



**REPORT TO HOSPITALS AND HOUSING COMMITTEE  
MEETING OF WEDNESDAY, APRIL 01, 2026**

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**SUBJECT**     Pender Health Care Clinic Capital Funding

**ISSUE SUMMARY**

Motion to include \$100,000 from Minor Capital for Pender Health Clinic.

**BACKGROUND**

At the October 8, 2025, meeting of the Capital Regional Hospital District (CRHD) Board the following motion was passed:

*Request Island Health include \$100,000 for the Pender Health Care Clinic's capital funding needs as part of the minor capital projects funding contributed through the partnership with the Capital Regional Hospital District.*

Staff have followed up with Island Health to make the request and have been informed that the Pender Health Unit is in need of repairs, but Island Health does not actually own the facility. There is a five-year lease agreement between Island Health and the Pender Islands Health Care Society for the Pender Health Centre. Island Health is a tenant occupying only a defined portion of the building together with portions of shared clinic rooms, corridors, and apportioned common space. ~~Island Health then enters into licenses of occupation with clinicians who provide services from some of those rooms, reflecting that Island Health administers a portion of the clinic space, but does not occupy or operate the building as a whole.~~

The lease places responsibility for the lands, building, and base building systems with the landlord. This includes the building structure, envelope, plumbing, HVAC, electrical distribution, sprinkler system, and other base building systems and shared building elements required for the building to function. Island Health's obligations under the lease specifically exclude capital items, base building upgrades, and major maintenance or replacement of essential building systems from those operating costs. ~~The site is owned by the Pender Health Care Society and receives revenue under a Doctors of BC contract.~~ Therefore, the site would not be within the scope of the regular Island Health Minor Capital funding formula. The CRHD cost shares in minor capital with Island Health and as such this would not qualify for minor capital funding.

**ALTERNATIVES**

*Alternative 1*

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

That no adjustment be made, at this time, to the minor capital funding to include Pender Health Unit.

*Alternative 2*

That this report be referred back to staff for additional information based on Hospitals and Housing Committee direction.

**IMPLICATIONS**

*Financial Implications*

The recommended course of action will have no impact on the minor capital spending plan for the year as it advises against a change to the minor capital project list. No additional funding and no budgetary changes are required.

*First Nations Implications*

There are no anticipated implications for First Nations associated with this report. The recommendation maintains the status quo and does not introduce new policy, land use changes, or operational impacts that would affect First Nations interests.

*Intergovernmental Implications*

There are no anticipated intergovernmental implications associated with this report. The recommendation maintains the status quo and does not affect relationships, agreements, or coordination with other levels of government or external agencies.

**CONCLUSION**

Health and Capital Planning Strategies Division staff, working together with Island Health, have conducted due diligence for the 2026 minor capital projects. Island Health’s minor capital list represents the highest priority needs for the region’s healthcare facilities. Pender Health Clinic receives revenue from Doctors of BC, and the facility does not qualify for minor capital at this time.

**RECOMMENDATION**

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

That no adjustment be made, at this time, to the minor capital funding to include Pender Health Unit.

Submitted by:	Michael Barnes, MPP, Senior Manager, Health and Capital Planning Strategies
Concurrence:	Kevin Lorette, P. Eng., MBA, General Manager, Housing, Planning and Protective Services
Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer