



# Corporate Report

NO: R211

COUNCIL DATE: October 16, 2006

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## REGULAR COUNCIL

TO: **Mayor & Council** DATE: **October 11, 2006**

FROM: **Acting General Manager, Planning and Development** FILE: **0460-01**  
**General Manager, Engineering**  
**City Solicitor**

SUBJECT: **City of Surrey Support for the Surrey Memorial Hospital Foundation  
Emergency Centre Campaign**

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## RECOMMENDATION

It is recommended that Council:

1. Receive this report as information;
2. Support the development of new health facilities, in part, by expediting the development approval process, which will contribute to the timely completion of new hospital facilities in Surrey;
3. Approve a grant of up to a maximum amount of \$400,000, toward the building permit fees that will be payable for the Emergency Centre expansion at the Surrey Memorial Hospital and that such a grant be provided at the time when the building permit fees would normally be paid; and
4. Direct staff to include a sufficient appropriation in the City's operating budget to cover such a grant.

## INTENT

The purpose of this report is to respond to the request by the Surrey Memorial Hospital Foundation (the SMHF") to contribute to its Emergency Centre Campaign, and to provide Council with a description of approaches in which the City of Surrey could support the development of a new Emergency Centre at Surrey Memorial Hospital.

## BACKGROUND

A delegation from the SMHF appeared before Council on June 12, 2006. The SMHF's presentation included information regarding the hospital's current services, the need for an expanded emergency room, and plans for the development of a new Emergency Centre, to be completed by 2010. The delegation presented Council with a set of partnership options for the City to consider, with regard to the development of the new Emergency Centre, which included:

- Waiving building permit fees for the project;
- Waiving development charges;
- Offering in-kind contribution in the form of upgrades and site development;
- Utilizing capital budget or debentures for financing all or part of the investment against anticipated revenues from new building permits and DCCs resulting from growth;
- Designating the hospital site as a special development area (leading to revisions in DCCs for the project); and
- Exploring the possibility of negotiating amenity fees from developers under the *Community Charter*.

Council received the information and directed staff to report further on the request.

On July 24, 2006, Council considered Corporate Report No. R171 (attached as Appendix 1 to this report), which discussed the six partnership options put forth by the SMHF. Council, at that same meeting, directed staff to examine means by which assistance could be provided. Council suggested that staff examine Development Cost Charge ("DCC") reductions or other fee reductions that the City would typically charge for the purposes of issuing permits for the subject expansion.

Staff from the Planning and Development, Engineering, Finance, Technology and HR, and Legal Departments have met to examine various options available to support the SMHF with their campaign.

## DISCUSSION

This report outlines ways in which the City of Surrey is or could potentially become involved in providing some financial and other assistance in the construction of new Emergency Centre facilities at Surrey Memorial Hospital.

### **Reduction in Development Cost Charges (DCCs) or Provide a DCC Rebate**

Through Surrey Development Cost Charge By-Law, 2006, No 15973 (the "DCC By-law"), the City collects DCCs from new development to assist in paying the capital costs of providing, constructing, altering, or expanding sewage, water, drainage, and highway facilities and providing and improving parkland to service directly or indirectly, the development for which the charge is being imposed.

For hospitals, DCCs are collected for water, sewer, roads, and drainage. Parkland acquisition is not included in hospital DCC calculations, based on the assumption that a

hospital does not add to the need for new park facilities in the City. As well, DCCs are only charged for the net amount of new construction.

In a previous DCC by-law, hospitals were charged the same DCC rate as commercial land uses. However, based on requests from Surrey Memorial Hospital and the SMHF, the DCC rate for hospitals was reviewed and under the most recent DCC By-laws, the rate for hospitals was reduced to \$4,191 per 1,000 square feet, which is half the commercial rate of \$8,290 per 1,000 square feet, the rate previously charged for hospital development. At the current reduced rate and based on preliminary building information provided by the Fraser Health Authority, the DCCs for this new Emergency Centre facility are estimated to be \$122,000 (2,710 square metres of new development area). In essence, this reduced rate has resulted in a \$120,000 savings in the DCCs payable for the proposed Emergency Centre in comparison to what would have been payable under the previous DCC By-law.

