



## Notice of Meeting and Meeting Agenda Hospitals and Housing Committee

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Wednesday, April 4, 2018

1:30 PM

6th Floor Boardroom  
625 Fisgard St.  
Victoria, BC V8W 1R7

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### Special Meeting

1. Approval of Agenda
2. Adoption of Minutes
3. Chair's Remarks
4. Presentations/Delegations
5. Committee Business

[18-218](#) Capital Region Housing Corporation Revised Governance Structure

**Recommendation:** That the Hospitals and Housing Committee recommends to the Capital Regional District (CRD) Board:

- a) That the amendments to the Articles of Incorporation of the Capital Region Housing Corporation (CRHC) as presented in Appendix B of this report be approved;
- b) That staff register the amendments as presented in the Articles of Incorporation with BC Registries;
- c) That the Terms of Reference of the Hospitals and Housing committee be amended to include the CRHC; and
- d) That a Tenant Advisory Committee be established to make recommendations to the CRHC Board of Directors on CRHC policies and programs through the CRD's Hospitals and Housing Committee.

**Attachments:** [Staff Report: CRHC Revised Governance Structure](#)  
[Appendix A: Articles of Incorporation, 2008](#)  
[Appendix B: Schedule-Draft Amendments to Articles of Inc, 2008](#)  
[Appendix C: Hospitals and Housing Committee Terms of Reference](#)

6. New Business
7. Adjournment

Next Meeting: April 25, 2018



**REPORT TO HOSPITALS AND HOUSING COMMITTEE  
(Also went to Governance Committee Wednesday, March 28, 2018)  
MEETING OF WEDNESDAY, APRIL 04, 2018**

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**SUBJECT**     **Capital Region Housing Corporation Revised Governance Structure**

**ISSUE**

To consider a revised governance structure for the Capital Region Housing Corporation (CRHC) that will improve the alignment of decision making with the Capital Regional District's (CRD) other legal entities.

**BACKGROUND**

***Capital Region Housing Corporation***

The CRHC is a wholly owned subsidiary of the CRD. It was established on December 19, 1982 under the legislated authority of the CRD Land Banking and Housing function which allowed for land assembly and housing for public or private housing purposes. The CRHC was formed to address the lack of affordable and accessible rental housing with members of the CRD Board recognizing a collective benefit in collaborating to form a regional housing corporation. The CRHC was registered under the *BC Company Act*.

Currently the CRHC Board has seven members (*Articles of Incorporation 2008*, Part 10). The current *Articles of Incorporation, 2008* can be found in Appendix A. Four of the Directors are CRD Directors, the three remaining Directors are members appointed from the community. This includes one Tenant Representative. The Tenant Representative is not prescribed through the *Articles of Incorporation* but rather through a policy of the Board of Directors (*CRHC Board Composition and Appointment*, Policy 1.16).

***Regional Housing First Program (RHFP)***

The CRD and the provincial government through British Columbia Housing Management Commission (BC Housing) have each committed \$30 million to the delivery of the RHFP to create approximately 1,340 units of housing. The CRD is also pursuing Federal support to increase this investment.

Due to the scale and pace of development required to deliver multiple housing projects, the CRD and BC Housing have been reviewing the current program delivery model. It will be required that the CRD and BC Housing take a more proactive approach to ensure the success of the program.

Within the CRD the RHFP is currently governed by three Boards; the CRD Board of Directors, the Capital Regional Hospital District (CRHD) Board of Directors and the CRHC Board of Directors. The CRD and CRHD Board of Directors are represented by the same membership and voting with similar roles and responsibilities for Directors. Staff are recommending that the CRD Board of Directors, as the sole shareholder of the CRHC, restructure the membership of the CRHC Board of Directors to align its governance structure with that of the CRD and CRHD Board. Proposed changes to the *Articles of Incorporation* would result in the Directors of the CRHC being consenting members of the CRD Board of Directors, with the intent that the entire membership of the CRD Board would serve as the CRHC Board. This governance structure has now been established for the Metro Vancouver Housing Corporation and given the significant expansion of CRHC operations underway, is considered necessary to not only align the CRD corporate entities, but to provide for expanding administrative and operational responsibility.

## **ALTERNATIVES**

### *Alternative 1*

That the Hospitals and Housing Committee recommends to the Capital Regional District (CRD) Board:

- a) That the amendments to the *Articles of Incorporation* of the Capital Region Housing Corporation (CRHC) as presented in Appendix B of this report be approved;
- b) That staff register the amendments as presented in the *Articles of Incorporation* with BC Registries;
- c) That the Terms of Reference of the Hospitals and Housing committee be amended to include the CRHC; and
- d) That a Tenant Advisory Committee be established to make recommendations to the CRHC Board of Directors on CRHC policies and programs through the CRD's Hospitals and Housing Committee.

### *Alternative 2*

That the report be referred back to staff based on Committee direction.

## **IMPLICATIONS**

### **Governance Implications**

The proposed amendments to the *Articles of Incorporation* for the CRHC would provide for a change in the composition of the CRHC Board of Directors from its current membership of four CRD Board members and three community members to those consenting members of the CRD Board of Directors. As with other Boards and bodies established by the CRD, directors of the CRHC would have liability insurance in their capacity as corporate directors and CRD staff would have responsibilities aligned with the roles they serve in under the organizational structures of the CRD and CRHD.

In the proposed amendments to the *Articles of Incorporation*, CRHC Directors will each have one vote at a meeting and questions arising are to be decided by a majority of votes. The CRHC board membership will be decided by the CRD following its annual inaugural meeting and be confirmed at the next CRHC general meeting as determined by the CRD as the shareholder. The convening Chair and Vice Chair of the CRHC Board of Directors will be selected on an annual basis at the meeting of the CRHC Board of Directors following the announcement of Board membership.

The meeting and processes for the CRHC Board would be aligned with the CRHD and CRD Boards. It is anticipated that the new governance structure would be implemented following the elections in the fall, however it could be implemented earlier if required.

The recommended amendments to the *Articles of Incorporation* can be found in Appendix B.

### *Hospitals and Housing Committee*

Regional housing matters and real estate matters relating to hospitals and housing are currently the responsibility of the Hospitals and Housing Committee (Appendix C, *Hospitals and Housing Committee Terms of Reference*). Staff are recommending that the CRHC be included in the mandate of this committee so that all matters relating to housing be overseen by one committee. The Hospitals and Housing Committee would then make recommendations to the appropriate

Board (CRD, CRHD or CRHC). This will allow for better alignment of decision making and strategic priorities, particularly with respect to business associated with the RHFP.

#### *Housing Action Team (HAT)*

Currently there is one advisory body reporting through the Hospitals and Housing Committee: the HAT. The HAT is an advisory committee established to advise the CRD with respect to CRD housing planning, policies and programs. The HAT may include membership of housing funders and stakeholders including municipalities, private development sector, real estate sector, community service organizations and the business sector. The HAT will continue in this advisory role.

### **Intergovernmental Implications**

#### *BC Housing Requirements*

The *Articles of Incorporation* can only be altered by the CRD as sole shareholder of the CRHC, however BC Housing requires all non-profit organizations who receive loans or other financial assistance totalling \$50,000 or more have the following in their constating documents:

1. A stated purpose to provide affordable housing for low (or low and moderate) income households, or another similar purpose consistent with the type of services being provided.
2. A provision regarding non-remuneration of directors in any capacity; bylaws must not permit directors to serve as employees.
3. A provision regarding the disposition of assets upon dissolution or wind up to an organization(s) with a similar charitable purpose.

These requirements are included in the *Articles of Incorporation* under Part 18, Part 10.13 and Part 18.3, respectively. These requirements cannot be altered without permission from BC Housing.

### **Social Implications**

#### *Tenant Advisory Committee*

The CRHC Board has always valued tenant input into CRHC decision making. This is evidenced through the longstanding position of Tenant Director on the CRHC Board of Directors. In 2017, the CRHC Board of Directors increased their commitment through increased staff resources for activities related to tenant engagement. Staff are recommending that a Tenant Advisory Committee be established to make recommendations to the CRHC Board of Directors on CRHC policies and programs through the CRD Hospitals and Housing Committee.

### **CONCLUSION**

The CRD in partnership with the provincial governments have each committed \$30 million to the delivery of the RHFP to create approximately 1,340 units of housing and the CRD is pursuing federal support to increase this investment. Due to the scale and pace of development required to deliver multiple housing projects, the CRD will be required to take a more proactive approach to ensure the success of the program including acquiring land, constructing buildings and expanding operations.

