



Date:	April 2, 2026
To:	Waterloo Regional Council
From:	Ron Gagnon, President & CEO, Waterloo Regional Health Network Patrick Gaskin, President & CEO, Cambridge Memorial Hospital
Regarding:	Waterloo Regional Council Motion – August 27, 2025 Hospital Capital Infrastructure Projects – Local Share Plan

BACKGROUND

Waterloo Regional Health Network

Waterloo Regional Health Network (WRHN), in partnership with the Provincial Government, is planning, designing, and building a new hospital at the David Johnston Research + Technology Park (R&T Park) at the University of Waterloo.

In April 2022, St. Mary's General Hospital (SMGH) and Grand River Hospital (GRH) received a \$5 million planning grant from the Ministry of Health (MOH) to map out how the new hospital would be built, as well as how existing facilities would be renovated and expanded. The voluntary merger of SMGH and GRH, celebrating its first-year milestone on April 01, 2026, was crucial in securing the necessary Provincial approvals for [Waterloo Region's new hospital](#). To support continued progress, the Provincial Government announced an additional \$10 million planning grant in its 2025 Budget, ensuring that planning for the new hospital continues uninterrupted.

Critical to the Provincial Government's support and required approvals is the community's financial commitment to the redevelopment projects through the development of a Local Share Plan (LSP). A balanced LSP is a required component of the planning process to verify that the hospital is addressing long-term debt in a way that won't impact future hospital service delivery. LSP development requires identifying both community and local government contributions. On April 1, 2025, WRHN held its first meeting with the Chief Administrative Officers (CAOs) and Chief Financial Officers (CFOs) from the Region of Waterloo (ROW), the Cities of Waterloo, Kitchener and Cambridge, and the Townships of North Dumfries, Wellesley, Wilmot, and Woolwich to initiate discussions on the development and approach to the LSP. To date, five meetings have been held with the CAOs group, as well as focused meetings on the development of *the Region of Waterloo Capital Funding and Contribution Policy Framework*. This united approach has been and continues to be acknowledged by the MOH.

Cambridge Memorial Hospital

In November 2025, Cambridge Memorial Hospital (CMH) engaged a health care planner to provide detailed information on population growth and service impact estimates for the hospital over the next 10 and 20 years (2034/35 and 2044/45). The report identified significant increased service demands on CMH over both time frames including the need for a significant increase in beds and offering of

programs and services. At the same time, CMH conducted a high-level analysis of its existing Wing C Tower which was constructed in the mid 1950's and the Wing D Tower which was constructed in the 1990's to assess capability to provide a suitable environment to support the enhanced service requirements in a cost-effective, high-quality manner. The preliminary analysis identified a need to decommission and replace these two structures.

CMH has consulted with the MOH about the need to develop a formal business case and Master Plan/Master Program, the first step of the Provincial Government's Capital Planning and Approval Process. MOH expressed their support for this planning and the CMH Board of Directors has strongly endorsed management to begin and complete this planning over the next fiscal year (April 1, 2026 – March 31, 2027).

WATERLOO REGIONAL COUNCIL MOTION, August 27, 2025

On August 27, 2025, Waterloo Regional Chair Karen Redman tabled a motion to further support the collaborative work underway by WRHN with local governments. The motion, with an amendment by Waterloo Regional Council member and Mayor of North Dumfries Sue Foxtan and supported by Waterloo Regional Council member and Mayor of Kitchener Berry Vrbanovic, was passed.

The motion included the following actions:

1. WRHN present a community-wide engagement and fundraising plan to advance the building of a new hospital;
2. WRHN and CMH report on the impacts of redevelopment projects, including benefits and costs to the Region, impacts on key services such as paramedics, public health, transit and water;
3. ROW staff develop a funding and contribution policy framework to guide Regional Council's decision-making process for the funding of hospital redevelopment projects;
4. CMH and WRHN work together to support the policy framework development for a LSP to support building of a new hospital, and renewal, rehabilitation, and expansion of existing facilities for the time period through to 2041;
5. WRHN present its initial LSP and overall Total Project Costs to Regional Council as soon as possible.

WRHN and CMH are pleased to provide the following update related to the motion action items.

COMMUNITY INVESTING IN LOCAL HEALTH CARE (Motion action 1)

Community involvement in the planning of Waterloo Region's new hospital and the redevelopment of existing facilities has been a cornerstone principle for WRHN, and previously GRH and SMGH, since the inception of this work.

- Community gatherings have been held across the Region since 2020, including 2023 and 2024 consultations and engagements focused on site selection.
- The most recent Town Hall hosted by WRHN was on November 17, 2025, at Elmira Lion's Hall. WRHN is finalizing the Spring 2026 Town Hall being held in North Dumfries in the coming weeks.

