order or other document evidencing the obligation, and any amendments;

"Contract Amendment" means any change to a term, condition or other Contract provision, including a Change Order;

"Dispose" or "Disposition" means to transfer by any method including assign, give, sell, grant, charge, convey, lease, divest, dedicate, release, exchange, alienate or agree to do any of those things;

"Formal Competitive Process" means a public procurement process that is competitive, open, transparent, non-discriminatory and compliant with the requirements of the AIT and NWPTA, and includes an ITQ, ITT, RFP, RFSO and RFQ;

"Invitation to Quote (ITQ)" means a process used to solicit bids or quotes from vendors for the provision of clearly specified goods or services. The bids received in response to an ITQ are evaluated primarily on price;

"Invitation to Tender (ITT)" means a process used to solicit bids from vendors for the provision of construction services where the specifications, terms, conditions and other details are set out in the invitation and the responsive bids are evaluated primarily on price, without further negotiations;

"Notice of Intent (NOI)" means a publicly advertised method to inform vendors a contract is to be directly awarded on the basis that there is only one suitable vendor to provide the good or service.

"Original Value" means the contract price or fees for services as at the effective date of the Contract, excluding taxes;

"Procurement" means the acquisition by any means, including by purchase, rental, lease or conditional sale, of goods, services or construction;

"Request for Expression of Interest (RFEOI)" means the buyer is interested in receiving information from suppliers on any products or services available to achieve a particular outcome and may issue an RFQ, RFP or ITT depending on the response. The RFEOI is used to survey the market for firms interested in responding to a tender or RFP from the buyer. RFEOI are not open for bidding;

"Request for Proposal (RFP)" means an invitation for providers of a product or service to bid on the right to supply that product or service where the requirement for goods or services cannot be definitively defined or specified or alternative solutions or offers are being solicited. Proposals are evaluated on predetermined criteria where the selection of a supplier may not be made solely on the basis of the lowest price;

"Request for Qualifications" means a non-binding request to potential suppliers who wish to be considered for future RFP's or other competitive purchasing processes to pre-qualify based on various factors including but not limited to expertise, experience, availability, prior performance, in order to avoid either buyer or supplier devoting resources to preparing and evaluating future RFP's or competitive processes.

"Request for Standing Offer (RFSO)" means an invitation for providers of a product or service to bid on the right to supply that product or service by way of a standing offer. A standing offer is an offer from a supplier to provide well-defined, readily available goods or services, as and when requested, at prearranged prices or on a prearranged pricing basis, which can be established at the outset, under set terms and conditions, and for a specific period of time.

"Signing Authority" means the approved levels of authority, as defined in the CRD Delegation Bylaw, to purchase goods or services on behalf of the CRD (see Signing Authority Form);

"Total Cost" means the sum of all costs attributable to products, construction, and services associated with performing the intended function over the entire term of use and includes factors such as acquisition cost, installation cost, disposal value, disposal cost, operational cost, maintenance cost, quality of performance and environmental impact.

PROCUREMENT METHOD PROCEDURES

1. Low Value Process

Application

- 1.1 This method will be used for goods or services having a value less than \$5,000 and required for a one-time (non-repetitive) procurement.

Process

- 1.2 Before initiating the transaction staff and volunteers with sufficient signing authority must obtain approval of the applicable General Manager ¹("GM").
- 1.3 An informal quote or quotes (i.e. telephone, email, fax, letter) from known suppliers will be obtained. Competitive quotes should be obtained where possible.
- 1.4 Authorized Staff are responsible for ensuring that low value procurements are made at fair market value and all information relating to the procurement must be documented and maintained on file.
- 1.5 Authorized staff are responsible for selecting the payment tool appropriate for the transaction (refer to sections 8 and 9 of the Procurement Policy).

2. Informal Quotation Process

Application

- 2.1 This method will be used for goods or services having a value less than \$10,000 and required for a one-time (non-repetitive) procurement.

Process

- 2.2 Before initiating the transaction staff and volunteers with sufficient signing authority must obtain approval of the applicable GM or the GM, Finance and Technology.
- 2.3 Three informal quotes (i.e. telephone, email, fax, letter) will be obtained from known suppliers.
- 2.4 Authorized Staff are responsible for ensuring that the purchase or acquisition is made at fair market value and all information relating to the procurement must be documented and maintained on file.
- 2.5 Authorized staff are responsible for selecting the payment tool appropriate for the transaction (refer to sections 8 and 9 of the Procurement Policy).

¹CRHD and CRHR procurements will follow the process as set out in this Appendix B but are subject to the approval of their Boards and/or delegated approving authorities.

3. Written Quotation Process

Application

- 3.1 This method will be used where:
 - 3.1.1 for goods or services, the value of the transaction is between \$10,000 and \$75,000,
 - 3.1.2 for construction, the value of the transaction is between \$10,000 and \$200,000,
 - 3.1.3 the transaction is for a one-time (non-repetitive) procurement of goods, services or construction; and
 - 3.1.4 the goods, services or construction required can be fully defined.
- 3.2 Authorized Staff may determine that it is appropriate to use a formal competitive process instead of the written quotation process even though the value of the transaction is less than \$75,000 (for goods or services) or \$200,000 (for construction). In such a case, Authorized Staff will, in accordance with the provisions of this Appendix, use an Invitation to Quote (goods and services only), Invitation to Tender (construction only) or a Request for Proposals (goods, services or construction).

Process

- 3.3 The upper limit of staff and volunteer signing authority is \$100,000. Staff and volunteers with sufficient signing authority must only initiate transactions under the \$100,000 limit, and only after obtaining approval of the applicable GM. Transactions exceeding the upper limit of staff signing authority but not exceeding \$200,000 may be initiated after receiving approval of a GM.
- 3.4 Where a GM approves the initiation of a written quotation process, the applicable GM is responsible for the execution of the transaction, which includes making key decisions, approving the award and executing all required documentation.
- 3.5 Written quotes will be obtained as follows:
 - 3.5.1 three (3) written bids obtained from three (3) separate potential suppliers;
 - 3.5.2 all suppliers will receive the same quotation written information; and
 - 3.5.3 all bid documentation will be retained by the Authorized Staff person in Department files to be held in accordance with CRD records retention policies.
- 3.6 Authorized Staff are responsible for selecting the supplier on the basis of best value to the CRD.
- 3.7 Authorized Staff are responsible for ensuring that the purchase or acquisition is formalized in a written contract, where appropriate (in accordance with section 8 of the Procurement Policy).

4. Invitation to Quote (ITQ)

Application

- 4.1 This method should be used where
 - 4.1.1 the procurement is for goods or services and the value of the transaction exceeds \$75,000; and
 - 4.1.2 the requirement can be fully defined such that the primary competing factor is price (i.e. the solution(s), specification(s), performance standard(s) and timeframe(s) are known).
- 4.2 This method may be used where the value of the transaction is less than \$75,000 and the other criteria set out in section 4.1 are met.
- 4.3 Authorized Staff may issue a Request for Proposals instead of an Invitation to Quote where, in accordance with section 6 of this Appendix, Authorized Staff determine that a Request for Proposals would be more appropriate in the circumstances.
- 4.4 For clarity, this method must not be used for construction procurement transactions (the Invitation to Tender process is used for construction transactions – see section 5 of this Appendix).

Process

- 4.5 The upper limit of staff and volunteer signing authority is \$100,000. Invitations to Quote must only be initiated as follows:
 - 4.5.1 for acquisitions under \$100,000, by Authorized Staff or the applicable GM;
 - 4.5.2 for acquisitions estimated to be over \$100,000 but not exceeding \$500,000, on written approval from the applicable GM or CAO;
 - 4.5.3 for acquisitions estimated to be over \$500,000 but not exceeding \$5,000,000, on written approval of the CAO; or
 - 4.5.3 for acquisitions over \$5,000,000, on approval of the Board by way of a Board resolution authorizing the Invitation to Quote.
- 4.6 Invitations to Quote will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.6 to 5.9 of this Appendix.
- 4.7 On receipt of quotations from respondents, the competitive bid will be reviewed in accordance with the terms of the Invitation to Quote.

- 4.8 Staff will forward to the GM of the responsible department a summary of the procurement and recommend an award of contract to the supplier that meets all the mandatory requirements and provides the best value as stipulated by the ITQ.
- 4.9 Following review by the applicable GM, a summary of the procurement and the recommendation of award will be forwarded as follows for final approval of award,
- 4.9.1 for awards within the signing authority limit of Authorized Staff, to the responsible staff person or the applicable GM;
 - 4.9.2 for awards above \$100,000 but below \$500,000, to the applicable GM or CAO;
 - 4.9.3 for awards over \$500,000 but not exceeding \$5,000,000, on written approval of the CAO; or
 - 4.9.4 for awards over \$5,000,000, to the Board.
- 4.10 Written notification regarding a procurement award and all supporting documentation is to be kept in the procurement file.

5. Invitation to Tender

Application

- 5.1 An Invitation to Tender must be used where:
- 5.1.1 the procurement is for construction and the value of the transaction is \$200,000 or greater; and
 - 5.1.2 the specifications are adequately defined to permit the evaluation of tenders against the clearly stated criteria.
- 5.2 An Invitation to Tender may be used where the procurement is for construction and the value of the transaction is less than \$200,000.
- 5.3 Authorized Staff may issue a Request for Proposals instead of an Invitation to Tender where, in accordance with section 6 of this Appendix, Authorized Staff determine that a Request for Proposals would be more appropriate in the circumstances.
- 5.4 For clarity, this method must not be used for goods and services procurement transactions (the Invitation to Quote process is used for goods and services transactions – see section 4 of this Appendix).

