



CAPITAL ASSET REFERENCE GUIDE for Public Post-Secondary Institutions

Ministry of Infrastructure

Module 2 – Programs

February 2025

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1.0 Overview

1.1 Programs

The Ministry offers a variety of funding programs to support public post-secondary institutions with capital infrastructure.

Several of these programs have a regular intake through the 5-year capital planning process:

- New Priority Investments (including whole asset renewal and replacement)
- Student Housing
- Routine Capital (including linear infrastructure)
- Carbon Neutral Capital Program
- IM/IT capital program

Additional programs have separate intake processes, which are outlined below.

1.2 General Eligibility Criteria

All projects are expected to meet the following general criteria:

- The property where the project will occur must be owned by the public post-secondary institution or be on Crown land provided to the institution through a lease or sponsored Crown grant.
- Specifically, projects on leased property or held within a property trust are not eligible for provincial funding.
- Revenue-generating projects are ineligible (e.g. parkades, athletic facilities). A notable exception is student housing and associated facilities (e.g. cafeterias).

These criteria exist based on the requirements of the Ministry's voted appropriation and accounting requirements of the Government Reporting Entity, as well as Ministry policy.

Program-specific eligibility criteria are outlined below, which provide general guidance on what types of projects may receive provincial funding support. Contact PSFS.Capital.Policy@gov.bc.ca for questions about eligibility.

2.0 New Priority Investment Projects

New Priority Investment Projects include both new capital infrastructure and whole asset replacement and renewal projects. Institutions can submit proposals through the annual 5-year capital plan process. Projects that are notionally approved will be added to the Ministry's 10-year capital plan and a project concept plan and/or business case will be requested for further Government consideration.

2.1 New Development Projects

Eligibility Criteria

New Development Projects can vary greatly and can include the development of new buildings, expansions, or renovations. This program is primarily driven by the need to accommodate growth and to provide labour market demand driven capacity.

Eligible examples include:

- New academic building with classrooms and/or labs
- Additions and renovations to an existing academic building that provides new system capacity
- Other new buildings that provide new system capacity in response to market demand such as Trade Shops or Health Sciences

2.2 Whole Asset Replacement & Renewal Projects

Eligibility Criteria

The primary driver of Whole Asset Replacement & Renewal projects is the need to improve the physical asset condition and to reduce the deferred maintenance backlog. A secondary benefit is increased system capacity due to improved functional efficiency.

Other characteristics of Whole Asset Replacement & Renewal projects include:

- When building systems and components are 50% or more of replacement value¹ (Facility Condition Index [FCI] > 0.5²)
- Complete facility rehabilitation or renovation when more than 50% of all major components need to be replaced
- Demolition and full replacement

The 50% FCI threshold is a guideline, since other factors such as shared HVAC, risk impacts and the facility's functionality need to be considered.

Eligible examples include:

- Major renovation of an academic building with classrooms and labs due to poor physical condition (e.g., aged mechanical and electrical systems)
- Major renovation due to functional obsolescence (e.g., non-purpose-built facilities or classrooms and labs no longer serve the current academic programs)
- Complete replacement of a building envelope (e.g., wall and window systems)

¹ Asset replacement value refers to total cost of construction required to replace a capital asset in current dollars with like, kind, and quality.

² This threshold is provided as a guideline, not as a rule. In some instances, the Ministry may determine that it is prudent to undertake projects that do not meet the threshold.

- Linear infrastructure (e.g., underground utilities, roadways, sidewalks, etc.)

Refer to the [government website](#) for Template 1 – Priority Investment Business Case.

3.0 Student Housing Program

The Student Housing Program provides government financial support to expand affordable on-campus housing for students at public post-secondary institutions. A secondary benefit is that additional student housing reduces pressure on the local housing market.

3.1 Eligibility Criteria

As Institutions are considering proposals to expand student housing, the following requirements need consideration:

- Student housing rents must be below market levels
- Institutions need to demonstrate demand, such that student housing will be occupied throughout the academic year (i.e. 95-99%) and by maximizing occupancy during the summer (e.g., academic, skills training programs, conferencing, sports teams, etc.)
- Institutions need to contribute to the financial cost of the project, relative to their available funding
- Projects need to be financially viable and self-sustaining, including factoring in long-term routine capital renewal
- New construction is the primary focus of the program; however, replacement beds may be considered for facilities that are requiring major renewal
- Project amenities need to meet the criteria outlined below

During the project review process, additional criteria are applied to evaluate the business case proposals and the accompanying financial model. Contact Ministry staff if you have any questions.

Amenities Criteria

The program recognizes the importance of amenities for students' health and wellness. The listing below identifies amenities eligible for provincial funding. In general, amenities specifically dedicated to support the student housing operations are eligible, while amenities for the broader campus are not eligible. Institutions that want to include ineligible amenities in the project may choose to fund those amenities using institutional funding. In those instances, please contact the Capital Policy Team to discuss.

Eligible amenities/spaces:

- Student lounges/games rooms

- Multipurpose spaces that support student housing activities
- Music rooms/fitness rooms
- Multifaith space, meditation and reflection space
- Elders-in-residence
- Storage and laundry spaces
- Cafeteria for student housing residents
- Kitchenettes and shared floor kitchens

Ineligible amenities/spaces

- Cafeteria for broader campus and coffee shops
- Broader campus services (e.g. bookstores, health clinics, food banks, etc.)
- Academic and research space
- Retail stores
- Conference/event space/breakout rooms, workshop space, meeting rooms
- Kitchens for conference/event space

Note: The floor area for amenities spaces may be compared against benchmarks based on sector trends.

3.2 Process

Institutions can submit proposals through the 5-year capital planning process. Projects that are shortlisted will be invited to submit a more detailed project business case and financial model. Please note, that while Institutions are encouraged to indicate their interest in/need for student housing projects each year, the Student Housing Program operates on an intake basis based on available funding.

The Student Housing Program provides both provincial grants and provincial loans. The financial model will be used to inform the loan/grant ratio; however, final values will be determined through the approval process.

Refer to the [government website](#) for Template 3 – Student Housing Business Case.

4.0 Routine Capital Projects

The Routine Capital Program provides funding to post-secondary institutions to address capital expenditures that improve physical asset conditions. A key metric used is the Facility Condition Index (FCI).

There are four broad funding categories for routine capital projects:

- a. Maintenance & Rehabilitation Projects
- b. Upgrades & Renovations Projects
- c. Linear Infrastructure Projects

d. Emergency Projects

4.1 Maintenance & Rehabilitation Projects

Maintenance and rehabilitation projects are primarily driven by the need to improve the physical asset condition and to reduce the deferred maintenance backlog. A secondary benefit is the maintenance or extension of the asset's life.

Eligibility Criteria

Key characteristics can include:

- Replacement of building systems and components (for illustrative projects, refer to the “*Examples*” figure) is less than 50% of the value (FCI < 0.5)
- Improves the FCI
- Prevents the premature obsolescence of the facility
- Addresses building code requirements
- Addresses life safety, health, and environmental risks
- Addresses accessibility requirements
- Includes repairs, refits or replacement of building systems and components, associated demolition, seismic upgrades, surveys, investigations, studies, and planning, that typically total to less than 50% of asset replacement value
- Includes replacement of specialized equipment and IM/IT infrastructure because of failure (or at risk of failure)
- Excludes minor repairs that are normally managed through operations and maintenance in typical property management practices, housekeeping, “beautification”, capacity enhancements

The 50% threshold for FCI is a guideline since other factors such as risk impacts need to be considered in the decision-making for replacement projects.

Eligible examples include:

- Major repairs and refits (e.g., large roof replacement)
- Partial rehabilitation of an aged mechanical or electrical system
- Partial rehabilitation of a building envelope (e.g., windows only)

Major routine capital projects are capitalized for accounting purposes and are funded via a “Certificate of Approval” (COA).

4.2 Upgrades & Renovations

Upgrades and renovation projects are primarily driven by the need to improve functionality, efficiency, or by policy rationale (i.e., heritage restoration). Typically, existing infrastructure is modified to meet the current standards of program delivery but does not result in net new programming capacity.

Eligibility Criteria

Key characteristics:

- Modifies existing infrastructure to meet the current standards of program delivery
- Asset improvements undertaken primarily to improve functionality or operational efficiency
- Includes replacement of specialized equipment and IM/IT infrastructure due to obsolescence

Eligible examples include:

- Renovation of a classroom to accommodate program changes and create efficiencies

Important notes:

- Does not generally extend the useful life of the asset or improve FCI
- Does not result in additional operating costs other than amortization (e.g., program costs, staff costs)
- Excludes projects undertaken to address deferred maintenance that have improved functionality as a side benefit

4.3 Linear Infrastructure

Eligibility Criteria

Linear Infrastructure projects include site services, underground civil works and infrastructure projects like roadways, sidewalks, and outdoor lighting required for safety. These projects do not include revenue-generating projects (e.g., parking lots).

Eligible project examples:

- Underground utilities
- Roadways, sidewalks, active transportation, etc.

4.4 Emergency Projects

Emergency projects are defined as projects arising from an unanticipated, immediate incident resulting in a health and safety and/or operational risk that has occurred. Institutions are expected to fund emergency projects with their own resources after exhausting insurance, warranty and/or service contract claims. However, under extenuating circumstances, the project may be eligible for funding under the Ministry's emergency funds. The Ministry holds only a nominal reserve for capital emergency projects, and therefore these projects are not guaranteed to be funded.

Eligibility Criteria

Eligibility for projects under Emergency Projects is largely dependent on whether it is a true emergency (e.g., roof collapses/explosion) or if it is a maintenance item that was never addressed (e.g., boiler replacement that has been known for years). Institutions need to consider if the project should be addressed under the University, College, and Institute Protection Program.

Key characteristics of such projects include:

- General unexpected urgency to address the issue e.g. failing building components
- Does not generally extend the useful life of the asset or improve the FCI

For Emergency Projects, Institutions will provide a brief summary regarding the nature of the emergency as well as project costs, key project risks, funding sources, and start/end dates.

The Emergency Project Definition Report shall include the following, at a minimum:

- Project Scope
- Project Cost
- Key Risks
- Implementation (e.g., anticipated start/end dates, fiscal cash flow projections for all funding sources, etc.)
- Outcomes

Eligible project examples:

- Water main break
- Boiler stops working
- Flooding or fire damage

4.5 Process

Institutions are required to prioritize their Routine Capital projects, combining Ministry funding with internal funding sources, and submit to the Ministry a summary of all projects proposed to be funded from the Routine Capital allocation. This could include multi-year projects already underway, as well as any new projects Institutions plan to undertake.

If a project changes during the course of the fiscal year due to re-prioritization, or a change to scope, schedule or budget, the Institution is required to inform the Ministry by tracking it on the accountability report due at the end of April. If an Institution wishes to add projects, the Institution will be required to provide an updated Appendix C project list to the Ministry. A review will take place, and if approved, Ministry staff will notify the Institution with an approved project summary page. PSIs will not be permitted to

carryover more than 10% of annual Routine Capital cashflow apart from exceptional circumstances.

For projects with total costs between \$5 million and \$25 million, a Capital Infrastructure Project Risk Screen and Class C cost estimate may be requested. Refer to the [government website](#) for Template 6 – Capital Project Risk Screen Tool. For projects between \$25 million and \$50 million, institutions are required to submit a completed [Standard Risk Register \(.xlsx\)](#) accompanied by a Class C cost estimate.

Evaluation criteria include:

- Infrastructure Improvements: Describe how and to what extent the project will improve FCI and/or reduce life safety & occupational health risks.
- Cost Effectiveness: Describe how and to what extent there are funding partnerships and/or cost benefits throughout the project lifecycle.
- Energy usage and GHG emissions: Describe how and to what extent the project will reduce energy usage and GHG emissions.

For Major Routine Capital Projects that are approved by the Ministry, a project approval letter, and Certificate of Approval (COA) will be issued by the Ministry. Please note that funding for Maintenance and Rehabilitation projects and Upgrades and Renovation projects will be provided together on the same COA.

The proposal is required to include the following, at a minimum:

- Project Category
- Project Priority Number
- Project Objectives
- Project Outcomes
- Project Cost/Funding and Schedule
- Procurement
- Key Risks

Refer to the [government website](#) for the following companion document:

Template 4 – Routine Capital and CNCP Project Proposal

Template 5 – Emergency Project Business Case

5.0 Carbon Neutral Capital Program

5.1 Eligibility Criteria

The Carbon Neutral Capital Program (CNCP) provides Institutions with funding for capital investments dedicated to reducing energy costs, implementing environmentally friendly technologies, and lowering carbon emissions.

Examples include:

- Heat pumps to replace boilers
- Renewable energy project (e.g. biomass, district energy facility)
- Replace windows with higher thermal efficiency units
- Lighting retrofits

5.2 Idea/Opportunity Identification

As with New Priority Investment projects, opportunity identification is the first activity in the planning phase for CNCP Projects but does not require a deliverable to be submitted to the Ministry. Although a deliverable is not required during this stage, the Institution's senior management should be engaged to review and, if appropriate, approve the idea/opportunity for further development. Ideas and opportunities should reflect industry trends, learner demand, and trends identified in other ministries. This ensures alignment with overarching Government priorities and industry requirements.

If approved, the Institution's senior management can move the proposed idea/opportunity forward to the "Define" phase and the activity of preparing a CNCP Project Proposal.

5.3 Project Proposal for Carbon Neutral Capital Program

CNCP projects primarily focus on reducing greenhouse gas (GHG) emissions, energy consumption and operating costs. The CNCP Project Proposal is tailored to the due diligence requirements for CNCP and should demonstrate how the proposed project yields a net positive financial return to the Province over the lifecycle of the capital asset.

The level of detail expected from Institutions in the CNCP Project Proposal varies in accordance with the scope, complexity, and risk profile of the project. For instance, a renewable energy (e.g., biomass plant) project requires more due diligence than a simple lighting retrofit.

A Class D Cost Estimate may be required with the draft Project Proposal.

For projects with total costs between \$5 million and \$25 million, a Capital Project Risk Screen and Class C cost estimate may be requested.

Refer to the [government website](#) for Template 6 – Capital Project Risk Screen Tool.

Refer to the [government website](#) for the following companion document - Template 4 – Routine Capital - CNCP Project Proposal.

6.0 Facilities Maintenance Grant

6.1 Eligibility Criteria

The Facilities Maintenance Grant is operating funding that can be used for minor critical repairs that maintain the asset and are undertaken to avoid deterioration and systems failures. This funding can also be used to cover costs associated with audits, capital project planning, master planning, and feasibility studies. Facilities Maintenance Grant projects should not be capitalized for accounting purposes.

Examples include:

- Painting
- Roofing repairs
- Boiler replacement
- Accessibility ramps
- Replacing light fixtures and exit signs
- Audits and feasibility studies
- Capital project planning

6.2 Planning

There is no planning documentation required for Facilities Maintenance Grants; however, Institutions are to prioritize Facilities Maintenance Grant projects internally and retain the rationale or ranking process used.

6.3 Process

The Ministry will issue a funding letter for the Facilities Maintenance Grant and will provide the funding via Electronic Funds Transfer (EFT). The funds must be fully expended by March 31st of the fiscal year it was provided.