In order for this to be successful staff are recommending that the CRHC governance structure be realigned to mirror the other CRD corporate entities. CRD staff would have responsibilities aligned with the roles they serve in under the organizational structures of the CRD and CRHD to provide for expanding administrative and operational responsibility. Operational reporting and recommendations to the CRHC Board would be added to the terms of reference of the Hospitals and Housing Committee.

To ensure continued engagement from Tenants, a Tenant Advisory Committee would be established to make recommendations on CRHC policies and programs through the Hospitals and Housing Committee, formalizing the CRHC's continued commitment to tenant engagement.

**RECOMMENDATIONS**

That the Hospitals and Housing Committee recommends to the Capital Regional District (CRD) Board:

- a) That the amendments to the *Articles of Incorporation* of the Capital Region Housing Corporation (CRHC) as presented in Appendix B of this report be approved;
- b) That staff register the amendments as presented in the *Articles of Incorporation* with BC Registries;
- c) That the Terms of Reference of the Hospitals and Housing committee be amended to include the CRHC; and
- d) That a Tenant Advisory Committee be established to make recommendations to the CRHC Board of Directors on CRHC policies and programs through the CRD's Hospitals and Housing Committee.

Submitted by:	Christine Culham, Senior Manager, Regional Housing
Concurrence:	Kevin Lorette, P.Eng., MBA, General Manager Planning & Protective Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

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Appendix A: *Articles of Incorporation, 2008*

Appendix B: Schedule of Draft Amendments to *Articles of Incorporation, 2008*

Appendix C: Hospitals and Housing Committee Terms of Reference

**SCHEDULE "A"**

**CAPITAL REGION HOUSING CORPORATION**

*Incorporation number: BC0257647*  
**(the "Company")**

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## Part 1- Interpretation

### Definitions

1.1 Without limiting Article 1.2, in these articles, unless the context requires otherwise:

"**board**" and "**directors**" mean the directors of the Company for the time being;

"**Business Corporations Act**" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act

"**Interpretation Act**" means the *Interpretation Act*, R.S.B.C. 1996, c. 238

### **Business Corporations Act definitions apply**

1.2 The definitions in the *Business Corporations Act* apply to these articles.

### **Interpretation Act applies**

1.3 The *Interpretation Act* applies to the interpretation of these articles as if these articles were an enactment.

### **Conflict in definitions**

1.4 If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these articles.

### **Conflict between articles and legislation**

1.5 If there is a conflict between these articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

## Part 2 — Shares and Share Certificates

### **Authorized Share Structure**

2.1 The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

### **Form of share certificate**

2.2 Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

### **Right to share certificate**

2.3 Each shareholder is entitled, without charge, to one certificate representing the share or shares of each class or series of shares held by the shareholder.

### **Sending of share certificate**

2.4 Any share certificate to which a shareholder is entitled may be sent to the shareholder by mail and neither the Company nor any agent is liable for any loss to the shareholder because the certificate sent is lost in the mail or stolen.

### **Replacement of worn out or defaced certificate**

2.5 If the directors are satisfied that a share certificate is worn out or defaced, they must, on production to them of the certificate and on such other terms, if any, as they think fit,

- (a) order the certificate to be cancelled, and
- (b) issue a replacement share certificate.

### **Replacement of lost, destroyed or wrongfully taken certificate**

2.6 If a share certificate is lost, stolen or destroyed, the Company must issue a replacement share certificate, if the directors:

- (a) receive proof satisfactory to them that the share certificate is lost, stolen or destroyed; and
- (b) are satisfied that they have received any other reasonable requirements imposed by the Company.

### **Part 3 — Issue of Shares**

#### **Directors authorized to issue shares**

- 3.1** Upon the unanimous approval of the shareholders, the directors may issue, allot, sell, grant options on or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, in the manner, on the terms and conditions and for the issue prices that the shareholders in their absolute discretion, may determine.

### **Part 4—Share Registers**

#### **Central Securities Register**

- 4.1** As required by and subject to the *Business Corporations Act*, the Company must maintain in British Columbia a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

#### **Closing Register**

- 4.2** The Company must not at any time close its central securities register.

### **Part 5 — Share Transfers**

#### **Registering transfers**

- 5.1** A transfer of a share of the Company must not be registered unless:
- (a) a duly signed instrument of transfer in respect of the share has been received by the Company;
  - (b) if a share certificate has been issued by the Company in respect of the share to be transferred, that share certificate has been surrendered to the Company; and
  - (c) if a non-refundable written acknowledgement of the shareholder's right to obtain a share certificate has been issued by the Company in respect of the share to be transferred, that acknowledgment has been surrendered to the Company.