Process

- 5.5 The upper limit of staff and volunteer signing authority is \$50,000. Invitations to Tender must only be initiated as follows:
- 5.5.1 for acquisitions under \$100,000, by Authorized Staff or the applicable GM;
 - 5.5.2 for acquisitions estimated to be over \$100,000 but not exceeding \$500,000, on written approval from the applicable GM or CAO;

- 5.5.3 for acquisitions estimated to be over \$500,000 but not exceeding \$5,000,000 written approval of the CAO; or
- 5.5.4 for acquisitions over \$5,000,000, on approval of the Board by way of a Board resolution authorizing the tender call.
- 5.6 The department responsible for issuing the Invitation to Tender will review and determine the specifications, terms and conditions relevant to the acquisition and provide this information to the applicable GM or CAO before notice of the Invitation to Tender is issued.
- 5.7 Where a GM or the CAO approves the initiation of an Invitation to Tender, the applicable GM or CAO is responsible for the execution of the transaction, which includes making key decisions, approving the award and executing all required documentation.
- 5.8 All Invitations to Tender will be issued using standard CRD contracts and tender documentation, unless otherwise approved by the Legislative and Corporate Services department.
- 5.9 Notice of an Invitation to Tender will be given by electronic posting on BC Bid and the CRD webpage, complemented, if appropriate, by other means of making the public and suppliers aware of the invitation. If the Invitation to Tender is issued out of a competitive pre-qualification process that was posted on BC Bid notice will only be given to successful respondents in a manner consistent with the pre-qualification documents.
- 5.10 The department responsible will evaluate the bids in accordance with the terms of the tender documentation and will recommend to Authorized Staff, the applicable GM, CAO or CRD Board (in accordance with section 5.11 of this Appendix) that the contract be awarded to the bidder offering best value.
- 5.11 Awards will be approved as follows:
 - 5.11.1 for tenders below \$100,000, by Authorized Staff or the applicable GM;
 - 5.11.2 for tenders below \$500,000, by the applicable GM or CAO;
 - 5.11.3 for tenders above \$500,000, but not exceeding \$5,000,000 by the CAO; and
 - 5.11.4 for tenders exceeding \$5,000,000, by the Board.
- 5.12 Written notification regarding a procurement award and all supporting documentation is to be kept in the procurement file.

6. Request for Proposals

Application

- 6.1 A Request for Proposals should be used for goods, services or construction where
 - 6.1.1 suppliers are invited to propose a solution to a problem, requirement or objective;
 - 6.1.2 the selection of the supplier is based on the effectiveness of a proposal or other criteria, rather than primarily on price alone;

- 6.1.3 it is expected that negotiations with one or more bidders may be required with respect to any aspect of the requirement; or
- 6.1.4 the requirement is best described in a general performance specification.
- 6.2 Where the requirement is not straightforward or an excessive workload would be required to evaluate proposals, either due to their complexity, length, number of any combination of factors, a multi-step process may be used that would include a pre-qualification stage to ensure the workload is a manageable level.
- 6.3 At the discretion of Authorized Staff, this method may be used where the value of the transaction is less than \$75,000 and the other criteria set out in section 6.1 are met.

Process

- 6.4 The upper limit of staff and volunteer signing authority is \$100,000. Staff and volunteers with sufficient signing authority must only initiate transactions under the \$100,000 limit, or their approved signing authority, and only after obtaining approval of the applicable GM.
- 6.5 Requests for Proposals will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.5 to 5.9 of this Appendix.
- 6.6 A selection committee composed of staff from the responsible department will review all proposals against the established criteria and reach consensus on the final rating results and ensure that the final rating results with supporting documents are kept on the procurement file.
- 6.7 Staff will forward to the GM of the responsible department a summary of the procurement and recommend an award of contract to the supplier that meets all the mandatory requirements and provides the best value as stipulated by the Request for Proposal.
- 6.8 Following review by the applicable GM, a summary of the procurement and the recommendation of award will be forwarded as follows for final approval of award,
 - 6.8.1 for awards within the signing authority limit of Authorized Staff, to the responsible staff person;
 - 6.8.2 for awards below \$500,000, to the applicable GM or CAO;
 - 6.8.3 for awards above \$500,000 but not exceeding \$5,000,000, to the CAO;
 - 6.8.4 for awards exceeding \$5,000,000, to the Board.
- 6.9 Written notification regarding a procurement award and all supporting documentation is to be kept in the procurement file.

7. Request for Standing Offer

Application

- 7.1 A Request for Standing Offer will be used where:
- 7.1.1 the same goods or services are repetitively ordered and the actual demand is not known in advance; or
 - 7.1.2 a need is anticipated for a range of goods and services for a specific purpose, but the actual demand is not known at the outset, and delivery is to be made when a requirement arises.

Process

- 7.2 Where the total value of goods or services required is estimated to be less than \$75,000 in a fiscal year, Authorized Staff will determine, in consultation with the appropriate GM, whether it is appropriate to issue a Request for Standing Offer in accordance with the above criteria.
- 7.3 Where the total value of goods or services required is estimated to be less than \$75,000 in a fiscal year, Authorized Staff, with approval of the applicable GM or CAO, may solicit written quotes from at least three (3) known suppliers who are qualified to supply the goods or services.
- 7.4 Where the total value of goods or services to be purchased is estimated to be above \$75,000 in a fiscal year, a Request for Standing Offer will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.5 to 5.11 of this Appendix.
- 7.5 In a Request for Standing Offer, the expected quantity of the specified goods or services to be purchased over the time period of the agreement will be as accurate an estimate as practical and be based, to the extent possible, on previous usage.
- 7.6 More than one supplier may be selected where it is in the best interests of the CRD and the bid solicitation allows for more than one.
- 7.7 Where competition results in a large number of offers from vendors, Authorized Staff are authorized to negotiate lower unit rates with the highest ranked vendors in return for a reduction in the number of firms authorized to provide the goods or services or the offer of a firm contractual commitment by the CRD.
- 7.8 The bid documentation and accompanying contractual documentation may provide that the time period to provide goods or services may be extended beyond the end of the fiscal year at the mutual consent of the CRD and the supplier.
- 7.9 A contract resulting from a request for standing offer will be subject to the normal contract award signing limits for the total anticipated value of the standing offer over the term of the contract.

8. Non-Competitive Purchase Process

Application

- 8.1 The requirement for competitive purchasing may be waived by an applicable GM or the CAO and replaced with negotiations by staff under the following circumstances:
- 8.1.1 where competition is precluded due to the application of any Act or legislation or other legal consideration (such as patent rights/copyrights);
 - 8.1.2 where it can be demonstrated that only one supplier is able to meet the requirements of a procurement and a Notice of Intent has been issued;
 - 8.1.3 where the nature of the requirement is such that it would not be in the public interest to solicit competitive bids as in the case of security of confidentiality matters,
 - 8.1.4 where the possibility of a follow-on contract was identified in the original bid solicitation;
 - 8.1.5 where the requirement is for a utility for which there exists a monopoly;
 - 8.1.6 where an unforeseeable situation of urgency exists and the goods, services or construction are urgently required and delay would be injurious to the public interest;
 - 8.1.7 where the procurement is from a public body or non-profit organization;
 - 8.1.8 where the value of a transaction for goods or services is less than \$75,000 and the applicable GM or CAO has determined that a competitive process would not be practical and has given written approval for the acquisition;
 - 8.1.9 where the value of a transaction for construction is less than \$200,000 and the applicable GM has determined that a competitive process would not be practical and has given written approval for the acquisition;
- 8.2 Approval of a non-competitive transaction must be within the signing authority of the person approving the transaction.
- 8.3 Staff must seek Board approval for a non-competitive transaction in excess of \$500,000 but should not do so without first seeking appropriate advice on whether the transaction is compliant with applicable trade agreements and procurement law principles.

Process

- 8.4 When staff or volunteers wish to use a non-competitive purchase process staff will provide the CAO or applicable GM with the rationale that warrants a non-competitive selection for approval and will obtain the CAO's or applicable GM's written approval before proceeding. If the amount of the proposed non-competitive purchase is over \$500,000, the Board must approve the transaction.
- 8.5 The supplier in whom the CRD has the greatest confidence to fulfill the requirement and

provides for fair market value will be selected. Awards will be approved as follows:

8.5.1 for awards under \$500,000, by the CAO or an applicable GM;

8.5.2 for awards over \$500,000, by the Board.

9. Request for Qualifications

9.1 A Request for Qualifications may be conducted in any procurement transaction for goods, services or construction to determine qualified suppliers that may bid on a subsequent procurement process undertaken by the CRD. A Request for Qualifications may be used in the following circumstances:

9.1.1 the work requires a stipulated performance and experience level or requires elements of confidentiality or security; or

9.1.2 the value and complexity of the work is such that the contract administration costs (work inspection, follow-up, delay) would result in substantial additional costs or loss to the CRD if the work is not performed as required; or

9.1.3 to build supplier interest to determine if there are enough suppliers to justify a full Request for Proposal process or other formal competitive process.

Process

9.2 Staff and volunteers with sufficient signing authority must only initiate transactions under the \$100,000 limit, and only after obtaining approval of the applicable GM.

9.3 For transactions that are estimated to be above \$75,000, a Request for Qualifications will be issued in the same manner as an Invitation to Tender and will follow the procedures set out in sections 5.5 to 5.11 of this Appendix.

9.4 A selection committee composed of staff from the responsible department will review all submissions against the criteria established in the Request for Qualifications and will reach consensus on the final rating results and ensure that the final rating results with supporting documents are kept on the procurement file.

9.5 The final rating results will be forwarded for approval in the same manner as a Request for Proposals award approval and will follow the process set out in section 6.8 of this Appendix.

10. Other

10.1 There may be other procurement methods or tools not described in this Appendix that may be appropriate for any given transaction (including, for example, a Request for Expression of Information or Request for Information).

10.2 Authorized Staff may use a method not listed in this Appendix for transactions within their signing authority limit with the approval of the applicable GM and the Legislative and Corporate Services department.