### **Provide a Grant to Cover Building Permit Fees**

One of the suggestions of the SMHF was for the City of Surrey to support the construction of the new Emergency Centre, by waiving the building permit fees. It is important to note that the SMHF would not be paying the Building Permit fees. These would be paid by the applicant, which would be the Fraser Health Authority or its agent. However, in a letter from the Major Gifts Director for the SMHF, attached as Appendix 2 to this report, it is noted that the SMHF has an agreement with the Fraser Health Authority that any monies raised (or fees waived) for any project/facility associated with the Provincial Government's commitment of \$220 million for new health care infrastructure in Surrey, will be counted against [the Foundation's] commitment of \$15 million.

The City charges building permit fees under the provisions of Surrey Building By-law, 1987, No. 9011, as amended. These fees become part of the City's general revenue and are used to cover the costs associated with plan checking, issuing the building permit, inspecting construction and related administration of the building permit file. The preliminary information provided by the Fraser Health Authority, regarding the proposed Emergency Centre, indicates that the building permit fees associated with the project will be a minimum of \$400,000. The Building By-law does not permit the waiving of building permit fees. However, the City could consider providing a grant in an amount "equivalent" to the revenue resulting from the Surrey Memorial Hospital Emergency Centre building permit fee, up to a maximum of \$400,000 and authorize that this grant be payable at the time when the building permit fee would normally be paid. If Council chooses to follow this course of action, it is recommended that Council direct that staff include an appropriation in the City's operating budget to provide funding in support of this grant.

### **Evaluation of Further Options for Providing Assistance**

SMHF also suggested that the City consider offering in-kind contribution in the form of upgrades and site development. At this time, the SMHF is in the process of determining what these specific on-site improvements could be. The feasibility of this option could further explored once clarification is provided by the SMHF.

## CONCLUSION

Staff had previously recommended that the City support the development of new health facilities by expediting the development approval process, which will contribute to the timely completion of new hospital facilities in Surrey. This is still a recommended course of action.

If Council wishes to contribute to the SMHF's campaign, it is recommended that Council approve a grant of up to a maximum of \$400,000, toward the building permit fees that will be payable for the Emergency Centre expansion at the Surrey Memorial Hospital, that such a grant be provided at the time when the building permit fees would normally be paid and that staff include an appropriation in the City's budget to allow for this grant.

How Yin Leung  
Acting General Manager,  
Planning and Development

Paul Ham  
General Manager,  
Engineering

Craig MacFarlane  
City Solicitor

PH/kms/saw

Attachments:

Appendix 1 - Corporate Report No. R171

Appendix 2 - Letter from the Director, Major Gifts for the SMHF



# Corporate Report

NO: R171

COUNCIL DATE: July 24, 2006

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## REGULAR COUNCIL

TO: **Mayor & Council** DATE: **October 12, 2006**

FROM: **Acting General Manager, Planning and Development** FILE: **0460-01**  
**General Manager, Finance, Technology & HR**

SUBJECT: **Surrey Memorial Hospital Emergency Centre –**  
**Request for Support by the Surrey Memorial Hospital Foundation**

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## RECOMMENDATION

It is recommended that Council:

1. Receive this report as information; and
2. Instruct the City Clerk to forward a copy of this report to the Surrey Memorial Hospital Foundation, along with a copy of the related Council resolution.

## INTENT

The purpose of this report is to provide Council with information about how the City can support the development of a new Emergency Centre at Surrey Memorial Hospital. It responds to a request put forward by the Surrey Memorial Hospital Foundation for the City to partner on the Emergency Centre Campaign.

