

MEMORANDUM

TO: Regional Chairman Bill Fisch and Members of Council

FROM: Bruce Macgregor

DATE: October 21, 2009

RE: **Hospital Capital Funding – Memorandum of Understanding**

A proposed Memorandum of Understanding (MOU) between the Region and four hospitals was considered by the Finance and Administration Committee at its October 8, 2009 meeting. The associated report (Clause 13, Report 7) can be found on page 53 of the committee proceedings (grey pages) in the October 22, 2009 Council agenda.

On considering the draft MOU, potential amendments to two clauses were referred to the Chief Administrative Officer for further discussion with the hospitals. The committee's recommended changes are set out below with emphasis on the revised wording.

- 5.2 In the event that the *Development Charges Act* is amended during the term of this MOU to provide for eligibility for hospital funding, the York Hospitals agree that the terms of this MOU ~~shall~~ **may** be subject to review by Regional Council to determine whether the amount of Hospital Funds provided in this MOU ~~should~~ **could** be ~~increased~~ **adjusted**, ~~taking into account the amount of funding anticipated to be provided through development charges.~~
- 5.3 The York Region Hospitals agree to support **and shall also compel their respective foundations to support** the Region's request that hospital capital funding be eligible for contribution from development charges.

In addition, the following minor amendment has been made to better reflect an understanding also established with the Ministry of Health and Long Term Care which is the primary funding source and approval authority for hospital expansions in the Province.

- 6.4 Despite the early termination of this MOU under subsection 6.3, any of the York Region Hospitals shall continue to be entitled to receive Hospital Funds approved by the Region, provided a Funding Approval Letter has been received **by the Region** in respect of the Project.

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These proposed amendments were sent to the hospital representatives on October 15, 2009 and no objections were subsequently raised.

It is respectfully suggested that the recommendations set out in Clause 13, Report 7 of the Finance and Administration Committee be adopted by Regional Council subject to the amendments to Clauses 5.2, 5.3 and 6.4 of the Memorandum of Understanding as set out in this communication.

A handwritten signature in dark ink, consisting of a large, stylized 'B' and 'M' followed by a long horizontal stroke.

Bruce Macgregor

BCM/gl