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REPORT TO HOSPITALS AND HOUSING COMMITTEE MEETING OF WEDNESDAY, APRIL 1, 2026

SUBJECT Regional Equity Investments

ISSUE SUMMARY

This report is in response to a Motion referred to staff reporting back to the Hospital and Housing Committee (HHC) with information on regional service investments in housing and hospital facilities.

BACKGROUND

At the December 3, 2025, HHC meeting, some Directors raised concerns regarding the level of investment in health and housing infrastructure in the Electoral Areas (EAs) compared to the level of funding provided by the EAs. The discussion highlighted that while population size and economies of scale often drive major investments toward urban centers, considerations of fairness and equity for rural areas are also important.

In response, the following motion was put on the floor:

"The Hospitals and Housing Committee recommends to the Capital Regional District, Capital Regional Hospital District, and Capital Region Housing Corporation: That the Capital Regional District, Capital Regional Hospital District, and Capital Region Housing Corporation include regional equity in considering their investment priorities with respect to housing and health facilities."

The committee further recommended to the Capital Regional District (CRD) Board:

"That the (above) motion with notice be referred to staff for an information report on regional investments and that the report be returned in Q1 2026 to the Hospital and Housing Committee."

This recommendation was endorsed by the CRD Board at its December 10, 2025 meeting and referred to staff.

Subsequent discussions clarified that the staff information report will provide a summary of investments in housing and health facilities over the past 10 to 15 years and will also include an overview of grant funding and related benefits received by electoral areas. This report is intended to provide historical financial information to inform the Committee and Board's consideration in applying a regional equity lens when considering health and housing investment priorities.

This report provides tax requisition, grant and investment information over a 15-year period for Non-Application-Based Grants, Regional Housing investments and Capital Regional Hospital District (CRHD) investments.

Appendix A outlines the total amount of EA tax requisition contribution towards the CRD Land Banking and Housing Service and CRHD broken down by EA.

Regional housing investments are facilitated through the Capital Region Housing Corporation (CRHC) and two supporting services under the CRD (Land Banking and Housing Service and Regional Housing Trust Fund Service).

The CRHC is the largest non-profit housing operator on southern Vancouver Island operating 53 buildings in 8 municipalities. As a wholly owned subsidiary of the CRD, the CRHC has delivered 989 new affordable rental homes since 2010. The CRHC operates in eight municipalities with capital investments primarily funded through awarded grants and mortgage debt, which is serviced by tenant rents and operating subsidies received from BC Housing.

Housing investments under the Land Banking and Housing Service have been made through the Regional Housing First Program (RHFP), a partnership with the Government of Canada and the Province of British Columbia through BC Housing. The program has supported several projects undertaken by various non-profit societies, including those delivered through the CRHC. The Land Banking and Housing Service, established in 2010, is a regional service and is primarily funded through requisition and external grants.

The Regional Housing Trust Fund Service (RHTF) is a more narrowly focused granting service. The RHTF was established in 2005 as a subregional service and is funded through requisition.

Appendix B highlights regional housing projects over the last 15 years.

The CRHD capital plan is derived from healthcare priorities established by Island Health, with the CRHD typically contributing 30% of funding for major projects and 40% for minor capital and equipment. It outlines the CRHD's ongoing commitments and anticipated new expenditures, impacting future CRHD requisitions and property tax adjustments. To prepare for annual updates to the capital plan, the CRHD staff monitor ongoing capital contributions and collaborate with Island Health on new projects, adjusting the previous year's plan based on emerging patient-focused priorities. The major capital spending for EAs in the last 15 years is summarized in Appendix C.

Non-application-based grants are direct awards to the CRD. The amount is determined by the grantor, typically using a formula based on a local government metric such as population. These non-application-based grant awards are not allocated to specific CRD services and/or projects at the time of the award. To administer non-application-based grants, internal assessments and prioritization of initiatives through planning are required to allocate funds within various parameters. In 2024, the Board adopted the guiding principles that the distribution of non-application-based grants be in alignment with the grantor's funding formulae and program requirements. The distribution of notable non-application-based grants in the last 15 years is summarized in Appendix D.