## BACKGROUND

In October 2005, the Fraser Health Authority (the "FHA") released a plan for addressing the congestion and capacity problems in the Surrey health area. Among the Surrey Health Services Capacity Initiative (the "Capacity Initiative") recommendations, is the development of a new Emergency Centre at Surrey Memorial Hospital. The Province has committed \$220 million to implement the Capacity Initiative. Of this, \$45 million is earmarked for the new Emergency Centre. The Surrey Memorial Hospital Foundation has set a fund raising target of an additional \$15 million to take the new emergency room from being a basic facility to a "state of the art" Emergency Centre.

During March 2006, Planning and Development Department staff met with representatives of the FHA and the Surrey Memorial Hospital Foundation (the "SMHF"). On May 15, 2006, Council received Corporate Report No. R092 (attached as Appendix "A"), which summarized the key issues and requests that were expressed at these meetings. Both the FHA and SMHF representatives suggested how the City could support the initiatives outlined in the Capacity Initiative.

- FHA representatives advised that the City of Surrey could be of greatest assistance by expediting the development approval process, including any necessary rezoning and the related building permit applications. The FHA representatives specifically noted that they understood that the City should not be involved in providing direct financial support for the projects.
- SMHF representatives advised that they would like the City of Surrey to be a major contributor to their Emergency Centre campaign. They indicated that they intended to make a request to appear as a delegation before Council to present partnership options for the City's consideration.

A delegation from the SMHF appeared before Council on June 12, 2006. Their presentation included information regarding the hospital's current services, the need for an expanded emergency room, and plans for the development of a new Emergency Centre, to be completed by 2010. The SMHF delegates presented Council with a set of partnership options for the City to consider that included:

- Waiving building permit fees for the project;
- Waiving development charges;
- Offering in-kind contribution in the form of upgrades and site development;
- Utilizing capital budget or debentures for financing all or part of the investment against anticipated revenues from new building permits and DCCs resulting from growth;
- Designating the hospital site as a special development area (leading to revisions in DCCs for the project); and
- Exploring the possibility of negotiating amenity fees from developers under the *Community Charter*.

Council received the information presented by the SMHF and directed staff to prepare a report to Council on the requests of the SMHF, with respect to assistance in relation to the construction of the expanded emergency room at Surrey Memorial Hospital.

Since their appearance before Council, the SMHF has also forwarded a letter to the City, dated June 29, 2006, that reiterates their requests. A copy of the letter is attached to this report as Appendix "B".

## **DISCUSSION**

The Federal and Provincial governments are responsible for the delivery of most social programs and services and are fully responsible for health care services. Local

governments have very limited mandates for the planning and delivery of social services. This is reflected in the significantly greater fiscal/tax resources that are available to the senior levels of government in comparison to local government, both in terms of absolute amounts, as well as on a per capita basis.

Areas where services have traditionally been delivered by municipalities, and where municipalities have taken a strong role, have been in the delivery of parks, recreational, cultural and library services, and in the planning of communities and regulation of development. Municipalities can support the implementation of solutions to social service issues through actions that are within the City's mandated responsibilities. This includes providing planning support, developing locational guidelines for social service facilities, establishing zoning provisions, and facilitating the development and building approval processes.

### **Facilitating the Development Process**

The FHA has requested that the City support the Capacity Initiative by ensuring the timely completion of the various expanded and new facilities. Specifically, FHA staff has suggested that the City can assist by expediting the development approval process. This request falls within the City's mandate and Planning and Development Department staff have confirmed their commitment to working with FHA officials to expedite the necessary applications in this regard.

### **Subsidizing the Development**

The SMHF has proposed a range of partnership options for the City's consideration, that include:

- Waiving building permit fees for the project;
- Waiving development charges;
- Offering in-kind contribution in the form of upgrades and site development;
- Utilizing capital budget or debentures for financing all or part of the investment against anticipated revenues from new building permits and DCCs resulting from growth;
- Designating the hospital site as a special development area (leading to revisions in DCCs for the project); and
- Exploring the possibility of negotiating amenity fees from developers under the *Community Charter*.

