

POLICY ON ACQUISITION AND DISPOSITION OF PROPERTY ASSETS

1.0 PURPOSE

Interior Health owns, leases and retains land and/or buildings (“Property”) to support the effective delivery of Interior Health services and assures effective use of resources. Growth pressures will, from time to time, require Interior Health to acquire new Property to support service delivery needs. Similarly, changes in the means or location for delivery of services may result in some Property being declared surplus from time to time.

This policy will ensure the application of principles and guidelines for the acquisition and disposition of Property which take into account community-based needs, financial accountability and the effective use of available resources.

2.0 POLICY OBJECTIVES

2.1 Acquisition Principles

The following principles will guide the overall process for acquiring Property:

- a. Property may be acquired from time to time to facilitate the development, relocation or expansion of Interior Health facilities/sites in accordance with the *Health Authorities Act*.
- b. Property is an organizational asset that is required to provide the facilities necessary to delivery services. Additional land may be required from time to time to meet current and foreseeable future operational needs.
- c. The acquisition of Property must align with organizational goals (e.g. land is needed to sustain quality health care delivery).
- d. The selection of Property should balance health authority purposes, efficiency and affordability.

2.2 Disposition Principles

The following principles will guide the overall process for disposing of Property:

- a. Property will be declared surplus when they are not longer required to meet current or foreseeable operational needs.
- b. When Property is declared surplus, the Authority will initiate disposal planning as quickly as practicable to reduce ownership, maintenance, and security costs and to limit potential liability.

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- c. In the disposition of Property, the Authority will give priority to the needs and initiatives of local communities ensuring that:
 - i) public interest and investment in the Property is preserved wherever possible; and
 - ii) where trust agreements do not exist, the Authority consults wherever possible with the Foundations or donors involved.
 - iii) First Nations, Regional Hospital Districts, municipalities and NGO's are consulted for potential accommodation and/or acquisition.
- d. When Property is disposed of to third parties, the goal of the Authority will be to realize the highest net return available, unless otherwise directed by the Board and with the concurrence of the Ministry of Health Services.
- e. The process for disposition will be equitable, objective, justifiable and transparent from an external perspective.
- f. Property which has no market value will be dismantled or otherwise disposed of in a manner which minimizes impacts on the environment.
- g. The Authority's procedures for the management of redundant Property will conform with the approval requirements of the Ministry of Health Services and any special directives that may be issued from time to time.

2.3 Acquisition Decision Authority

The authority to acquire Property is premised on the following:

- a. In accordance with the Bylaws, all contracts for acquisition of real property must be authorized by the Board.
- b. Where timing does not permit approval by the Board at a regularly scheduled meeting, authorization may be sought by email consent, upon the direction of the President and Chief Executive Officer or designate.
- c. First Nations will be consulted in accordance with Guidelines or Directives issued from time to time by the Ministry of Health Services.
- d. The Ministry of Health Services must be consulted and approval obtained prior to the purchase of Property pursuant to Section 7.4 of the Financial Management Policy for Health Authorities.

2.4 Disposition Decision Authority

The authority to dispose of Property is premised on the following:

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- a. First Nations must be consulted with respect to their potential interests in the proposed disposition and whether there are any Aboriginal Claims affected by the proposed disposition.
- b. The Ministry of Health Services must be consulted and approval obtained prior to any changes in the use or disposition of Property.
- c. The Hospital Act (Sections 48-49) sets out certain conditions for any lease or transfer of hospital land or buildings for which the government has granted financial assistance, including the written approval of the Minister.
- d. In accordance with the Bylaws, all contracts for the disposition of Property must be authorized by the Board.

3.0 ADMINISTRATIVE PROCEDURES

Procedures will be developed to guide the implementation of property acquisition and disposition processes.