

OUR VISION:



December 12, 2025

Capital Regional Hospital District Board
PO Box 1000
Victoria, BC V8W 2S3

Sent via email: crdboard@crd.bc.ca

Subject: Redevelopment of Oak Bay Lodge

Dear Board Members.

Island Health is pleased to participate in discussions with the Capital Regional Hospital District (CRHD) to explore opportunities for Island Health involvement in the redevelopment of the Oak Bay Lodge.

CRHD's leadership of this project—as landowner, developer, and project financier—is an essential step forward in addressing the growing needs for health-related services in the region. Island Health recognizes that this redevelopment scenario anticipates formal partnerships with Kiwanis and Victoria Hospice as the designated health service components on the site and these entities would port existing operating revenue funded by Island Health. We are supportive of this model. We are also supportive of a collaborative approach amongst all parties regarding the redevelopment costs and financing options plus understanding incremental operating costs.

We are looking forward to continuing to work collaboratively with CRHD, Kiwanis, and Hospice as this project advances. As a next step, Island Health supports convening a joint meeting of all four organizations to further define roles, confirm project assumptions, and begin development of the necessary Memorandums of Understanding (MOUs).

Executive Office

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Thank you for your continued leadership in supporting health services within the region. Island Health looks forward to the next steps in advancing this important project.

Sincerely,

A handwritten signature in blue ink that reads "Kim Kerrone". The signature is written in a cursive style with a large initial "K".

Kim Kerrone

Vice President, Chief Financial Officer