In essence, the first five options outlined above, represent a financial contribution or "assistance", within the meaning of the *Community Charter*, by the City toward the development of health care services. Since the responsibility for health services is the mandate of the Provincial government, a contribution by the City to the delivery of these services would in essence be a "transfer payment" from the City to the Province. Officials of the FHA have acknowledged that the City should not be involved in providing direct financial support to the project.

It is noted that, under the provisions of the *Community Charter*, it is possible to enter into "partnering agreements" that can provide the above-noted forms of financial assistance,

but a public notification process is required that may result in the assistance requiring electoral approval. Further, the City has only considered partnering agreements on projects that relate directly to services generally provided by the City. An example of this was the partnership agreement between the City and the YMCA that resulted in the construction of the Tong Louie Family YMCA in Newton, which provides Surrey residents with access to a range of recreational services. Since the provision of hospital (health care) services is not the responsibility of the City, a partnering agreement on the development of the Emergency Centre would represent a departure from the City's past practice.

The sixth option proposed by the SMHF, negotiating amenity fees from developers, is suggesting that the City of Surrey use a traditional municipal funding source to fund a Provincial responsibility.

### **Grant Funding**

The City has two vehicles through which it contributes funds directly to community initiatives, the Community Grants Program and the Council Initiatives Fund. The Community Grants Program provides small grants to projects that are of benefit to Surrey residents. The Community Grant Program policies specify that activities that are the responsibility of a senior level of government are ineligible for funding. In addition, the Community Grant Program will not contribute to fund-raising projects. The Council Initiatives Fund is an unrestricted fund, used to support projects that are a Council priority.

## **CONCLUSION**

The City recognizes the urgent need for an expansion of hospital-based health services in the Surrey area. Given the mandate of local governments, the City will support the development of new health facilities in the City, by expediting the development approval process, which will contribute to the timely completion of new hospital facilities in Surrey.

The provision of health services is the constitutional responsibility of the Provincial government. The SMHF's proposed partnership options in essence represent a financial contribution by a municipal level of government toward services that are the responsibility of a senior level of government. Using the City's limited resources to subsidize health care services that are the responsibility of another government is difficult to justify, particularly in view of the vastly larger resources available to the Province in comparison to the resources available to the City. As Council is aware, it is important that the City focus the resources available to it on those responsibilities that are



within its mandate including such things as engineering infrastructure, parks, recreational facilities, cultural amenities, library services, etc.

*Original signed by*  
How Yin Leung  
Acting General Manager  
Planning and Development

*Original signed by*  
Vivienne Wilke  
General Manager  
Finance, Technology & HR

AM:saw

Attachment:

Appendix "A" Corporate Report No. R092

Appendix "B" Letter from SMHF dated June 29, 2006



# Corporate Report

NO: R092

COUNCIL DATE: May 15, 2006

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## REGULAR COUNCIL

TO: Mayor & Council DATE: October 12, 2006  
FROM: Acting General Manager, Planning and Development FILE: 0460-01  
SUBJECT: City of Surrey Support for the Surrey Memorial and Peace Arch Hospitals

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## RECOMMENDATION

It is recommended that Council receive this report as information.

## INTENT

The purpose of this report is to provide Council with a summary of recent meetings with representatives of the Fraser Health Authority and Surrey Memorial Hospital Foundation. These meetings took place as a result of Council's direction to explore ways that the City of Surrey can support and/or partner with local hospitals.

## BACKGROUND

At the Regular Council - Public Hearing meeting on November 7, 2005, Council passed the following resolution:

*"That the City of Surrey look at ways to support and/or partner with Surrey Memorial Hospital in their expansion of the emergency ward and future plans; and*

*That the City of Surrey liaise with Peach Arch Hospital to fully understand their pressures and look for ways to support their needs and also carry them forward to the Minister of Health".*

In response to this resolution, staff of the Planning and Development Department has met with representatives from Fraser Health Authority. In addition, as a result of a request from the Foundation, staff also met with representatives of the Surrey Memorial Hospital

Foundation, who also hosted staff on a tour of the emergency room facilities at Surrey Memorial Hospital.