#### **Transfer fee**

- 5.2** There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

### **Part 6 — Borrowing Powers**

#### **Powers of directors**

- 6.1** Subject to unanimous approval of the shareholders, the directors may from time to time on behalf of the Company:
- (a) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that they consider appropriate,
  - (b) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person,
  - (c) guarantee the repayment of money by any other person or the performance of any obligation of any other person, and
  - (d) mortgage or charge, whether by way of specific or floating charge, or give other security on the whole or any part of the present and future undertaking of the Company.

## Part 7 — General Meetings

### Annual general meetings

- 7.1 Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual general meeting.

### When annual general meeting is deemed to have been held

- 7.2 If all of the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution under the *Business Corporations Act* to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date selected in the unanimous resolution.

### Calling of shareholder meetings

- 7.3 The directors may, whenever they think fit, call a meeting of shareholders.

### Notice for Meetings of Shareholders

- 7.4 The Company must send notice of the date, time and location of any meeting of shareholders, in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least 10 days before the meeting.

### Failure to Give Notice and Waiver of Notice

- 7.5 The accidental omission to send notice of any meeting to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive or reduce the period of notice of such meeting.

### Special business

- 7.6 If a meeting of shareholders is to consider special business within the meaning of Article 8.1, the notice of meeting must
- (a) state the general nature of the special business, and
  - (b) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders
    - (i) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified by the notice, and
    - (ii) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

## Part 8— Proceedings at Meetings of Shareholders

### Special business

- 8.1 At a meeting of shareholders, the following business is special business:
- (a) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
  - (b) at an annual general meeting, all business is special business except for the following:
    - (i) business relating to the conduct of, or voting at, the meeting;
    - (ii) consideration of any financial statements of the Company presented to the meeting;
    - (iii) consideration of any reports of the directors or auditor;
    - (iv) the setting or changing of the number of directors;
    - (v) the election or appointment of directors;
    - (vi) the appointment of an auditor;
    - (vii) the setting of the remuneration of an auditor;
    - (viii) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution.

### **Special Majority**

- 8.2** The majority of votes required for the Company to pass a special resolution at a meeting of shareholders is  $\frac{3}{4}$  of the votes cast on the resolution.

### **One shareholder may constitute quorum**

- 8.3** If there is only one shareholder entitled to vote at a meeting of shareholders,
- (a) the quorum is one person who is that shareholder, and
  - (b) that shareholder, present in person, may constitute the meeting.

### **Other persons may attend**

- 8.4** The directors, the president, if any, the secretary, if any, and any lawyer or auditor for the Company are entitled to attend any meeting of shareholders, but if any of those persons does attend a meeting of shareholders, that person is not to be counted in the quorum, and is not entitled to vote at the meeting, unless that person is a shareholder or proxy holder entitled to vote at the meeting.

### **Requirement of quorum**

- 8.5** No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting.

### **Lack of quorum**

- 8.6** If, within 1/2 hour from the time set for the holding of a meeting of shareholders, a quorum is not present,
- (a) in the case of a general meeting convened by requisition of shareholders, the meeting is dissolved, and
  - (b) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

### **Chair**

- 8.7** The following individual is entitled to preside as chair at a meeting of shareholders:
- (a) the president of the board, if any;
  - (b) if the president of the board is absent or unwilling to act as chair of the meeting, the vice-president, if any.

### **Alternate chair**

- 8.8** If, at any meeting of shareholders, there is no president of the board or vice-president present within 15 minutes after the time set for holding the meeting, or if the president of the board and the vice-president are unwilling to act as chair of the meeting, or if they have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the shareholders present in person or by proxy must choose any person present at the meeting to chair the meeting.

### **Adjournments**

- 8.9** The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

### **Notice of adjourned meeting**

- 8.10** It is not necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

### **Decisions by Show of Hands**

- 8.11** Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands.

### **Declaration of Result**

- 8.12** The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands, and that decision must be entered in the minutes of the meeting.

## Part 9 — Votes of Shareholders

### Voting Rights

**9.1** Subject to any special rights or restrictions attached to any shares, every shareholder entitled to vote on the matter has one vote in respect of each share held by that shareholder and may exercise that vote either in person or if a shareholder is a corporation, then in accordance with Article 9.4.