- WRHN will continue to have a presence at community events, which is part of its strategic Communications and Engagement Plan. The two most recent examples include information booths at the Aging Well in Wellesley Seniors Fair, in Wellesley on March 11th, and the Conestoga College Pow Wow on March 21st.

Waterloo Regional Health Network Foundation (WRHN Foundation) Initiates “Best-in-Class Capital Campaign”

The Waterloo Regional Health Network Foundation (WRHN Foundation) has confirmed their commitment and support to significantly contribute to the cost of the new building project and equipment, as well as the renovations at Midtown and expansion at Chicopee.

The WRHN Foundation is in the planning stages to prepare for a “Best-in-Class Capital Campaign.”

The WRHN Foundation, in partnership with industry leaders in philanthropy, has implemented early-stage research and benchmarking and strategic planning support to shape and validate the Capital Campaign commitment. They are completing LSP modelling comprised of:

- Detailed financial planning to confirm the community’s required contribution and establish a clear, transparent roadmap for municipal and philanthropic investment.
- Market & Philanthropic Readiness Analysis assessing community capacity, donor sentiment, and giving trends to inform a data-driven, evidence-based campaign strategy.
- Early Case Development with Clinical & Redevelopment Leaders aligning the campaign narrative with Ministry milestones, site planning decisions, and emerging operational requirements.
- Structured Volunteer Leadership Recruitment identifying and engaging respected community leaders to serve on the Campaign Cabinet, strengthening governance and credibility from the outset.

The Best-in-Class Capital Campaign, has begun with a “quiet phase”, including meeting with lead donors and supporters across the Region, as there is strong community interest in the project. A public launch is being strategically planned, in partnership with industry leaders in philanthropy, to maximize support, in alignment with key building milestones.

Work in progress includes:

- Building a strong pipeline of individuals, families, corporations, and foundations—engaged across discovery, cultivation, solicitation, and stewardship.
- Data-driven prospecting using giving history, community leadership, capacity insights, and healthcare affinity to prioritize early capital campaign engagement.
- Strategic focus on high-impact donors – major donors, grateful patients, innovation partners, and long-standing community champions who anchor transformational giving.
- Strength in numbers through a broad base of annual supporters across Waterloo Region, fueling momentum and advocacy for the new hospital.
- Community-wide activation campaigns to build broad excitement, encourage participation, and grow grassroots support.

- Consistent stewardship and transparency to keep donors connected to milestones and confident in the vision for the new hospital.
- Building internal WRHN Foundation team capacity to successfully implement and deliver the Capital Campaign.

RETURN ON INVESTMENT FOR LOCAL GOVERNMENTS AND RESIDENTS (Motion action 2)

What are the local governments and residents getting by investing in Waterloo Region's new hospital?

- The future of WRHN includes delivering aligned and expanded programs and services with an additional 454 beds (to be confirmed with MoH) to connect more patients and their families to convenient care, closer to home, and reduce wait times for patients.
 - Community partnerships continue to be explored to support delivery of programs and services focused on the social determinants of health, including supportive housing and public health.
- Preparing a hospital site for construction is a multi-year process that requires extensive behind-the-scenes coordination with local and regional infrastructure partners to ensure the land can safely and efficiently support future operations.
 - WRHN is actively collaborating with the Region of Waterloo, the City of Waterloo, and many partner organizations on this work. This includes working with municipal utilities to map, assess, and, if needed, upgrade water, sewer, electrical, gas, and telecommunications services so the site can meet the demands of a modern healthcare facility.
- Improved Emergency Medical Services (EMS) efficiencies.
 - The inclusion of a helipad at The University site will support EMS to gain efficiencies as the need to transport from Waterloo Regional Airport to the Midtown site will be removed. Ambulances will be available and ready to assist those requiring support.
 - Enhanced Emergency Services, including Low Acuity Emergency Care will enable reduced offload times.
 - Members of Waterloo Region's EMS are actively participating in the planning of the new hospital to support streamlined, efficient, and timely care delivery.
- Utilization of Grand River Transit (GRT) infrastructure. GRT staff are active members of WRHN planning committees focused on offsite and onsite infrastructure planning.
 - Transportation and regional planning partners are engaged to review road capacity, transit connections, emergency vehicle access routes, and potential traffic impacts.
 - Opportunities to incorporate usage of GRT services, including conventional buses, and ION light rail trains, to connect WRHN team members, patients, and community members seamlessly to Waterloo Region's new hospital is underway. Through increased ridership, the new hospital supports the investments made in public transit.
- A project that delivers positive economic and social impacts, provincially and locally.
 - At the local level, GDP and employment contributions from WRHN operations are projected to increase by approximately 27.6% and 37.6%, respectively, following the redevelopment of Midtown, expansion at Chicopee, and building the new hospital at The University site.
 - The construction project will generate almost 19,000 new jobs during construction.

GROWING WITH CARE AND THROUGH PARTNERSHIPS (Motion actions 3 – 5)

Waterloo Region has a long proud history of coalescing to support generational projects and initiatives. The long-established partnerships between the local hospitals, Waterloo Regional Council and the seven Municipal Councils ensures that planning for the delivery of health care services is not done in isolation, is a wholistic approach and maximizes collective resources. Waterloo Region's hospitals deliver far-reaching value well beyond their walls.

That valued partnership is now resolute on its focus to meet the needs of the future by implementing transformational projects that will help achieve sustainable growth for generations to come. The Economic, Social, and Community Impact Study on the new hospital and redevelopment projects completed by WRHN, verifies that the long-term impacts will strengthen the regional economy, with the majority of benefits captured locally through jobs, investment, and growth. It can provide measurable sustainability and resilience impacts that are tracked over time, ensuring lasting returns for people and the environment. And it aligns seamlessly with the shared strategic objectives of the Region of Waterloo, the seven local Municipalities, the University of Waterloo and the Province of Ontario. Collectively, we are committed to shaping our future by investing in opportunities which further solidifies our region as a place that gives people incredible opportunities and a healthy lifestyle.

Ongoing reporting to inform and update local elected officials will continue as has been the practice with the most recent presentation provided at the December 19, 2025, Waterloo Regional All Councils Meeting at the Township of Woolwich Council Chambers in Elmira.

3. Progress:

- The CFOs from the Region and seven Municipalities presented a draft document to CMH and WRHN in December 2025 outlining a financial analysis to inform the development of the Region's Capital Funding and Contribution Policy Framework.
- A meeting was held in February 2026 to further discuss the analysis. WRHN and CMH are working with Deloitte to provide further analysis, including LSP contributions for hospital capital projects in other Ontario jurisdictions.
- The data compilation will be completed by mid-April to inform further discussions between the hospitals and CFOs.

4. Progress:

- Starting in September 2025, CMH is working in partnership with WRHN and local government representatives to collaborate on the development of a Capital Funding and Contribution Policy Framework.
- WRHN has presented its Multi-year Facilities Master Plan in detail, which includes project timelines for building new @ The University, renovating @ Midtown, and expanding @ Chicopee.
- CMH has begun the formal planning process facilitating input of management staff and physician leaders from across the organization and the community. The work, to be completed by March 31, 2027, as noted earlier, includes:

- a facility audit/technical evaluation of Wings C & D by mechanical, electrical, and structural engineers to assess the long-term sustainability of these structures and to assess the value/benefit of the ongoing remediation plans;
- involvement of health care planners to finalize population growth estimates with resulting impacts on health care demand, human resources, and space requirements;
- consultation with WRHN during the planning phase with an aim to improve regional service delivery and, where appropriate, to further rationalize regional services;
- involvement of architects who will translate the broad space requirements into functional, coordinated, and sustainable space layouts and physical infrastructure;
- a traffic study and the involvement of a parking consultant to review parking options; and
- the involvement of a cost consultant to provide a cost estimate of the proposed redevelopment and a detailed business case for the MOH to consider that would allow CMH to proceed to the next level of detailed planning.

5. Progress:

- WRHN has had many productive meetings with the Provincial Government, including the Ministers of Health, Finance, and Infrastructure to keep them updated on this generational project.
- The province recognizes us as a partner that can deliver critical health infrastructure with wins early and often.
- Through the WRHN Redevelopment Team's ongoing work with the MOH and Infrastructure Ontario (IO), they have asked the hospital to focus on the phasing and packaging approach to achieve the required Provincial Government's directives.
 - Our continued partnership with the Provincial Government is focused on receiving necessary approvals in the coming months with our collective goal to get a shovel in the ground as quickly as possible.
 - The WRHN Board of Directors is committed to providing detailed financial information regarding the cost of the new hospital building project and the LSP costs to Waterloo Regional Council and the seven Municipal Councils, as soon as we are in a position to do so, including support from the Provincial Government.

CONCLUSION

What's Next?

Looking towards the future, WRHN and CMH leadership have made a commitment to the residents they serve to continue with their successful collaborative initiatives as the hospitals provide services and programs where they can most effectively respond to the needs of Waterloo Region and beyond, within the most patient focused and operationally efficient manner possible. That's the vision. That's the commitment.

CMH and WRHN are deeply appreciative of your leadership and advocacy to date to ensure local residents continue to have access to safe, timely and high-quality care as our organizations align with the Region's vision to be 1 Million ready by 2050 through the redevelopment of our hospital sites.