This report outlines the key issues, directions and requests that were expressed by representatives of the Fraser Health Authority and by the Surrey Memorial Hospital Foundation, and identifies actions that the City of Surrey may take in this regard.

## **DISCUSSION**

### **Meeting with Representatives of Fraser Health**

On March 30, 2006, staff met with Marco Buccini, Director of Facilities Planning for Surrey Memorial and Peace Arch Hospitals with the Fraser Health Authority, as well as Mary Ackensuen, Vice-President of Facilities Planning, who provided an overview of the Surrey Health Services Capacity Initiative, as follows:

In early 2005, the Provincial Premier asked the Fraser Health Authority to develop a plan to solve congestion and capacity problems in the Surrey Health Area. An analysis of the situation identified five pressure points:

- Emergency;
- Critical Care;
- Acute Care Beds;
- Renal Care; and
- Ambulatory Care (outpatient services).

In October 2005, Fraser Health Authority delivered the Surrey Health Services Capacity Initiative ("SHSCI") "Build for the Future" report, which was accepted by the Ministry of Health in December 2005. Its recommendations identified addressing the five pressure points in two phases:

1. Present to 2010: Emergency, Renal, Prenatal, Critical Care, Ambulatory Care Facility and some Acute Care beds;
2. 2010 to 2020: Focus on long term acute care bed expansion.

The slide attached as Appendix I to this report outlines the SHSCI Deliverables, including those already implemented as well as those that are set out in the plan to 2010 and beyond.

### **Surrey Memorial Hospital**

Under completed actions, it is noted that a 4,000 square foot Minor Treatment Centre has been added adjacent to the Emergency Room at Surrey Memorial Hospital. This centre is now up and running, treating 40 to 50 patients per day, with an average two hour turn-around time. As well, additional capacity has been added in acute and sub-acute care through a shift in services.

In terms of the next steps, Fraser Health has outlined five actions:

1. **Immediate Acute Capacity Development.** An addition of 62 acute and four to five critical care beds are to be provided before 2010 by renovating existing space and relocating some services;
2. **Ambulatory Care** accounts for more than half the current patient volume of Surrey Memorial Hospital. To free up space and improve outpatient experience it is proposed to move outpatient services to a new, freestanding Ambulatory Care Facility in North Surrey by 2009. This will allow renovation of the freed areas for acute bed expansion;
3. **A New Emergency Facility at Surrey Memorial by 2010.** This will require demolishing buildings on the Surrey Memorial site, including two extended care facilities;
4. **New Off-Site Facilities** for the 156 elderly extended care patients displaced from these facilities by 2008; and
5. **Long Term Acute Care Beds.** This is part of a larger Fraser Health-wide plan known as the Acute Care Capacity Initiative. A report on this initiative will be delivered in late 2006.

Fraser Health Authority is now in the process of finding and securing a site in North Surrey to house the new Ambulatory Care Centre. The centre is anticipated to be approximately 200,000 square feet in size and the targeted completion date is 2009.

In terms of how the City of Surrey can assist with these initiatives, the representatives from the Fraser Health Authority noted that the timelines for the delivery of the SHSCI are extremely tight. Fraser Health Authority representatives advised that Surrey could be of greatest assistance by expediting the development approval process, including any necessary rezoning and the related building permit applications. The Fraser Health Authority representatives specifically noted that they understood that the City should not be involved in providing direct financial support toward the projects.

City staff are aware of the pressing need for capacity improvements, particularly in the Emergency Ward of the Surrey Memorial Hospital and staff will exercise its best efforts to move all necessary applications through the approval process as quickly as possible, once such applications are received from the Fraser Health Authority.

### **Peace Arch Hospital**

With regard to Peace Arch Hospital, the Fraser Health Authority representatives noted that the Peace Arch Hospital Foundation is mounting a campaign to furnish and equip the fourth and fifth floors of that hospital, which were built some years ago, but have been left empty pending demonstrated need. Once the Foundation has raised the funds to equip these floors, the Fraser Health Authority has committed to staffing them. The Fraser Health Authority representatives provided no specific suggestions as to how the City of Surrey could assist them in relation to the ongoing plans for the Peace Arch

Hospital, but indicated that the City's efforts would best be directed toward the current initiatives in respect to expanding the capacity of the Surrey Memorial Hospital.

### **Meeting with Representatives of the Surrey Memorial Hospital Foundation**

On March 29, 2006, staff met with Genesa Wheaton, Campaign Director and Kate Ludlow, Director, Major Gifts with the Surrey Memorial Hospital Foundation to discuss the expansion plans for the Surrey Memorial Hospital. Subsequently, on May 4, 2006 Kate Ludlow and Martha Cloutier, Manager of Health Services for the Emergency Department gave staff a tour of the emergency room facilities at the Surrey Memorial Hospital.

At the meeting on March 29, 2006, the Foundation representatives stressed that while Fraser Health is concerned with facilities across the region, the Foundation focuses strictly on the needs of Surrey Memorial Hospital. The Foundation has charitable status and raises approximately \$4 million per year for the hospital through the hospital lottery, corporate donations, third party events and major gifts campaigns. Much of the money is used to provide needed capital equipment. They advised that of the \$220 million committed by the Province to implement the SHSCI, \$45 million is earmarked for the new emergency room facilities, as noted above. The Foundation has set a fund raising target of an additional \$15 million to take the new emergency room from a basic facility to a "state of the art" emergency facility.

The tour of the emergency room highlighted the fact that Surrey Memorial's Emergency Room is the busiest in western Canada, providing care to nearly 70,000 patients each year. It treats more heart patients than Vancouver General Hospital and St. Paul's Hospital combined and nearly as many pediatric patients as BC Children's Hospital's Emergency Room. It must also meet the needs of a multi-cultural community. The tour also highlighted the issues of the poor existing design of facilities, overcrowding and congestion, the difficulty of many different needs coming together in a very small space, the inability to segregate potentially violent or mentally unstable patients from families and safety, comfort and convenience issues related to the ambulance entrance.

As noted, the Surrey Memorial Hospital Foundation has set a funding target of \$15 million for its campaign to ensure that the new emergency facility will be state of the art. To this end, they have advised staff that they would like the City of Surrey to be a major contributor to this campaign. The Foundation has indicated that it intends to make a request to appear as a delegation before Council in the near future to make a presentation in this regard and to present partnership options for the City's consideration.

### **CONCLUSION**

Staff has met with representatives of Fraser Health Authority to gain a better understanding of their needs and initiatives and to request information on how the City of Surrey could provide support to the hospitals and to assist in their expansion plans. Plans and priorities, which have been developed and approved through the SHSCI, are well underway. In this regard, the Fraser Health Authority has requested that the City assist in ensuring the timely completion of the various expanded and new facilities, including, among others, the new Ambulatory Care Centre, by assisting with and expediting the

approval of development and building permit applications. Surrey staff has committed to working with Fraser Health Authority officials to expedite the necessary applications in this regard.

Staff has met with the Surrey Memorial Hospital Foundation and has been informed that the Foundation would like the City to be a major contributor to its capital campaign for the Emergency Room/Ward and related expansions at the Surrey Memorial Hospital. In this regard the Foundation has advised staff that it will be requesting to appear before Council as a delegation to apprise Council of partnering options in relation to the Foundation's goals for Surrey Memorial Hospital.