10.3 Staff may bring forward for approval methods not listed in this Appendix for transactions outside of their signing authority as follows:

- 10.3.1 for transactions with an estimated value of less than \$500,000, to the applicable GM or CAO;
 - 10.3.2 for transactions with an estimated value of more than \$500,000 but not exceeding \$5,000,000 to the CAO;
 - 10.3.3 for transactions exceeding \$5,000,000, to the Board.
- 10.4 When staff wish to use a method not listed in this Appendix, staff will provide the rationale that warrants the process proposed and a description of the process proposed when seeking approval in accordance with 10.3 above.



Making a difference...together

CAPITAL REGIONAL DISTRICT

CORPORATE POLICY

Section	Administration	
Subsection	Policies, Procedures, Manuals	(policy #)
Title	AWARDING AND EXECUTION OF CONTRACTS AND AGREEMENTS	

POLICY:

This policy outlines the authority and responsibilities of Capital Regional District officers and employees with regard to executing and reviewing contracts, agreements and land agreements.

PURPOSE:

The purpose of this policy is to ensure that contracts, agreements and land agreements are executed by the appropriate signing authority(ies) in accordance with the CRD Delegation Bylaw and to establish procedures to ensure that all documents are subject to a consistent review process prior to execution.

RESPONSIBILITIES:

Legislative and Information Services has the responsibility for the control, coordination and implementation of the policy after it has been approved by the Executive Leadership Team.

The "Procedure" section below sets out specific staff responsibilities relating to document execution.

SCOPE:

This policy applies to all of the CRD.

DEFINITIONS:

In this policy:

"Contract" means any document for the supply of goods or services that incurs a commitment or payment on the part of the CRD.

"Document" means and includes agreements, contracts and land agreements.

"Agreement" means any written arrangement between the CRD and a third party respecting the CRD's activities, works or services that obligates the CRD to a course of action or set of responsibilities beyond a commitment to purchase goods or services. Agreements include, but are not limited to, the following types of documents:

- Funding/Contribution Agreements
- Memorandums of Understanding
- Advertising Agreements
- Cost sharing Agreements

- Protocol Agreements
- Service Fee Agreements
- Service Agreements (where the CRD is the party providing services)
- Partnership Agreements
- Grant Applications or Grant Funding Agreements

"Land Agreement" means an instrument, deed or other agreement affecting title to or granting a right in relation to the use of real property and improvements including, but not limited to, the following:

- Transfer of fee simple interest in real property
- The creation, modification, assignment or release of a charge
- Licences of Occupation or Permits
- Lease agreements
- Covenants registrable under section 219 of the *Local Government Act*

"Public Authority" means any of the following:

- The government of Canada, British Columbia or another province (or any agent of them)
- A local government body, educational body or health care body
- A first nation
- A body in another province or country that provides local government services

"Signing Authority" means the legal authority delegated by the CRD Board under the CRD Delegation Bylaw to CRD employees, volunteers, organizational positions and commissions to enter into and execute agreements or contracts on behalf of the CRD Board.

PROCEDURE:

1. All contracts, agreements and land agreements must only be approved by the Board or by those persons authorized to do so under the CRD Delegation Bylaw (see the "Signing Authority" section below for information on authorization).
2. The following documents must be approved by the Board:
 - a) contracts that have a value greater than \$200,000;
 - b) land agreements that have a value greater than \$100,000;
 - c) agreements between the CRD and a public authority respecting the activities, works or services of a party to the agreement (with the exception of grant agreements, contracts or agreements entered into by CRD Commissions with approved signing authority, and agreements entered into by Fire Chiefs for wildfire suppression and the provincial emergency program).
3. Contracts, agreements and land agreements approved by the Board must be signed by the Board Chair and the Corporate Officer. Notwithstanding the foregoing, a document approved by the Board may be signed by an Electoral Area Director instead of the Board Chair and Corporate Officer where the document affects only the interests of the Electoral Area represented by that Director.

4. All agreements that are not contracts or land agreements (see above definitions) must be either approved by the Board or approved and executed by the CAO or General Manager, Finance and Technology.
5. All contracts must be initiated, negotiated and entered into in accordance with the CRD Procurement Policy.
6. All contracts, agreements and land agreements must be within budget and consistent with the approved annual Financial Plan.
7. All contracts, agreements and land agreements developed by staff (or consultants on behalf of staff) without the assistance of legal counsel must be drafted in the appropriate CRD document template. Legislative and Information Services will be responsible for providing advice to staff on the appropriate document form and will maintain a list of CRD-approved templates.
8. All contracts, agreements and land agreements must be forwarded to Legislative and Information Services for review before being sent to the other party(ies) for signing. Any proposed revisions to a CRD template must be tracked or detailed in a covering memo and provided to Legislative and Information Services at the time of review.
9. Where a document has been developed without the assistance of legal counsel, Legislative and Information Services will, in consultation with the department responsible, determine whether it should be sent to legal counsel for review having regard to the dollar value, nature and complexity of the transaction.
10. Contracts, agreements and land agreements will first be provided the other party(ies) for signature and then returned to the CRD for final signatures. Legislative and Information Services may authorize exceptions to this practice on a case-by-case basis, where circumstances require (such as agreements with senior levels of government).
11. The CRD department responsible for a contract, agreement or land agreement will ensure that the Agreement Stamp Configuration is applied to one originally signed copy of the document (or attached to the originally signed document on a separate page). Before the document is executed by the CRD, staff from the department responsible will initial the applicable sections of the Agreement Stamp Configuration in accordance with the guidelines set out in Appendix B. The department responsible will then forward the document to Legislative and Information Services. Legislative and Information Services will ensure any remaining sections of the Agreement Stamp Configuration are completed and will forward the document to the appropriate CRD signing authority for signature.
12. Where a contract or agreement has been approved by Board resolution a copy of the Board resolution is to be attached to the document prior to it being submitted to Legislative and Information Services for processing.
13. Legislative and Information Services will be responsible for preserving and retaining the original copies of all contracts and agreements and will maintain an electronic directory that will be indexed and accessible to other departments.

SIGNING AUTHORITY:

All contracts, agreements and land agreements must only be approved and executed by persons with authority to do so under the CRD Delegation Bylaw. The following table is a summary of the authority delegated by the Board:

Position(s)	Commitment	Limit	Other Conditions
All CRD officers, employees and volunteers	Contracts	the lesser of \$50,000 or the amount listed on their approved signing authority form held by the Financial Services Department	Subject to 1) CRD purchasing policies and procedures and 2) the approval of the applicable GM or the GM Finance and Technology
General Managers/Project Director	Contracts	\$100,000	Subject to CRD purchasing policies and procedures
CAO	Contracts	\$200,000	Subject to CRD purchasing policies and procedures
CAO, General Managers	Land agreements	\$100,000	Subject to CRD purchasing policies and procedures
CAO, General Manager of Finance and Technology	Agreements (excluding agreements with public authorities)		Subject to the approved financial plan
CAO, General Managers	Grant applications and agreements respecting the receipt and use of grants (including agreements with public authorities)	\$100,000	Where consistent with the approved financial plan
Fire Chiefs	Agreements for wildfire suppression and the Provincial Emergency Program		Subject to the approved financial plan

COMMISSIONS:

The following table is a summary of the authority delegated by the Board to CRD Commissions in the CRD Delegation Bylaw and the Core Area Wastewater Treatment Program Commission Bylaw:

Commission	Commitment	Limit	Other Conditions
Regional Water Supply Juan de Fuca Water Distribution Saanich Peninsula Water Saanich Peninsula Wastewater Peninsula Recreation	Agreements/contracts relating to the service administered by the Commission (including agreements with public authorities)	N/A	Provided that the revenue or expenditure is included in the approved annual financial plan

Regional Water Supply Juan de Fuca Water Distribution Saanich Peninsula Water Saanich Peninsula Wastewater Peninsula Recreation	Land agreements	N/A	Provided that the revenue or expenditure is included in the approved annual financial plan and subject to the District's purchasing policies and procedures
Core Area Wastewater Treatment	Contracts relating to the Program	N/A	Subject to the approved financial plan, CRD policies and procedures, section 3 and 4 of the Delegation Bylaw

1. All documents approved by a Commission must be signed by the Commission Chair and the applicable General Manager or in the case of the Core Area Wastewater Treatment Commission, the Commission Chair and the Project Director.
2. If a CRD Commission has not been delegated authority by the Board to enter into contracts, agreements or land agreements all documents relating to the service administered by the Commission must be approved by the CRD Board or entered into and executed by CRD officers or employees in accordance with this policy and the CRD Delegation Bylaw.

Approval Date:	April 9, 2015	Approved By:	ELT
1. Amendment Date:		Approved By:	
Next Review Date:		Reviewed By:	
Supersedes:	Execution of Contracts and Agreements Policy dated July 1990		

Attachments: Appendix A

Related Policy, Procedure or Guideline: CRD Procurement Policy, Capital Regional District Delegation Bylaw No. 1, 2001 (consolidated)

APPENDIX A

Agreement Stamp

The "Agreement Stamp Configuration" illustrated below shall be affixed to the signature page on one copy of every contract or agreement. In circumstances where the stamp cannot be affixed to the signature page, it will be affixed to a separate page that will be attached to the document. This is the copy that will be kept for CRD records.

Agreement Stamp Configuration

		Initial	Date
Content	Procurement		
	Financial Plan		
	Content		
GM Approval			
Form			
Authority			

All agreements and contracts shall be affixed with the "Agreement Stamp" with the appropriate boxes initialled before the document is executed by the CRD signing authority(ies).

Content

The three boxes under the Content section shall be initialled by the individual from the service area responsible for the generation and implementation of the document.

The following shall be taken into consideration:

- Procurement Policy: the appropriate CRD-approved procurement method was utilized to obtain the goods, services or construction (note: not applicable for agreements and land agreements).
- Financial Plan: the contract or agreement amount is within budget and is included in the approved annual Financial Plan.
- Content: the individual responsible has reviewed the document and is in agreement with the content of the document.