IMPLICATIONS

Financial Implications

Regional Housing Investments

From 2010 to 2025, a total of \$352 million was invested in regional housing capital projects. The

investments are a combination of CRD, CRHC, BC Housing and Federal grant funding. Providing a detailed breakdown of funding sources and the proportion attributable to each contributor would require significant additional staff analysis.

Of the total investment, \$5.29 million (1.5%) was directed towards supporting EA housing projects within Salt Spring Island and the Southern Gulf Islands. No capital investment was recorded for the Juan de Fuca EA during this period.

Between 2010 and 2025, the CRD Land Banking and Housing Service (1.310) requisition totaled \$17.99 million, with EAs contributing \$1.34 million, or 7.5% of the total.

Capital Regional Hospital District Investments

Capital grants issued from the CRHD to Island Health from 2010 to 2025 totaled \$299.32 million. Of this total, \$6.02 million (2.0%) was spent within the EAs, primarily for the Lady Minto Hospital on Salt Spring Island and the Galiano Health Care Centre. Between 2010 and 2025, the total CRHD requisition was \$450.30 million. During this period, the EAs contributed \$34.15 million in requisitions, representing 7.6% of the total regional contribution. Appendix C summarizes the spending per year, and what has been identified for EA facilities.

Distribution of Non-Application-Based Grants

Non-Application-Based grants provided are not tied to a specific project, and the amount of the grant awarded is often on a per capita basis through the funding formula decided by the grantor. The recipients of such grants are responsible for allocating the funds to eligible projects at their discretion. The CRD has received several notable non-application-based grants where the Board determined the final allocation as outlined below.

Community Works Fund (2014 to 2024 and 2024 to 2034): Under two 10-year agreements, funding was awarded primarily based on the CRD's unincorporated areas' population with a small base level funding. In both agreements, the Board resolved to allocate 100% of the funding, totaling approximately \$1.23 million to \$1.37 million annually, exclusively to EA projects.

COVID Safe Restart Funds (2020 and 2021): Under two disbursements, totaling nearly \$2 million, funding was directly awarded to the CRD on two different per capita rates for regional and unincorporated populations. The Board resolved to mirror the grantor's formula and allocate \$500,000 to EA services.

Growing Community Fund (2023): Funding was directly awarded to the CRD on two different per capita rates for regional and unincorporated populations and a funding amount based on growth for the unincorporated population only. The Board allocated \$5.43 million of the Growing Communities Fund to EA projects, representing 47% of the total grant, which exceeded the 32% share suggested by the grantor's population-based formula.

Appendix D is the financial summary detailing funds received, the funding formulae by the grantor and the CRD's distribution method for each grant.

Regional Population Estimates

A summary of the estimated population for the CRD by municipality and EA is included in Appendix E.

As of July 2025, the total regional population is estimated at 495,051. EAs represent 25,003 residents, or 5.1% of the total population. While EAs represent 5.1% of the population and contribute about 7.5% of regional requisitions, they received 2.0% of hospital capital spending and 1.5% of housing capital investment

CONCLUSION

The historical review of regional service investments from 2010 to 2025 highlights a distinction between grant allocations and major capital spending. EAs have been the primary beneficiaries of non-application-based grants, often receiving 100% of available funds or shares exceeding population-based formulas. However, capital investments for hospital and housing facilities are concentrated in municipal centers where the concentration of population is higher.

RECOMMENDATION

There are no recommendations. This report is for information only.

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Concurrence:	Ted Robbins, B. Sc., C. Tech., Chief Administrative Officer

ATTACHMENTS

- Appendix A: Tax Requisition for CRD Land Banking & Housing and CRHD 2010-2025
- Appendix B: Summary of Capital Investment for Regional Housing Reporting Period: 2010-2025
- Appendix C: Summary of CRHD Capital Spending Electoral Areas (EA), 2010-2025
- Appendix D: Non-Application-Based Grant Allocation Summary
- Appendix E: Demographics - Population Estimates, July 1, 2025 Capital Region