7.0 IM/IT Capital Program

7.1 Eligibility Criteria

The IM/IT Capital Program provides funding for projects that leverage sector wide or shared services/solutions to make the most of public funding, particularly focused on:

- Increased program delivery demand (e.g. academic/trades programming)
- Security and privacy

- Other emerging priorities

Examples include:

- Increasing cybersecurity, firewall or other protections through BCNet services.
- Establishing redundant connections as part of emergency or continuity planning through partnership with BCNet or as part of other campus planning.
- Increasing processing or internet connection speeds to better serve campus and students.

7.2 Process

Project submissions are part of the five-year capital planning process. Projects are prioritized based on which projects provide the greatest value to students, the Institution, and the post-secondary sector.

8.0 BC Knowledge Development Fund (BCKDF)

The BCKDF was established in 1998 to provide funding for research infrastructure (i.e., scientific equipment, computer hardware, renovations, etc.) for the province's public post-secondary institutions, research hospitals and affiliated non-profit agencies. BCKDF represents the provincial Government's primary capital investment in support of research infrastructure. The objectives of BCKDF are to:

- Maximize the economic and social benefits of investing in research infrastructure within British Columbia,
- Promote excellence in research and the enhancement of research infrastructure within the province,
- Encourage increased collaboration among the province's public post-secondary institutions, as well as between post-secondary institutions and industry,
- Improve British Columbia's ability to attract and retain high-quality researchers and skilled technicians; and
- Ensure British Columbia's public post-secondary institutions and research hospitals are able to compete successfully for private sector and federal funding.

BCKDF is a cost-sharing program, with the federal Canada Foundation for Innovation (CFI) and non-provincial government partners contributing a minimum of 60 percent of the total project costs. The provincial funding is provided through the Ministry's Capital Budget.

The BCKDF is collaboratively managed between the Ministry and the Ministry of Jobs, Economic Development, and Innovation (JEDI). JEDI is responsible for program policy, and review of a proposal's eligibility and alignment with provincial priorities.

Refer to the [JEDI website](#) for further information about the BCKDF program.

9.0 Health Seat Expansion, Tech Seat Expansion

9.1 Planning for Health Seat Expansion

The Government allocates funding to support the expansion of health education programs at public post-secondary institutions through targeted one-time or ongoing operating funding, as well as capital funding support, based on priorities established by the Ministry of Health. Expanding health programs is a complex undertaking that needs to align within the larger provincial post-secondary system. Many factors influence the expansion of those programs. The Ministry works collaboratively with the Ministry of Health to ensure funding for health education seats is aligned with demand in communities across the province.

The Post Secondary Program Branch in the Ministry of Post-Secondary Education and Future Skills (PSFS) uses a call for proposals process and will contact specific institutions. It is based on regional and community considerations in conjunction with the Ministry of Health's direction.

As of Summer 2024, operating and capital funding for the health seat expansion has been fully allocated. Questions about the status of the health seat expansion may be directed to the Post-Secondary Programs Branch at psfs.post-secondaryprogsbr@gov.bc.ca

Eligibility

Eligible program examples:

- Equipment funding for new or expanded programs
- Renovations to modify existing campus spaces into health program facilities
- Acquiring net new space, on or off campus for program delivery

9.2 Planning for Tech Seat Expansion

Since 2017/18, the Ministry has supported new and expanded tech-relevant programming at all 25 public post-secondary institutions through targeted one-time and/or on-going operating funding. In some instances, capital funding has been provided, and for 2023/24 forward, the focus is on equipment and minor renovations required for the new and expanded tech-relevant programs.

Expanding tech-relevant programs is a complex undertaking that needs to fit within the larger provincial post-secondary ecosystem, and considers a range of factors, including

industry and student demand, institutional capacity, regional access, government priorities, etc.

As of November 2024, operating and capital funding for the most recent commitment of 3,000 new tech-relevant student spaces has largely been allocated. Questions about the status of the tech-relevant expansion may be directed to the Post-Secondary Programs Branch (PSFS) at psfs.post-secondaryprogsbr@gov.bc.ca

Eligibility

Eligible program examples:

- Computers, monitors, and printers
- Security locks, 3D printer and enclosure
- Electronic test station
- A/V Instructors station and servers