GM Approval

This box will be initialled by the General Manager (or designate) of the service area responsible for the generation and implementation of the document. In some cases the GM will initial both the Content and GM Approval sections.

Form

This box will be initialled by Legislative and Information Services. Legislative and Information Services will review the document to ensure that:

- The document is either in a CRD-approved template form or has been reviewed by legal counsel or the Legislative Services and Information Services department.
- The person that will be executing the document on behalf of the CRD has authority to do so under the CRD Delegation Bylaw.

Authority

Once initialled this box will indicate that the person initialling the document is satisfied that the other boxes have been initialled in accordance with this Appendix and that the document is ready for signature by the officer or employee named in the document. The box will be initialled as follows:

- For all documents to be signed by the Board Chair and Corporate Officer and all contracts and agreements to be signed by CRD staff other than the CAO: by the CAO or designate.
- For all documents to be signed by the CAO: by the Corporate Officer or designate.
- For all land agreements to be signed by staff other than the CAO: by the CAO or the GM, Finance and Technology (or their designates).

**CAPITAL REGIONAL DISTRICT
BYLAW NO. 4186**

**A BYLAW TO DELEGATE POWERS, DUTIES & FUNCTIONS OF THE
CAPITAL REGIONAL DISTRICT BOARD**

WHEREAS under section 263(1)(e) and 229(1) of the *Local Government Act* the Board may, by bylaw adopted by at least two thirds of the votes cast, delegate its powers, duties and functions, including those specifically established by an enactment, to its officers and employees, its committees or its members, or to other bodies established by the Board;

AND WHEREAS the Board of the Capital Regional District wishes to delegate certain powers, duties and functions;

NOW THEREFORE, the Regional Board of the Capital Regional District in open meeting assembled hereby enacts as follows:

Definitions

1. In this Bylaw

- (a) "Act" means the *Local Government Act*;
- (b) "District" means the Capital Regional District, a regional district incorporated under the *Local Government Act*;
- (c) "Board" means the Board of the Capital Regional District;
- (d) "Charge" means a charge as defined in the *Land Title Act* (British Columbia);
- (e) "Deputy Project Director" means the Deputy Project Director of the CRD Core Area Wastewater Treatment Project;
- (f) "General Manager" means an Officer designated as a General Manager in Bylaw No. 3343;
- (g) "Land and Land Use Agreement" means an instrument, deed or other agreement affecting title to or granting a right in relation to the use of real property and improvements including:
 - i. a transfer of a fee simple interest in real property;
 - ii. the creation, modification, assignment or release of a charge;
 - iii. a licence or permit;
- (h) "Project Director" means the Project Director of the CRD Core Area Wastewater Treatment Project;
- (i) "Total Purchase Price" means the total purchase price payable for goods, services, and construction under the contract over the entire term of the contract (but not including options to purchase additional goods or services during the term which may or may not be exercised and not including applicable taxes).

Delegation Includes Deputy or Acting

- 2. (a) A delegation of a power, duty or function under this bylaw includes a delegation to a person who is from time to time the deputy of the delegate or is appointed by the Board to act in the capacity of the delegate in the delegate's absence.
- (b) A delegation of a power, duty or function under this bylaw to the Project Director includes a person appointed by the Core Area Wastewater Treatment Project Board to act in the capacity of the Project Director in the Project Director's absence.
- (c) For certainty, a delegation of authority under subsections (b) or (c) includes a delegation to a person appointed to a position held on an interim basis.

Delegation of Purchasing Power

3. (a) The Board hereby delegates to the District's Chief Administrative Officer and Chief Financial Officer all of the powers, duties and functions of the Board under section 263(1)(a) and 263(1)(b) of the Act to make agreements respecting the District's activities, works or services, but subject to the approved annual financial plan.
- (b) The Board hereby delegates to the District's officers, employees, and volunteers, the authority to acquire and purchase goods and services on behalf of the District, subject to the District's purchasing policies and procedures, the approved annual financial plan, and the following Total Purchase Price limits:
 - i. for the Chief Administrative Officer: \$5,000,000;
 - ii. for the Chief Financial Officer: \$500,000;
 - iii. for General Managers: \$500,000;
 - iv. for the Project Director: \$3,000,000;
 - v. for the Deputy Project Director: \$1,500,000; and
 - vi. for all other staff and volunteers, subject to the approval of the applicable General Manager and/or the Chief Financial Officer, the lesser of \$100,000 or the amount listed on their approved signing authority form held by the department of Finance & Technology.
- (c) Notwithstanding section 3(b) of this Bylaw, the Project Director and Deputy Project Director have authority to increase a Core Area Wastewater Treatment Project contract by way of a change order provided that:
 - i. the change order does not exceed the total amount of \$2,000,000 for the Project Director, and \$1,000,000 for the Deputy Project Director; and,
 - ii. the Total Purchase Price of the contract including all change orders in any given calendar year does not exceed the funding available in the approved financial plan.

Delegation of Authority in Relation to Land and Land Use Agreements

4. (a) The Board hereby delegates to the District's officers and employees listed below all of the powers, duties and functions on behalf of the Board under section 263 (1)(d) of the Act to acquire, hold, manage and dispose of land or improvements or any interest or right in or with respect to that property in connection with the District's activities, works or services, but subject to the approved annual financial plan, the District's purchasing policies and procedures, and the following signing authority limitations:
 - i. for the Chief Administrative Officer: \$500,000;
 - ii. Chief Financial Officer and General Managers: \$100,000.
- (b) The Board hereby delegates to the District's staff and volunteers, subject to the approval of the applicable General Manager, the power to approve and execute Land Use Agreements for recreation centres, community centres, and parks facilities, provided the term of the agreement is less than 30 days and the value does not exceed \$5,000.
- (c) The power delegated under section 4(a) includes the power to execute Land and Land Use Agreements on behalf of the District and all agreements, instruments and documents, including amendments.
- (d) The power delegated in section 4(a) includes the power to agree on behalf of the District to the creation of covenants registrable under s.219 of the *Land Title Act*.

Delegation to Commissions and Committees

5. (a) The Board hereby delegates to the Board Commissions listed below, all of the powers, duties and functions of the Board under section 263(1)(a) and 263(1)(b)(i) of the Act to make agreements respecting the District's activities, works or services relating to the service administered by the Commission to the extent that such authority is not delegated under section 3, provided that the revenue or expenditure is included in the approved annual financial plan:
- i. Regional Water Supply Commission
 - ii. Juan de Fuca Water Distribution Commission
 - iii. Saanich Peninsula Water Commission
 - iv. Saanich Peninsula Wastewater Commission
 - v. Peninsula Recreation Commission
- (b) The Board hereby delegates to the Board Commissions listed below, all of the powers, duties and functions of the Board on behalf of the District under section 263(1)(d) of the Act to acquire, hold, manage and dispose of land or improvements or any interest or right in or with respect to that property in connection with the operation of any service or services administered by the Commission to the extent that such authority has not been delegated under section 4 of this bylaw, provided that the revenue or expenditure is included in the approved annual financial plan and subject to the District's purchasing policies and procedures:
- i. Regional Water Supply Commission
 - ii. Juan de Fuca Water Distribution Commission
 - iii. Saanich Peninsula Water Commission
 - iv. Saanich Peninsula Wastewater Commission
 - v. Peninsula Recreation Commission
- (c) Where a Commission is delegated the authority under this section, the Commission Chair and the applicable General Manager are authorized to execute an agreement approved by the Commission.
- (d) In the case of a delegation of authority to the Core Area Wastewater Treatment Project Board under the Core Area Wastewater Treatment Project Board Delegation Bylaw No. 1, 2016 the Chair and the Project Director are authorized to execute an agreement approved by the Project Board.

Delegation of Hearings

6. The Board hereby delegates to the Electoral Area Services Committee the powers, duties and functions of the Board:
- (a) under sections 57 and 58 of the *Community Charter*, including the power to hold a hearing in relation to the matter;
 - (b) to agree on behalf of the District to the modification, assignment or release of covenants registrable under section 219 of the *Land Title Act*.

Delegation of Authority in Relation to Grant Applications

7. (a) Subject to subsection (b), the Board hereby delegates to the District's officers and employees listed below all of the Board's powers, duties and functions under section 263(1)(a) and 263(1)(b) to make grant applications and enter into agreements respecting the receipt and use of grants: The Chief Administrative Officer, the Chief Financial Officer, and all General Managers, to a maximum of \$500,000 where this is consistent with the approved financial plan of the Capital Regional District.
- (b) The authority under subsection (a) does not include authority delegated under section 5(a) of this Bylaw.

Delegation to Fire Chiefs

8. The Board hereby delegates to the District's Fire Chiefs, for fire departments operating under the authority of the Board, all of the powers, duties and functions of the Board under section 263(1)(a) of the Act to make agreements to participate as required in the Ministry of Forests' "Operating Guidelines for Wildfire Suppression with Local Governments" and with the Provincial Emergency Program for road rescue services, but subject to the approved financial plan.

Delegation of Contract Signing Authority—Electoral Areas

9. An Electoral Area Director is authorized to execute a contract approved by the Board in place of the Board Chair where the contract affects only the interests of the Electoral Area represented by that Director.

Delegation of Authority in Relation to Appointments of Officials under the *Environmental Management Act*

10. The Board hereby delegates to the Board Chair all of the Board's powers, duties and functions to appoint, and to rescind appointments of, a Deputy Sewage Control Manager and a Municipal Sewage Control Officer under Section 29 of the *Environmental Management Act*.

Scope of Bylaw

11. For clarity, subject to the Act, unless a power, duty or function of the Board has been expressly delegated by this Bylaw or another District bylaw, all of the powers, duties and functions of the Board remain with the Board.

No Delegation by a Delegate

12. For clarity, a person to whom a power, duty or function has been delegated under this Bylaw has no authority to further delegate to another person any power, duty or function that has been delegated by this Bylaw.