*Original signed by*  
How Yin Leung  
Acting General Manager  
Planning and Development

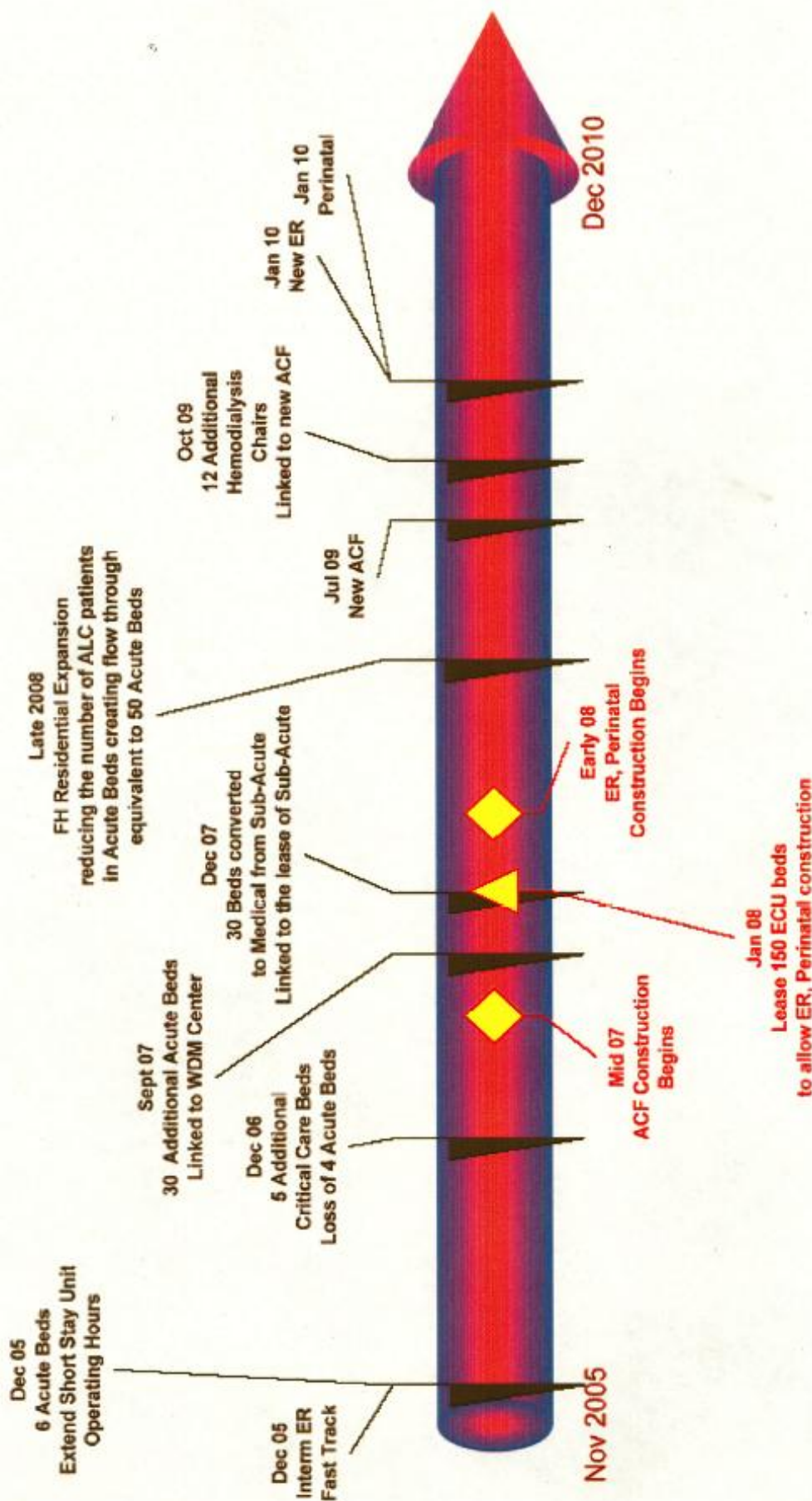
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Attachments:

Appendix I Fraser Health SHSCI Deliverables Flow Chart



# SHSCI - Deliverables





Surrey Memorial Hospital  
FOUNDATION

*Making life better.*

RECEIVED

JUL 13 2006

Fraser Health

June 29, 2006

How Yin Leung  
Acting General Manager  
Planning and Development  
City of Surrey  
14245 – 56<sup>th</sup> Avenue  
Surrey, British Columbia V3X 3A2

Dear Mr. Leung,

Thank you for the opportunity to present to you and your colleagues at the City Council meeting on June 12<sup>th</sup>.