**9.2** Voting by proxy is not permitted.

### Trustee of shareholder may vote

**9.3** A person who is not a shareholder may vote on a resolution at a meeting of shareholders, if, before doing so, the person satisfies the chair of the meeting at which the resolution is to be considered, or the directors, that the person is a trustee for a shareholder who is entitled to vote at the meeting.

### Representative of a corporate shareholder

**9.4** If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and,

- (a) for that purpose, the instrument appointing a representative must
  - (i) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, at least 2 business days before the day set for the holding of the meeting, or
  - (ii) be provided, at the meeting, to the chair of the meeting, and
- (b) if a representative is appointed under this Article,
  - (i) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, and
  - (ii) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

## Part 10 — Election and Removal of Directors

### Number of directors

**10.1** The Company must have a board of directors consisting of

- (a) four (4) directors from the Capital Regional District and three (3) directors from community members for a total of seven (7); or
- (b) the number of directors set by ordinary resolution of the shareholders.

### Change in number of directors

**10.2** If the number of directors is changed by the shareholders under Article 10.1 (b),

- (a) the change is effective whether or not previous notice of the resolution was given, and
- (b) the shareholders may elect, or appoint by ordinary resolution, the directors needed to fill any vacancies in the board of directors that result from that change.

### Election of directors

**10.3** At a special meeting of the shareholders or at the annual general meeting,

- (a) the shareholders and/or the Chair of the Capital Regional District shall announce the appointment of a board of directors consisting of the number of directors for the time being required under these articles, and
- (b) all the directors whose terms have expired, cease to hold office immediately before the election or appointment of directors under paragraph (a), but are eligible for re-election or reappointment.

### Term of directors

**10.4** The directors shall serve the following term:

- (a) directors from the Capital Regional District shall hold office for a term of one (1) year commencing

- January 1 to December 31;
- (b) directors from the community members shall hold office for a term of two (2) years commencing January 1 to December 31; and
  - (c) no director shall serve more than six (6) consecutive years.

**Failure to elect or appoint directors**

**10.5** If the Company fails to hold an annual general meeting in accordance with Article 10.3, the directors then in office continue to hold office until the date on which they otherwise cease to hold office under these articles.

**Consent to be a director**

**10.6** No election, appointment or designation of an individual as a director is valid unless:

- (a) that individual consents to be a director in the manner provided for in the *Business Corporations Act*; or
- (b) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse to be a director.

**Directors' acts valid despite vacancy**

**10.7** An act or proceeding of the directors is not invalid merely because fewer than the number of directors required by Article 10.1 are in office.

**Vacancies of directors**

**10.8** If the Company has fewer directors in office than the number set pursuant to these articles as the quorum of directors, the shareholders and/or the Chair of the Capital Regional District may appoint directors to fill any vacancies on the board of directors.

**Ceasing to be a director**

**10.9** A director ceases to be a director when:

- (a) the term of office of the director expires;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to article 10.10.

**Removal of directors**

**10.10** The Shareholders may remove any director before the expiration of his or her term by special resolution.

**Alternate directors**

**10.11** The Chair of the Capital Regional District shall appoint individuals qualified to act as directors to be alternates for the directors from the Capital Regional District. There shall be no alternates for directors from community members.

**Reimbursement of expenses of directors**

**10.12** The Company must reimburse each director and alternate director for the reasonable expenses that he or she may incur in and about the business of the Company.

**No Remuneration to directors**

**10.13** The directors and alternates shall serve as directors and officers of the Company without compensation and no director or alternate shall directly or indirectly receive any profit from a position as a director or officer; provided that a director or alternate may be paid reasonable expenses in the performance of his or her duties as a director of the Company.

## Part 11 —Powers and Duties of Directors

### Powers of Management

- 11.1 The directors must, subject to the *Business Corporations Act* and these articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these articles, required to be exercised by the shareholders of the Company.

### Obligation to account for profits

- 11.2 A director or officer who holds a disclosable interest (as that term is used in the *Business Corporations Act* ) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or officer under or as a result of the contract or transaction to the extent provided in the *Business Corporations Act*.

### Restrictions on voting by reason of interest

- 11.3 A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any director's resolution to approve that contract or transaction.

### Disclosure of conflict of interest or property

- 11.4 A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act* and as required by the conflict of interest guidelines set out by the Company and the Capital Regional District.

## Part 12 — Proceedings of Directors

### Meetings of directors

- 12.1 The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the board held at regular intervals may be held at the place, at the time and on the notice, if any, that the board may by resolution from time to time determine.

### Chair of meetings

- 12.2 Meetings of directors are to be chaired by
- (a) the president of the board, if any,
  - (b) in the absence of the president of the board, the vice president, if any, or
  - (c) any other director chosen by the directors if
    - (i) neither the president of the board nor the vice president, is present at the meeting within 15 minutes after the time set for holding the meeting,
    - (ii) neither the president of the board nor the vice president, is willing to chair the meeting, or
    - (iii) the president of the board and the vice president, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

### Voting at meetings

- 12.3 Questions arising at any meeting of directors are to be decided by a majority of votes and, in case of an equality of votes, the chair of the meeting does not have a second casting vote.

### Meeting by telephone or other communications medium

- 12.4 A director may participate in a meeting of the directors or of any committee of the directors in person or by telephone or by a communications medium other than telephone if all directors participating in the meeting are able to communicate with each other.

### **Who may call extraordinary meetings**

**12.5** A director may, and the secretary, if any, on request of a director, must call a meeting of the board at any time.

### **Notice of extraordinary meetings**

**12.6** If a meeting of the board is called under Article 12.5, reasonable notice of that meeting, specifying the place, date and time of that meeting, must be given to each of the directors

- (a) by mail addressed to the director's address as it appears on the books of the Company or to any other address provided to the Company by the director for this purpose,
- (b) by leaving it at the director's prescribed address or at any other address provided to the Company by the director for this purpose, or
- (c) orally, by delivery of written notice or by telephone, voice mail, e-mail, fax or any other method of legibly transmitting messages.

### **Quorum**

**12.7** The quorum necessary for the transaction of the business of the directors is a majority of the directors.

## **Part 13 — Committees of Directors**

### **Appointment of committees**

**13.1** The directors may, by resolution,

- (a) appoint one or more committees consisting of the director or directors that they consider appropriate,
- (b) delegate to a committee appointed under paragraph (a) any of the directors' powers, except
  - (i) the power to fill vacancies in the board,
  - (ii) the power to change the membership of, or fill vacancies in, any committee of the board, and
- (c) make any delegation referred to in paragraph (b) subject to the conditions set out in the resolution.

### **Obligations of committee**

**13.2** Any committee formed under Article 13.1, in the exercise of the powers delegated to it, must

- (a) conform to any rules that may from time to time be imposed on it by the directors, and
- (b) report every act or thing done in exercise of those powers to the earliest meeting of the directors to be held after the act or thing has been done.

### **Powers of board**

**13.3** The board may, at any time,

- (a) revoke the authority given to a committee, or override a decision made by a committee, except as to acts done before such revocation or overriding,
- (b) terminate the appointment of, or change the membership of, a committee, and
- (c) fill vacancies in a committee.

### **Committee meetings**

**13.4** Subject to Article 13.2 (a),

- (a) the members of a directors' committee may meet and adjourn as they think proper,
- (b) a directors' committee may elect a chair of its meetings but, if no chair of the meeting is elected, or if at any meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting,
- (c) a majority of the members of a directors' committee constitutes a quorum of the committee, and
- (d) questions arising at any meeting of a directors' committee are determined by a majority of votes of the members present, and in case of an equality of votes, the chair of the meeting has no second or casting vote.

## Part 14 —Officers

### Appointment of officers

- 14.1 The board may, from time to time, elect a president, secretary or any other officers that it considers necessary, and none of the individuals appointed as officers need be a member of the board.

### Functions, duties and powers of officers

- 14.2 The board may, for each officer,
- (a) determine the functions and duties the officer is to perform,
  - (b) entrust to and confer on the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit, and
  - (c) from time to time revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

### Qualifications of officers

- 14.3 No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*.

## Part 15 — Indemnification

### Indemnification of directors

- 15.1 The directors must cause the Company to indemnify its directors and former directors, and their respective heirs and personal or other legal representatives to the greatest extent permitted the *Business Corporations Act*. Each director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 15.1.

## Part 16 — Dividends

### Declaration of dividends

- 16.1 Subject to the unanimous consent of the shareholders, and subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of dividends.

## Part 17 — Accounting Records

### Recording of financial affairs

- 17.1 The board must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the provisions of the *Business Corporations Act*.