Repeal

13. Bylaw No. 2864, the "Capital Regional District Delegation Bylaw No. 1, 2001" is hereby repealed.

Citation

14. This Bylaw may be cited as "Capital Regional District Delegation Bylaw No. 1, 2017".

READ A FIRST TIME this	10 th	day of	May	2017
READ A SECOND TIME this	10 th	day of	May	2017
READ A THIRD TIME this	10 th	day of	May	2017
ADOPTED by 2/3 of the votes cast this	10 th	day of	May	2017



CHAIR



CORPORATE OFFICER

RESOLUTION OF THE DIRECTORS OF
THE CAPTIONAL REGIONAL HOUSING CORPORATION
(the "Corporation")

APPOINTMENT OF OFFICERS

WHEREAS the Corporation wishes to harmonize its internal procedures with those of the Capital Regional District ("CRD") to ensure the Board has stewardship, governance and oversight of the Corporation's activities and the Corporation has flexibility to conduct its business and affairs;

BE IT RESOLVED THAT:

1. The following individuals holding the stated roles at the CRD are hereby appointed as officers of the Corporation in the positions set out opposite their CRD role below:

Chief Administrative Officer, CRD	:	Chief Administrative Officer
Chief Financial Officer, CRD	:	Chief Financial Officer
General Manager, Planning and Protective Services, CRD	:	General Manager
General Manager, Corporate Services, CRD	:	Corporate Officer
2. All Officers shall report to the Board of the Corporation as necessary and as directed on the business and affairs of the Corporation.
3. The Chief Administrative Officer, under the supervision of the Board, is authorized to supervise and direct all matters necessary for the conduct of the business and affairs of the Corporation and the implementation of the Corporation's objectives. The Chief Administrative Officer may set the responsibilities and powers of other officers, agents, employees, or staff of the Corporation. Without limiting the generality of the foregoing, the Chief Administrative Officer may set the Corporation's policies and guidelines which shall be periodically reviewed by the Board of the Corporation.
4. An appointment of an officer also includes the conferral of officer status to an individual who is from time to time the deputy of the officer or who is appointed by the Board or Chief Administrative Officer to act in the officer's absence.

THE FOREGOING RESOLUTION was consented to by majority vote pursuant to the provisions of the *Business Corporations Act*, SBC 2002, c 57 at the Corporation's meeting of its Board of Directors __ day of May, 2018.

CAPITAL REGION HOUSING CORPORATION POLICY

***** A POLICY TO DETERMINE DELEGATION OF AUTHORITY FOR THE CAPITAL REGIONAL HOUSING CORPORATION *****

WHEREAS the Capital Region Housing Corporation ("CRHC") wishes to harmonize its internal procedures with those of the Capital Regional District ("CRD");

AND WHEREAS the Board of the CRHC wishes to delegate certain powers, duties and functions to CRD staff, as a corporation may only act through its agents;

BE IT RESOLVED BY ORDINARY RESOLUTION THAT the CRHC Board adopts the following as the CRHC's Delegation of Authority Policy:

Definitions

1. In this Policy:

- (a) "Chief Administrative Officer" means the Chief Administrative Officer of the CRD;
- (b) "Chief Financial Officer" means the Chief Financial Officer of the CRD;
- (c) "Charge" means a charge as defined in the *Land Title Act* (British Columbia);
- (d) "Corporate Officer" means the Corporate Officer of the CRD;
- (e) "CRD" means the Capital Regional District, a regional district incorporated under the *Local Government Act*;
- (f) "CRHC" means the Capital Region Housing Corporation, a corporation duly incorporated under the laws of British Columbia;
- (g) "CRD Board" means the Board of the Capital Regional District;
- (h) "CRHC Board" means the Board of the CRHC;
- (i) "General Manager" means the individual employed by the CRD as General Manager, Planning & Protective Services;
- (j) "Land and Land Use Agreement" means an instrument, deed or other agreement affecting title to or granting a right in relation to the use of real property and improvements including:
 - i. a transfer of a fee simple interest in real property;
 - ii. the creation, modification, assignment or release of a charge; and
 - iii. a licence or permit.
- (k) "Senior Manager" means the individual employed by the CRD as Senior Manager, Regional Housing;
- (l) "Total Purchase Price" means the total purchase price payable for goods, services, and construction under the contract over the entire term of the contract (but not including options to purchase additional goods or services during the term which may or may not be exercised and not including applicable taxes).

Delegation or Designation Includes Deputy or Acting

2. (a) A delegation of a power, duty or function under this Policy includes a delegation to a person who is from time to time appointed by the Board, the Chief Administrative Officer, the Chief Financial Officer, the Corporate Officer, the General Manager, or the Senior Manager to act in the capacity of the delegate in the delegate's absence.
- (b) The Chief Administrative Officer, General Manager, or Senior Manager may designate certain staff who may exercise certain authority as agent for the CRHC under this Policy.
- (c) For certainty, a delegation or designation includes a delegation or designation to a person appointed to a position held on an interim basis.

Delegation of General Agreements, Purchasing Goods and Services

3. (a) The Chief Administrative Officer and Chief Financial Officer may make agreements respecting the CRHC's activities, works or services, but subject to the approved annual financial plan.
- (b) The officers and employees listed below have the authority to acquire and purchase goods and services on behalf of the CRHC, subject to the CRD and CRHC's purchasing policies and procedures, the approved annual financial plan, and the following Total Purchase Price limits:
 - i. for the Chief Administrative Officer: \$5,000,000;
 - ii. for the Chief Financial Officer: \$500,000;
 - iii. for the General Manager: \$500,000;
 - iv. for the Senior Manager: \$100,000;
 - v. for staff designated by the General Manager or Senior Manager, the lesser of \$50,000 or the amount listed on their approved signing authority form.

Delegation of Authority in Relation to Land and Land Use Agreements

4. (a) The CRD's officers listed below may as agent of the CRHC acquire, hold, manage and dispose of land or improvements or any interest or right in or with respect to property in connection with the CRHC's activities, works or services, but subject to the approved annual financial plan, the CRHC's purchasing policies and procedures, and the following signing authority limitations:
 - i. for the Chief Administrative Officer: \$500,000;
 - ii. Chief Financial Officer and General Manager: \$100,000.
- (b) CRD and CRHC staff, subject to the approval of the General Manager or the Senior Manager, have the power to approve and execute licenses and leases for recreation spaces, community rooms, and other such CRHC facilities, provided the term of the agreement is less than 30 days and the value does not exceed \$5,000.
- (c) The General Manager or Senior Manager may designate staff who may execute, either in his or her absence or on a regular basis as agent of the CRHC, the following Land Use Agreements:
 - i. Tenancy agreements; and
 - ii. Rental subsidy agreements.

Such designation shall be made in writing. The designation is valid for the term listed. If no term is listed, the designation is valid so long as the staff member is employed by the CRD or the CRHC and the designation is not withdrawn by the General Manager, Senior Manager, or the CRHC Board.

- (d) The power delegated under section 4(a) includes the power to execute Land and Land Use Agreements on behalf of the CRHC and all agreements, instruments and documents, including amendments.

Delegation of Authority in Relation to Grant Applications

5. (a) Subject to subsection (b), the CRD's officers and staff listed below may make grant applications and enter into agreements respecting the receipt and use of grants, to a maximum of \$500,000 where this is consistent with the approved financial plan of the CRHC:
 - i. The Chief Administrative Officer;
 - ii. The Chief Financial Officer; and
 - iii. The General Manager.
- (b) The authority under subsection (a) does not include authority delegated under section 3(a) of this Policy.

No Delegation by a Delegate

6. For clarity, a person to whom a power, duty or function has been delegated under this Policy has no authority to further delegate to another person any power, duty or function that has been delegated by this Policy, unless otherwise stated in this Policy.

ADOPTED by a majority this — day of May 2018

Appendix A: Delegation of Authority for the Capital Regional Housing Corporation Matrix

**DELEGATION OF AUTHORITY FOR
THE CAPITAL REGIONAL HOUSING CORPORATION MATRIX
May 29, 2018**

Appendix A

	DOCUMENT	APPROVING AUTHORITY	SIGNEE	COMMENTS
1	Land Use Agreements under \$5,000 and less than 30 days for recreation	General Manager, Senior Manager or Designate	Senior Manager or Staff	Used for licenses and short-term leases of amenity rooms and shared spaces. Not to be used for tenancy agreements
	Leases (up to \$100,000)	CAO, CFO, or GM	General Manager, CFO, CAO	
	Leases (up to \$500,000)	CAO	CAO	Land and land use agreements.
	Leases (more than \$500,000)	Board	Chair and Corporate Officer at direction of the Board	
	Land Acquisition/Disposal/Use (up to \$100,000)	CAO, CFO, or GM	General Manager and CFO	Legal documents relating to: purchases, easements, rights-of-way, encroachment agreements, restrictive covenants, etc
	Land Acquisition/Disposal/Use (up to \$500,000)	CAO	CAO	
2	Land Acquisition/Disposal/Use (more than \$500,000)	Board	Chair and Corporate Officer at direction of the Board	
	Contracts under \$50,000	Senior Manager or Designate	Designated Staff	All expenditures must be within budget approval.
	Contracts less than \$100,000	General Manager, Senior Manager or Designate	Senior Manager or Designated Staff	Limit depends on the lesser of \$100,000 or what is on the staff/volunteer form listed with Finance & Technology.
	Contracts up to \$500,000	CAO or General Manager	CAO or General Manager	
	Contracts up to \$5,000,000	CAO	CAO	
	Contracts more than \$5,000,000	Board	Chair and Corporate Officer at direction of the Board	New construction, acquisition of goods & services (painting, floor coverings, garbage disposal)
3	Grant applications and use of funding up to \$500,000	CAO, CFO or General Manager	CAO, CFO, or General Manager	
	Grant applications and use of funding more than \$500,000	Board	Chair and Corporate Officer at direction of the Board	
	Mortgage Documents up to \$500,000	CAO	CAO	
	Mortgage Documents more than \$500,000	Board	Chair and Corporate Officer at direction of the Board	Mortgage Commitment Letter, Mortgage, Modification of Mortgage, Mortgage Loan Renewal Authorizer
	Operating Agreement	CAO or CFO	CAO or CFO	Operating Agreement, Amendments
	Tenancy Agreements and Rent Subsidy Forms	Senior Manager or Designate	Designated Staff	Tenancy Agreement, Application for Rent Subsidy
	Utility Agreements	CAO, General Manager, or Senior Manager	CAO, General Manager, Senior Manager or designate	Telephone, hydro, gas, cablevision. Approving and signing authority values as above in Contracts section.

