

Capital Regional Hospital District Non-Traditional Project (NTP) Funding Guidelines

BACKGROUND

The Capital Regional Hospital District (CRHD) Board has endorsed the use of CRHD funds to contribute towards the capital costs of non-traditional healthcare facilities.

Traditional healthcare projects funded by the CRHD involve facilities owned by the Vancouver Island Health Authority (VIHA) used primarily for the reception and treatment of persons:

- (a) suffering from the acute phase of illness or disability;
- (b) convalescing from or being rehabilitated after acute illness or injury; or
- (c) requiring extended care at a higher level than that generally provided in a private hospital.¹

Non-Traditional Projects (NTPs) category was established by the CRHD to support the provision of community-based healthcare services by not-for-profit agencies (other than VIHA) for facilities providing:

- i) primary healthcare; and
- ii) residential-types of care.

STRATEGIC CONTEXT

The CRHD is a subsidiary of the Capital Regional District (CRD). The NTP Fund is an example of how the CRD recognizes that social resilience and wellbeing are vital elements of a healthy and sustainable region, as outlined in the CRD's *Regional Sustainability Strategy*.

Consistent with the authority of the CRHD to provide capital for 'traditional' healthcare projects, the NTP Fund contributes capital to community-based healthcare projects that provide health-related services but are unable to secure sufficient capital funding from VIHA or other sources. CRHD capital funding to selective projects is intended to leverage ongoing service delivery funding from VIHA, as well as capital and support service contributions from multiple community sources, including proponent non-profit societies.

The NTP Fund was established by the CRHD for the following purposes:

1. To assist in significant capital costs associated with non-traditional, community-based provision of healthcare related services.
2. To contribute to projects throughout the entire Region, as CRHD funds are requisitioned annually through property taxes provided by businesses and residents of the Region.
3. To facilitate social and economic investment in community healthcare facilities.
4. To assist people in core housing need requiring physical and emotional care and services, particularly seniors, and persons who are: physically disabled; developmentally challenged; with chronic mental health issues; and, other with special needs identified as a priority for community response.
5. To leverage capital and ongoing operational and service funding from other levels of government, community groups and the private sector.
6. To address strategic directions outlined in VIHA service plans or in the CRD's *Regional Sustainability Strategy*.

¹ In accordance with Provincial statutes, these categories of use are defined under the *Hospital Act* and applied under the authority granted to Hospital Districts under the *Hospital District Act*.

NTP FUNDING GUIDELINES

Proposals for NTP funding will be evaluated based on the following guidelines:

- Proponents must demonstrate:
 - a. The demand for the services to be delivered through the facility.
 - b. The need for capital funding to construct or significantly upgrade the facility.
 - c. A capital funding shortfall exists to construct or significantly upgrade the facility.
 - d. Confirmation of ongoing operational funding.
- To be eligible for NTP funding and comply with regulations governing the Capital Regional Hospital District (namely the *Hospital District Act*), facilities receiving funding must be designated by the Minister of Health as a hospital as defined under the *Hospital Act*.
- That the public interest be served by ensuring facilities receiving CRHD funding continue to be used for their originally intended purpose. To this end, CRHD funding is subject to a Funding Agreement and/or a notation registered against the property, such as a Section 219 covenant.
- Assistance is in the form of a grant that is forgivable - subject to the terms and conditions of the Funding Agreement.
- Projects should assist in the retention of existing or construction of new affordable residential care facilities with healthcare services or other community-based healthcare service facilities.
- Residential-based projects should provide affordable accommodation for tenants within prescribed income target levels.
- The type of health care services provided must be clearly identified.
- CRHD funds are provided on a cost-shared basis only, along with other community contributions from entities such as: other government agencies; private development industry; corporate donors; community agencies; and individuals.
- The CRHD cannot be the primary capital funder.
- CRHD funding is conditional on confirmation that all other funding is secured by the applicant. Proponents must demonstrate committed funding partnerships.
- The NTP Fund is limited (currently set at \$1 million annually), so proposals will only be considered for a portion of the total annual budget and subject to funding availability.

APPLICATION PROCESS

The *Health and Capital Planning Strategies Division* of the Capital Regional District administer NTP funds on behalf of the CRHD (see attached Contacts list). In this role, Division staff apply the NTP guidelines through the following application review and approval process:

1. The project proponent (non-profit applicant) advises the Health and Capital Planning Strategies Division of their intention to apply for NTP funding, describing the project in as much detail as possible.
2. Based on the information provided, staff apply the Fund's Guidelines (eligibility 'test') to determine whether the proposed project meets the basic NTP funding criteria.
3. If the project is deemed to pass the initial 'eligibility test', the proponent is provided with a comprehensive list of proposal requirements that will include:
 - a) A detailed description of the proposed project, including the type of healthcare service provided, the client group, and eligibility criteria for persons to receive services.
 - b) A detailed project expenses budget, preferably based on a qualified cost consultant, engineering or architect report.
 - c) A detailed listing of project revenues, including: sources of applicant equity (land, capital reserves, etc.); contributions in cash or in-kind listed by source; and, the amount of mortgage (if applicable) and source of mortgage payments (tenant rents, operating subsidy from senior government agency such as BC Housing or VIHA, etc.).
 - d) A tentative project schedule (such as a Gantt chart).
 - e) Legal description of the property, including zoning and Official Community Plan information.
 - f) Confirming that the facility is deemed a hospital under the '*Hospital Act*'. If the facility is not already deemed a hospital, CRD staff will assist in obtaining this designation based on the applicant providing:
 - i) a letter from the Vancouver Island Health Authority (VIHA) indicating support in having this facility designated for purposes of capital cost sharing;
 - ii) confirmation in writing affirming the applicant is a non-profit society in good standing under the *Society Act*; and,
 - iii) a copy of the society's constitution and bylaws.
4. Proponent provides the project proposal to the Senior Manager for review and final completion.
5. CRD staff present the proposal and staff recommendations to the Planning and Protective Services (PPS) Committee of the CRD/CRHD Board.
6. The PPS Committee then makes a recommendation to the Board of the CRHD for decision.
7. The CRHD Board of Directors vote on the PPS Committee recommendation.

Please note - applicants are strongly advised to contact the CRD's Health and Capital Planning Strategies Division well in advance of the anticipated need for NTP funds.

HEALTH and CAPITAL PLANNING STRATEGIES DIVISION - CONTACTS

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