## Part 18—Company Restrictions

### Restrictions on business

- 18.1 The Company is restricted from carrying on any business except:
- (a) the purchase, lease, acquisition, sale, management, mortgaging and rental of real and personal property to be used in connection with public housing;
  - (b) the carrying out of activities of housing research, housing planning, community liaison and participation in joint public and private partnerships for the purpose of financing housing projects; and
  - (c) the establishment and maintenance of a Statutory Reserve Fund to provide funding for housing initiatives.

### Restricted powers

- 18.2 The Company is restricted from exercising the following powers:
- (a) the power to pay or transfer to the shareholders by way of dividend, bonus or otherwise any of the income or property of the Company;

- (b) the power to allot, issue or transfer any shares of its capital to any person other than a municipality, including a regional district incorporated under the *Municipal Act*, or an agency of a Municipality.

**Winding up or dissolution**

**18.3** If upon a winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever of the Company that is subject to any operating agreements or land leases, such property shall be transferred in accordance with such agreements and leases, and all other property remaining shall not be paid to or distributed among the shareholders as such but shall be held or used for public housing in the Capital Regional District as constituted from time to time and the Capital Regional District shall distribute such public housing at their discretion.

[DRAFT Revised Articles – March 22 Revisions & Corrections]

**Part 1 — Interpretation**

**Definitions**

1.1 [This section is unchanged, but for a new definition]

“Local Government Act” means the *Local Government Act*, R.S.B.C. 2015, c 1.

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**Part 10 — Election and Removal of Directors**

**Number of directors**

10.1 The number of directors will be up to a maximum that is equal to the number of directors on the Capital Regional District Board from time to time. The shareholders will elect or appoint those persons who are directors of the Capital Regional District from time to time as the Directors.

**Election of directors**

10.2 At a special meeting of the shareholders or at the annual general meeting the shareholders and/or the Chair of the Capital Regional District shall announce the appointment of a board of directors consisting of the number of directors for the time being required under these articles.

**Failure to elect or appoint directors**

10.3 If the Company fails to hold a meeting in accordance with Article 10.2, the directors then in office continue to hold office until the date on which they otherwise cease to hold office under these articles.

**Consent to be a director**

10.4 No election, appointment or designation of an individual as a director is valid unless that individual consents to be a director in the manner provided for in the *Business Corporations Act*.

**Directors' acts valid despite vacancy**

10.5 An act or proceeding of the directors is not invalid merely because fewer than the number of directors required by Article 10.1 are in office.

**Ceasing to be a director**

10.6 A director ceases to be a director when:

- (a) the director ceases to be a director of the Capital Regional District;
- (b) the director dies;
- (c) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (d) the director is removed from office pursuant to article 10.7.

**Removal of directors**

10.7 The Shareholders may remove any director before the expiration of his or her term by special resolution.

**Alternate directors**

10.8 Each director may have an alternate director, who is empowered to exercise the powers of a director at meetings or committees of the Company where the director is absent. The alternate director shall be the individual who is the absent director's alternate on the board of the Capital Regional District, pursuant to ss. 200 and 201 of the *Local Government Act*. Without limiting the powers set out in the *Local Government Act*, at any meeting or committee of the directors, each

alternate director is entitled to attend and vote, is counted in quorum, and may sign any resolutions to be consented to in writing and generally perform all matters for the relevant absent director. Each alternate director is deemed not to be the agent of his or her absent director. The appointment of the alternate director is automatic.

#### **Ceasing to be an alternate director**

- 10.9** The alternate director's status ends when their status as an alternate for the absent director on the board of the Capital Regional District ends under the *Local Government Act*.

#### **Reimbursement of expenses of directors**

- 10.10** The Company must reimburse each director and alternate director for the reasonable expenses that he or she may incur in and about the business of the Company.

#### **No Remuneration to directors**

- 10.11** The directors and alternates shall serve as directors and officers of the Company without compensation and no director or alternate shall directly or indirectly receive any profit from a position as a director or officer; provided that a director or alternate may be paid reasonable expenses in the performance of his or her duties as a director of the Company.

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#### **Chair of Meetings**

- 12.2** The chair and vice-chair of the board shall be elected from among the directors, at the initial meeting of the directors following the annual meeting of the shareholders at which the appointment of the directors is announced.

#### **Voting At Meetings**

- 12.3** Questions arising at any meeting of directors are to be decided by a majority of votes and, in case of an equality of votes, the chair of the meeting does not have a second casting vote.

#### **Quorum**

- 12.7** The quorum necessary for the transaction of the business of the directors is fixed at a majority of all the directors.