*Designate = Individual appointed by the Board of the CRHC or by the CAO to act in an individual's absence. This authority cannot be further delegated.

*Designated Staff = Individual appointed by the Senior Manager or General Manager to exercise signing ability on a regular basis. This authority cannot be further delegated.

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF MAY 29, 2018**

SUBJECT **Application for Funding to the National Housing Co-Investment Fund Village on the Green (VOG)**

ISSUE

The Capital Region Housing Corporation (CRHC) requires authorization from the CRHC Board of Directors to apply for grants. This report is to receive approval from the CRHC Board to apply to the National Housing Co-Investment Fund for the Housing and Renewal Stream for the Village on the Green Roof Replacement.

BACKGROUND

In the 2016-2019 CRHC Board Strategic Plan, it was identified that the CRHC should ensure the CRHC housing stock is adequately maintained.

The CRHC Board approved a five-year capital plan for VOG that identified the roof replacement as a priority. The roof replacement was tendered in 2018. Four compliant bids were received, yet the tender had to be canceled as there are not enough available funds in the No Operating Agreement (NOA) reserves to cover the costs of the roof.

In May 2018, the Government of Canada announced the National Housing Co-investment Fund (NHCF), which will be delivered through Canada Mortgage and Housing Corporation (CMHC). Through the NHCF, the Government of Canada will work with partners to create up to 60,000 new affordable units and repair up to 240,000 affordable and community units over the next 10 years. Investments will also support the creation or repair of at least 4,000 shelter spaces for survivors of family violence, the creation of at least 7,000 new affordable units for seniors and 2,400 new affordable units for people with developmental disabilities.

CMHC will accept applications on a continuous basis and will review and prioritize applications every 60 days.

Once prioritization of the applications is complete the proponent will be informed whether the application was:

- selected to proceed for further assessment
- retained for the next prioritization window
- declined

The selection criteria is based on affordability, energy efficiency, accessibility, proximity to transit, amenities and community supports, collaboration/partnerships, social inclusion and supporting federal priority groups.

The maximum NHCF investment for non-profits is 95%, of which 40% would be a contribution and the remaining 55% would be in the form of a loan.

ALTERNATIVES

Alternative 1:

Authorize the Senior Manager to submit an application to the National Housing Co-Investment Fund, Housing and Renewal Stream for the Village on the Green Roof Replacement for \$280,000.

Alternative 2:

Refer the issue back to staff for more information.

IMPLICATIONS

Staff budgeted \$377,000 in the 2018 budget for roofing at VOG. As the re-roofing costs have been escalating significantly annually, staff had identified that there was \$109,000 in the Capital Surplus Fund that could potentially be made available to the VOG roof as required. This would have totalled \$486,000 for the VOG Roof. Based on the bids received in 2018, the costs for roof replacement ranged from \$610,000 to \$650,000. There was not sufficient funding available in the NOA replacement reserve fund even if a transfer from the Capital Surplus Fund was made, and the tender was canceled. In order to meet the energy requirements of the co-investment fund of at least 25% reduction in energy consumption and greenhouse gas emissions over national building and energy codes, staff are recommending increasing the budget to \$715,000 to address the Building Envelope Condition Assessment recommendation of increased insulation, joint and duct sealing and insulation, and continuous run fans to deal with high moisture levels in the units.

Staff are recommending that CRHC apply to the NHCF for 40% of the costs of the VOG roof replacement as per Table 1.

Table 1


CRHC contribution (60%)	NHCF requested contribution (40%)	Total
\$435,000	\$280,000	\$715,000


CONCLUSION

Staff budgeted \$377,000 in the 2018 budget and identified an additional source of \$109,000 as required. Roof replacement costs have been escalating annually and there was not enough funding available for the VOG roof replacement bids in 2018. In May 2018, the Government of Canada announced the NHCF to work with partners to repair up to 240,000 affordable and community units over the next 10 years with a capital contribution of up to 40% per project.

RECOMMENDATION

Authorize the Senior Manager to submit an application to the National Housing Co-Investment Fund, Housing and Renewal Stream for the Village on the Green Roof Replacement for \$280,000.


Christine Culham
Senior Manager
Capital Region Housing Corporation


Kevin Lorette, P.Eng., MBA
General Manager
Planning and Protective Services
Concurrence

CC:ce

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF MAY 29, 2018**

SUBJECT **Application for Funding to the National Housing Co-Investment Fund
Carey Lane**

ISSUE

Under the Delegated Authority and Signing Authority Policy, 2016, the Capital Region Housing Corporation (CRHC) requires authorization from the CRHC Board of Directors to apply for grants. This report is to receive approval from the CRHC Board to apply to the National Housing Co-Investment Fund (NHCF), Housing and Renewal Stream, for the Carey Lane Building Envelope Remediation (BER).

BACKGROUND

Carey Lane is a 22-unit complex located at 3910 Carey Road in Saanich. Carey Lane was built in 1989 and the operating agreement expires in 2024. The community is 100% rent-geared-to-income. The land is owned by the CRD.

Strategic Priority

In the 2016-2019 CRHC Board Strategic Plan, it was identified that the CRHC should ensure the CRHC Housing stock is adequately maintained and to strive to complete one BER by 2019.

On the direction of the Board's strategic priorities, the *CRHC Portfolio Renewal, Redevelopment and Development Strategy, August 2016*, identified that the CRHC complete at least one additional BER. Staff identified two high priority BERs (Caledonia and Carey Lane) to be completed in 2017 and 2019. Caledonia has since been prioritized for redevelopment.

Renewal or Redevelopment

In April 2018, CRHC retained CitySpaces to develop an evaluation matrix to determine if properties should be renewed or redeveloped. The guiding objective for the evaluation is that redevelopment must result in a project that maintains or enhances the existing number of household types and income profiles, or as varied by CRHC's assessment of housing need, through the provision of appropriate and affordable housing that is financially viable for CRHC.

The evaluation criteria are: Site Redevelopment Potential, Rent Levels, Equity Required, Facility Condition Index, Site Amenities and Operating Agreement Status.

The site redevelopment potential for Carey Lane identified site and planning constraints and it was determined that Carey Lane was a candidate for remediation rather than redevelopment.

National Housing Co-Investment Fund (NHCF)

In May 2018, the Government of Canada announced the NHCF, which will be managed by Canada Mortgage and Housing Corporation (CMHC). Through the NHCF, the Government of Canada will work with partners to create up to 60,000 new affordable units and repair up to 240,000 affordable and community units over the next 10 years. Investments will also support the creation or repair of at least 4,000 shelter spaces for survivors of family violence, the creation of at least 7,000 new affordable units for seniors and 2,400 new affordable units for people with developmental disabilities.

CMHC will accept applications on a continuous basis and will review and prioritize applications every 60 days.

Once prioritization of the applications is complete the proponent will be informed whether the application was:

- selected to proceed for further assessment
- retained for the next prioritization window
- declined

The selection criteria is based on affordability, energy efficiency, accessibility, proximity to transit, amenities and community supports, collaboration/partnerships, social inclusion and supporting federal priority groups.

The maximum NHCF investment for non-profits is 95% of total costs, of which 40% would be a contribution (grant) and the remaining 55% would be in the form of a loan.

Building Envelope Condition Assessment (BECA) – Carey Lane

The building was the subject of a BECA in 2004 which highlighted moisture damage in the wall assemblies, as a result of water entry through assemblies, such as windows and roof/wall interfaces. Full rain screen rehabilitation of the building walls was recommended in conjunction with window, door and roof replacement. CRHC submitted the report to British Columbia Housing Management Commission (BCHMC) for the inclusion of Carey Lane to the Building Envelope Program Database. In 2009 the complex was re-shingled in an effort to slow deterioration. In 2012, 2014 and 2017 BCHMC commissioned BECAs when developing the Asset Planner database which substantiated that approximately 50% of the wood siding exterior wall finishes have deterioration. Building envelope remediation (including wall finishes and exterior windows) is recommended to be undertaken. Staff have estimated the cost to rehabilitate the buildings at \$2.4m based on recent BERs, provided the roof shingles can be maintained.

ALTERNATIVES

Alternative 1:

- a) Authorize the Senior Manager to submit an application to the National Housing Co-Investment Fund, Housing and Renewal Stream for the Carey Lane Building Envelope Remediation; and
- b) Approve the 2018 transfer of funds of \$600,000 from the Umbrella Operating Agreement Portfolio Stabilization Reserve to the Carey Lane Building Envelope Remediation Project.

Alternative 2

Refer the issue back to staff for more information.

IMPLICATIONS

NHCF Contribution

NHCF will contribute up to 40% of the funding, the maximum request for the Carey Lane BER project would be \$960,000 (Table 1). Up to 55% could be acquired through a loan. Each loan offers:

- A 10-year term (closed to pre-payment) with a fixed interest rate locked in at first advance. The term will be renewable for another 10 years and the interest rate will be reset when renewed.
- Up to a 40-year amortization for smaller monthly payments and long-term viability.

CRHC Contribution

The CRHC has earmarked \$100,000 for funding for capital works over the next five years. Staff are recommending that a transfer of \$600,000 from the Umbrella Operating Agreement Stabilization Reserve to the Carey Lane BER. The projected balance at the end of 2018 is \$1,731,160. With the \$600,000 contribution, the updated projected balance would be \$1,131,160.

The 2017 annual surplus for Carey Lane was \$54,000. This could be used to service a loan for the balance of the \$840,000.

Table 1: Sources of Contributions

Source of Funding	Amount of funding (\$)
CRHC (25% contribution)	600,000
NHCF requested contribution (40% contribution)	960,000
Additional equity* (35% contribution)	840,000
Total	2,400,000

*NHCF loan or BCHMC contribution

BC Housing

BC Housing is funding capital renewal projects through the Investment in Affordable Housing, the Federal-Provincial Housing Agreement. Projects are being identified through the Provincial prioritization list. CRHC has provided detailed information to BC Housing regarding all of its properties. Staff have requested a meeting with BC Housing's Asset Management branch to discuss the current status of CRHC properties on the prioritization list, in particular Carey Lane. CRHC will continue to work with BC Housing for the remaining equity requirement.

If a contribution was not available from BC Housing, CRHC would be required to get permission to borrow funds to complete the BER. In 2017, CRHC received conditional approval from BC Housing to borrow funds through the Community Partnering Initiative for the Carey Lane BER.

CONCLUSION

On the direction of the Board's strategic priorities, the *CRHC Portfolio Renewal, Redevelopment and Development Strategy*, August 2016, identified Carey Lane as a priority for a BER to be completed in 2019. The estimated cost of the BER is \$2,400,000. Staff are recommending a 25% contribution from the CRHC totalling \$600,000 and to apply for the remaining \$1,800,000 through the NHCF Housing and Renewal Stream - contribution and loan. CRHC will continue to work with BC Housing to determine if \$840,000 can be identified through their capital renewal funding program.

RECOMMENDATION

- a) Authorize the Senior Manager to submit an application to the National Housing Co-Investment Fund, Housing and Renewal Stream for the Carey Lane Building Envelope Remediation; and
- b) Approve the 2018 transfer of funds of \$600,000 from the Umbrella Operating Agreement Portfolio Stabilization Reserve to the Carey Lane Building Envelope Remediation Project.



Christine Culham
Senior Manager
Capital Region Housing Corporation



Kevin Lorette, P.Eng., MBA
General Manager
Planning and Protective Services
Concurrence

CC:ce

**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF MAY 29, 2018**

SUBJECT Westview – Section 219 Covenant Agreement

ISSUE

The Capital Region Housing Corporation (CRHC) Delegated Signing Authority Policy requires that the CRHC Board approve all legal documents pertaining to land acquisition and disposal of land relating to purchases, easements, rights-of-way, encroachment agreements and restrictive covenants.

BACKGROUND

Section 219 Covenant (New Homes Warranty Insurance)

As per the Homeowner Protection Act, Westview is required to obtain the mandatory home warranty insurance or register a Section 219 Covenant on title that guarantees Westview will fulfill the obligations set out in the Act. The Licensing and Consumer Services (formerly known as Homeowner Protection Office), a branch of BC Housing, administers the requirements of the Act on behalf of the province.

The purposes of this Act are

- (a) to strengthen consumer protection for buyers of new homes,
- (b) to improve the quality of residential construction, and
- (c) to support research and education respecting residential construction in British Columbia.

The first option for all new home construction in the province of British Columbia is to obtain third-party New Home Warranty Insurance. At a minimum, home warranty insurance coverage should include:

- 2-year materials and labour warranty
- 5-year building envelope warranty
- 10-year building structural defects warranty

The second option for all new home construction allows the builder to be exempt from meeting the requirements of the Homeowner Protection Act by registering a Section 219 covenant on title. Since Westview has been designed to the BC Housing standard, Westview is exempt from meeting the requirements of the Homeowner Protection Act and subsequently from providing the required third party warranty insurance, if it registers a Section 219 Covenant on title.

The proposed Section 219 Covenant states that CRHC will not sell or dispose of its interest in the property for 10 years. It also states that the CRHC will not use the property except for rental purposes.

A Section 219 Covenant will be registered as a charge against the Interest in the Property and run with the Interest in the Property. It will also bind the Transferor (CRHC) contractually under this Agreement during such time as the CRHC has an Interest in the Property.

ALTERNATIVES

Alternative 1:

Direct two members of the Capital Region Housing Corporation Executive to sign the Section 219 Covenant for Westview.

Alternative 2:

Refer back to staff to obtain the warranty insurance as per the Homeowner Protection Act.

IMPLICATIONS

If the CRHC registers a Section 219 Covenant on title:

1. It incurs legal fees of \$2,000 for registering the covenant on title.
2. It cannot sell or dispose of its interest for 10 years unless it provides warranty insurance and pays the other fees under the Act.
3. If it sells Westview within 10-years after first occupancy,
 - a. it will require approval from BC Housing and a discharge of the Section 219 Covenant,
 - b. it has a personal statutory obligation to the future owners with respect to any defects in the labour, design and materials used to build the new home that is equal to the minimum standards established for home warranty insurance.

Should the CRHC NOT register a Section 210 Covenant on title, it must:

1. Obtain license as a residential builder
2. Incur the costs of warranty insurance, including
 - a. Upfront fees range between \$73,000 and \$109,500 (~\$1,000 to \$1,500 per unit)
 - b. Upfront refundable security deposit of \$73,000 (~\$1,000 per unit) which will be returned after 5 years if no claims are made
3. Incur the registration fees of \$2,920 (\$40 per unit)
4. Incur the upfront reconstruction levy to the Licensing and Consumer Services of \$54,750 (\$750 per unit)

CONCLUSION

The Homeowner Protection Act requires that CRHC either obtain the mandatory home warranty insurance or register a Section 219 Covenant on title. By registering a covenant on title, CRHC will avoid incurring additional costs which can range up to \$240K and delays in fulfilling the requirements of the Act.

If CRHC wanted to sell or change the use of Westview within 10 years of occupancy, it can then fulfil the obligations under the Homeowner Protection Act and subsequently remove the Section 219 Covenant from title.

After the 10 years has elapsed, the CRHC can provide the necessary documentation to BC Housing and the Land Titles Office that it has fulfilled the obligation of the Section 219 Covenant agreement and the covenant will then be discharged.

RECOMMENDATION

Direct two members of the Capital Region Housing Corporation Executive to sign the Section 219 Covenant for Westview.



Paul Kitson
Manager, Capital Projects
Capital Region Housing Corporation



Christine Culham
Senior Manager
Capital Region Housing Corporation
Concurrence



Kevin Lorette, P.Eng., MBA
General Manager
Planning and Protective Services
Concurrence

Attachments: Appendix A - Section 219 Covenant

PK:ce

LAND TITLE ACT
FORM C (Section 233) CHARGE
GENERAL INSTRUMENT - PART 1 Province of British Columbia

APPENDIX A

PAGE 1 OF 4 PAGES

Your electronic signature is a representation that you are a subscriber as defined by the Land Title Act, RSBC 1996 c.250, and that you have applied your electronic signature in accordance with Section 168.3, and a true copy, or a copy of that true copy, is in your possession.

1. APPLICATION: (Name, address, phone number of applicant, applicant's solicitor or agent)

Susan Do

Singleton Urquhart Reynolds Vogel LLP

1200 - 925 West Georgia Street

Vancouver

BC V6C 3L2

Phone No: 604.673.7435

File No: 25000.277

BCH File No: 94255pr7732

Deduct LTSA Fees? Yes ☒

2. PARCEL IDENTIFIER AND LEGAL DESCRIPTION OF LAND:
 [PID] [LEGAL DESCRIPTION]

028-584-350

LOT A SECTION 24 VICTORIA DISTRICT PLAN VIP88857

STC? YES ☐

3. NATURE OF INTEREST

Covenant

CHARGE NO.

ADDITIONAL INFORMATION

of Lease CA5938194

4. TERMS: Part 2 of this instrument consists of (select one only)

(a) ☐ Filed Standard Charge Terms D.F. No.

(b) ☒ Express Charge Terms Annexed as Part 2

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument.

5. TRANSFEROR(S):

CAPITAL REGION HOUSING CORPORATION, INC. NO. S0257647

6. TRANSFEREE(S): (including postal address(es) and postal code(s))

BRITISH COLUMBIA HOUSING MANAGEMENT COMMISSION

1701 - 4555 KINGSWAY

BURNABY

V5H 4V8

BRITISH COLUMBIA

CANADA

7. ADDITIONAL OR MODIFIED TERMS:

N/A

8. EXECUTION(S): This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)

Execution Date

Y	M	D
18		

Transferor(s) Signature(s)

CAPITAL REGION HOUSING CORPORATION, by its authorized signatory(ies):

Print Name:

Print Name:

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

**EXPRESS CHARGE TERMS
TERMS OF INSTRUMENT – PART 2**

SECTION 219 COVENANT

1. Definitions

The following terms will have the following meanings:

- (a) “Commission” means the British Columbia Housing Management Commission, or its successors in function;
- (b) “Dwelling Unit” means a class of new home which is a building, or a portion of a building, that:
 - (i) is newly constructed;
 - (ii) is intended for residential occupancy;
 - (iii) is a single, self-contained residence usually containing cooking, eating, living, sleeping and sanitary facilities; and
 - (iv) may contain a secondary suite if permitted by local bylaws;
- (c) “Improvements” means those improvements, structures, buildings, fixtures, equipment and systems which now exist, or which are constructed on the Land from time to time including heating, ventilating, air-conditioning, plumbing, electrical and mechanical systems and equipment;
- (d) “Interest in the Property” means the Transferor’s registered and beneficial right, title and estate in and to the Property;
- (e) “Land” means the leasehold interest in that certain parcel or those certain parcels of land, or any part thereof, described in Item 2 of the General Instrument Part 1;
- (f) “Property” means the Land and Improvements; and
- (g) “Rental Purposes” means an occupancy or intended occupancy which is or would be governed by a tenancy agreement as defined in section 1 of the *Residential Tenancy Act*.