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### **Part 16 — Dividends**

#### **Declaration of dividends**

- 16.1** The Company shall be restricted from declaring and authorizing, and the Directors may not declare and authorize, payment of dividends.

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### **Part 18—Company Restrictions**

#### **Restrictions on business**

- 18.1** The Company is restricted from carrying on any business except:
- (a) the purchase, lease, acquisition, sale, management, mortgaging and rental of real and personal property to be used in connection with public housing for low (or low and moderate) income households;
  - (b) the carrying out of activities of housing research, housing planning, community liaison and participation in joint public and private partnerships for the purpose of financing housing projects for low (or low and moderate) income households; and
  - (c) the establishment and maintenance of a Statutory Reserve Fund to provide funding for such housing initiatives.

**Restricted powers**

**18.2** The Company is restricted from exercising the following powers:

- (a) the power to pay or transfer to the shareholders by way of dividend, bonus or otherwise any of the income or property of the Company;
- (b) the power to allot, issue or transfer any shares of its capital to any person other than a municipality, including a regional district incorporated under the *Local Government Act*, or an agency of a Municipality.

**Winding up or dissolution**

**18.3** If upon a winding-up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever of the Company that is subject to any operating agreements or land leases, such property shall be transferred in accordance with such agreements and leases, and all other property remaining shall not be paid to or distributed among the shareholders as such but shall be held or used for public housing in the Capital Regional District as constituted from time to time and the Capital Regional District shall distribute such public housing at their discretion.

# Terms of Reference

The logo for the Capital Regional District (CRD) is located in the top right corner of the header. It consists of the letters 'CRD' in a stylized, white, sans-serif font, set against a dark grey background that features a wavy, horizontal line pattern.

## HOSPITALS AND HOUSING COMMITTEE

### PREAMBLE

The Capital Regional District (CRD) Hospitals and Housing Committee is a Standing Committee established by the CRD Board and will oversee and make recommendations to the Board on matters relating to hospitals and housing.

The Committee's official name is to be:

Hospitals and Housing Committee

### 1.0 PURPOSE

The mandate of the Committee includes providing advice or making recommendations, or both, to the Board regarding the following region-wide functions:

- a) Regional housing matters;
- b) Alternative models for managing and financing capital and development projects related to hospitals, health care facilities and housing, including exploring affordable home ownership models, the formation of strategic partnerships and the creation of alternative corporate entities;
- c) Options for the procurement of hospitals, health care facilities and housing capital and non-capital expenditures;
- d) Financial matters, including alternative sources of capital, relating to hospitals, health care facilities and housing;
- e) Real estate matters relating to hospitals and housing.

The following committees will report through the Hospitals and Housing Committee:

- a) Housing Action Team; and
- b) Any other advisory body established by the Committee.

**2.0 ESTABLISHMENT AND AUTHORITY**

- a) The Committee will make recommendations to the CRD Board and the Capital Regional Hospital District Board, as applicable, for consideration; and
- b) The CRD Board Chair will appoint the Committee Chair, Vice Chair and committee members on an annual basis.

**3.0 COMPOSITION**

- a) The Chair of the Capital Regional Housing Corporation, if a CRD Director, should be a member of the Committee.
- b) All Board members are permitted to participate in standing committee meetings, but not vote, where an item of local significance is on the agenda (Board resolution Nov. 12, 2014).

**4.0 PROCEDURES**

- a) The Committee shall meet on a bi-monthly basis and have special meetings at the call of the Chair;
- b) The agenda will be finalized in consultation between staff and the Committee Chair and any committee member may make a request to the Chair to place a matter on the agenda;
- c) With the approval of the Committee Chair and the CRD Board Chair (or Capital Regional Hospital District Board Chair, as applicable), committee matters of an urgent or time sensitive nature may be forwarded directly to the Board for consideration;
- d) A quorum is a majority of the committee membership and is required to conduct committee business;
- e) The Committee may invite members from any Standing Committee to participate in its meetings in accordance with the CRD Procedures Bylaw.

**5.0 RESOURCES AND SUPPORT**

- a) The General Manager of Planning and Protective Services and the Chief Financial Officer will act as liaisons to the Committee;
- b) Minutes and agendas are prepared and distributed by the Legislative and Information Services Department.

Approved by the Hospitals and Housing Committee on \_\_\_\_\_, 2018  
Approved by CRD Board on \_\_\_\_\_, 2018