2. Section 219 Covenant –Commission

The Transferor, hereby covenants and agrees with the Commission, pursuant to Section 219 of the *Land Title Act* of British Columbia, and in consideration of one dollar (\$1.00) now paid by the Commission to the Transferor, the receipt and sufficiency of which is hereby acknowledged, and of the premises herein contained, with the intent that such covenant will be registered as a charge against the Interest in the Property and run with the Interest in the Property, and will also bind the Transferor contractually under this Agreement during such time as the Transferor has an Interest in the Property, that the Transferor:

- (a) will not sell or otherwise dispose (other than by way of lease, sub-lease or mortgage) of its interest in any Dwelling Unit to be constructed on the Land for a period of ten years from the date that the first Dwelling Unit to be constructed on the Land is first occupied, except together with all Dwelling Units to be constructed on the Land unless prior to the sale or other disposition, the Transferor obtains warranty insurance subject to the requirements of the *Homeowner Protection Act* and pays the reconstruction levy required on the Improvements and complies with any other requirements of the *Homeowner Protection Act* and the regulations thereunder as may then be in effect; and
- (b) during the ten year period set out in the preceding paragraph, will not use the Property, including any of the Dwelling Units to be constructed on the Land, or allow them to be used, except for Rental Purposes.

3. **Indemnity**

The Transferor will indemnify and save harmless the Commission and the Government of the Province of British Columbia and each of their ministers, officers, directors, employees and agents, and their heirs, executors, administrators, personal representatives, successors and assigns, from and against all claims, demands, actions, causes of action, damages, losses, deficiencies, costs, liabilities and expenses which may be made or brought against the Commission or the Government of the Province of British Columbia, or the Commission or the Government of the Province of British Columbia may suffer or incur as a result of, in respect of, or arising out of:

- (a) any non-performance or non-fulfillment of any covenant on the part of the Transferor contained in this Agreement; or
- (b) any other act or omission of the Transferor or its officers, directors, employees, agents, contractors or other persons for whom the Transferor is at law responsible, except to the extent caused by the negligence of the Commission, the Government of the Province of British Columbia, or their ministers, officers, directors, employees, agents or contractors.

4. **Release**

The Transferor releases the Commission and the Government of the Province of British Columbia, and each of their ministers, officers, directors, employees and agents and their heirs, executors, administrators, personal representatives, successors and assigns absolutely and forever, from any claims the Transferor may have against all or any of them for costs, expenses, or damages the Transferor may suffer, incur, or be put to arising out of or in connection with the terms contained in this Agreement and, from all claims arising out of advice or direction respecting the use, development, operation or lease of the Property given to the Transferor by any of them.

IN WITNESS WHEREOF the parties hereto acknowledge that the parties have duly executed this Agreement by signing on the Form C and Form D, constituting pages 1 and 2 hereof.



**REPORT TO CAPITAL REGION HOUSING CORPORATION BOARD OF DIRECTORS
MEETING OF MAY 29, 2018**

SUBJECT Management Update

BACKGROUND

This report provides monthly operations, capital and project updates to the Capital Region Housing Corporation (CRHC) Board of Directors.

OPERATIONS UPDATE

Arbitrations

- A hearing held on May 14, 2018 resulted in a payment-plan mediation between the tenant and CRHC. Should the tenant default on the payments CRHC was awarded a 2-day Order of Possession.
- A hearing for Monetary Order and Order of Possession is scheduled for June 13, 2018.
- A hearing to dispute a Two Month Notice To End Tenancy (filed by tenant) is scheduled for June 21, 2018.

The Housing Registry Waitlist Statistics

Category	May 2018	April 2018	May 2017
Total Registry Units	3,301	3,308	3,267
Applicants			
Family	587	590	637
Seniors	725	716	702
Persons with Disabilities	462	457	433
Wheelchair Modified	73	65	57
Singles	79	73	86
Total	1,923	1,901	1,915

Capital Works

- Seasonal projects are underway.
- Two Building Envelope Condition Assessments (BECA) at Portage Place and James Yates Gardens.
- The tendering the second half of the privacy fence replacement at Royal Oak Square, 819 Lodi is underway.

Capital Updates

Westview

Works completed since the May 1st board meeting includes (but is not limited to):

- Finalized BC Hydro design details – location of transformer, temporary power supply, trimming of garry oak trees.
- Submitted an Issue For Tender (IFT) package to BC Housing for separate project costing and final project approval
- Paid the necessary municipal fees – Development Cost Charges and Landscaping Bond
- Received construction insurance premium quote
- The Construction Manager has commenced reviewing the drawings prior to inviting tenders
- Presented to Baptist Housing a list of potential construction impacts to the Heights and Carey Place
- Assembled tender packages and commenced tendering of subtrades
- Proposed to Saanich shoring plans for the tree covenant area

The work plan up until the end of June includes (but is not limited to):

- BC Housing to produce a separate costing
- Receive final project approval from BC Housing
- BC Hydro to produce costing
- Assemble tender packages and commence tendering of subtrades
- Finalize the contracts of the main subtrades
- Produce a budget and schedule for approval from CRHC board
- Receive building permit

161 Drake Rd.

Staff is awaiting an official response from the Islands Trust on the request to proceed with the rezoning.

Michigan Square Redevelopment

The design team had produced a few site plan options which has been used by the structural engineer to produce a structural report for the three parkade options – full demolition, only the suspended slab demolition, and retaining the existing parkade.

The construction manager who has been retained to comment on the viability of the parkade analysis is being brought up to speed on details of the project. Staff and the architect have also met with the City planners to discuss policies surrounding redeveloping rental buildings and to discuss the massing options.

Tenant Engagement

The tenants of Leblond Place successfully completed the Connect & Prepare program, an emergency preparedness course highlighting community connections offered through a partnerships between Victoria Ready and Building Resilient Neighbourhoods. Successful completion of the program resulted in the donation of \$500 worth of emergency supplies. On May 18, 2018 the tenants of Leblond Place and CRHC hosted a small party to celebrate the delivery

of emergency supplies delivered by Victoria Ready and Building Resilient Neighbourhoods. The tenants have organized their own committees to manage and update supplies and communicate emergency plans to all tenants of the Leblond Place apartments. CRHC staff continue to support such tenant-led activities.

Financial Reporting

May cheques/EFTS OVER \$50,000

Vendor	Issued	Expenditure	Notes
District of Saanich	May 2, 2018	\$73,734.73	Westview Devel. Cost Charges

Regional Housing

Regional Housing First Program Announcement

The Honourable Jean-Yves Duclos, Minister of Families, Children and Social Development and the Minister Responsible for Canada Mortgage and Housing Corporation, along with the Honourable Selina Robinson, Minister of Municipal Affairs and Housing, and Steve Price, Board Chair of the Capital Regional District (CRD), announced the Regional Housing First Program (RHFP), a \$90 million partnership to provide hundreds of Canadians suffering from homelessness a safe place to call home.

Provincial and Federal Funding Opportunities

a) BC Housing Community Fund

BC Housing issued a RFP on April 18, 2018 for non-profit housing providers to submit a project proposal to provide mixed-income projects with rents affordable for a range of low and moderate income households. The target populations are families, and seniors capable of living independently without onsite supports. The submission deadline is September 17, 2018 at 2 p.m.

The Project Proposal must meet the following guidelines related to unit mix:

- 30% of the Units must be moderate to affordable market rents
- 50% of the units must be rent geared to income (RGI) units
- 20% of the units must be low income (deep subsidy units)

BC Housing can provide \$100,000 per housing unit with 100% construction financing

b) National Housing Co-Investment Fund (NHCF)

There are two streams within National Housing Co-Investment Fund:

- the Housing Repair and Renewal Stream to repair and renew the existing community and affordable housing supply. It provides \$3.46 billion in loans and \$2.26 billion in capital contributions; and
- the Housing Construction Stream for new construction and provides \$5.19 billion in loans and \$2.26 billion in capital contributions.

The targets for this funding are to:

- create up to 60,000 new affordable homes
- repair another 240,000 affordable and community homes
- create or repair at least 7,000 shelter spaces for survivors of family violence
- create at least 12,000 new affordable units for seniors
- create at least 2,400 new affordable units for people with developmental disabilities
- attract billions in additional investments from the provinces and territories, municipalities and non-profit and private-sector partners across the country

The Housing and Renewal Stream:

Funding for the Housing Repair and Renewal Stream can be a low-interest loan, a capital contribution or a combination of both. There is:

- \$3.46 billion available through low-cost repayable loans over 10 years
- \$2.26 billion available through capital contributions over 10 years

Low-interest loans will be available for up to 20 years to support viability and long-term affordability of projects.

Approval Process:

CMHC will accept applications on a continuous basis and will follow this review process:

- CMHC will review and prioritize applications every 60 days
- Once your application has been reviewed you will be notified of the end-date of the current 60-day prioritization window. You will also receive the target date to complete the prioritization of the submitted applications.
- Once prioritization of the applications is complete you will be informed whether your application was:
 - selected to proceed for further assessment
 - retained for the next prioritization window
 - declined

Selected applications must be provided with a list of required documents that must be submitted. These are subject to approval based on a financial and borrower assessment.

Selection Criteria:

- affordability
- energy efficiency
- accessibility
- proximity to transit, amenities and community supports
- collaboration/partnerships
- social inclusion
- supporting federal priority groups

Maximum NHCF Investment (percent of eligible costs)

	Total funding Up to	Contribution Up to
Non-Profit / Co-op / Indigenous Group	95%	40%
Province / Territory / Municipality	75%	30%
For-Profit (Private Sector)	75%	15%



Christine Culham
Senior Manager, Regional Housing

CC:ce