Over the past decade City Council have made important contributions to ensure key services are available in our community. The City's support for the construction of the new Surrey Museum and the Tong Louie Family YMCA are two shining examples of building a city that works for families. Surrey Memorial Hospital's Emergency Centre Campaign presents an excellent opportunity for the City to build upon this legacy, playing a leadership role as partners in this project. A significant municipal gift would have an important impact, highlighting the urgency of our campaign and raising donor confidence.

The planning currently underway for the new state-of-the-art Emergency Centre is the result of a partnership between Surrey Memorial Hospital Foundation, the Province of British Columbia and Fraser Health. We would be very excited to add the City the Surrey to this initiative, making life better for the people of the community.

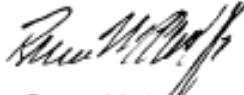
Enclosed you will find the finalized copy of the "Investment Prospectus" for the City's consideration. Implementation of one or several of the options included in this proposal will facilitate Surrey's investment in the Emergency Centre Campaign and demonstrate the City's position as a leader in returning the dividends of development to the public's top priority – quality health care.

We ask the City of Surrey to join with us as we move forward with our campaign and respectively ask that you consider committing \$9 million to this project. Your investment and active involvement will help to save lives, enhance care and allow Surrey to realize its great potential.



We will continue to work with the City's Planning Department, over the next few weeks, in an effort to present viable partnership options to Council in early September. Thank you once again for your time and consideration.

Sincerely,



Bruce McAuliffe  
Board Chair  
SMH Foundation



Chris Midmore  
Campaign Chair  
Emergency Centre Campaign



Loretta Solomon  
Executive Director  
Surrey Memorial Hospital

## **An Investment in Our Health – Leadership for the Future**

### **A Thriving Community**

With its abundance of parks, first-class recreation and cultural facilities, family-oriented neighbourhoods and business-friendly environment, Surrey is rapidly becoming the choice location in the Lower Mainland to live, work and play. One of the fastest growing cities in Canada, Surrey is expanding by over 1000 residents every month. By 2009, more than 500,000 people will call Surrey home and ours will be well on the way to surpassing Vancouver as the largest city in British Columbia.

Over the years, the City of Surrey has established the infrastructure and winning conditions necessary to accommodate growth while ensuring the community's continued livability. Outstanding facilities, including recent projects such as the new Surrey Learning and Discovery Centre and the Tong Louie Family YMCA, play an important role in fostering a sense of local pride and ensuring our well-being. The quality and access to amenities that contribute to health and prosperity are, and will continue to be, vital to the success of our community.

### **Surrey's Health Infrastructure in Urgent Need**

For nearly 50 years, Surrey Memorial Hospital has supported families in our community, making life better by ensuring access to the highest standards of health care. More than 3,200 dedicated people work at SMH, many of whom reside in Surrey and spend their earnings here. And, as our community grows, prospective residents and investors take into account access to quality health care when making the decision to locate in Surrey.

Our hospital's Emergency is the busiest in western Canada. Originally designed to treat 44,000 patients annually, today we provide emergency care to nearly 70,000 each year.

Currently, at Surrey Memorial:

- We see more than 200 patients on an average day – 33% more than Vancouver General, BC's largest hospital;
- 40% of our patients are Indo-Canadian and require an ER facility that can accommodate their family needs;
- We treat more heart patients than VGH and St. Paul's combined; and
- We provide care to nearly as many pediatric patients in our ER as BC Children's Hospital.

It's clear that our city has some unique health care challenges that must be addressed. Thanks to a major commitment from Fraser Health and the Government of British Columbia, expansion of health services in Surrey is now underway.

## **A Plan for Surrey**

On December 5<sup>th</sup>, 2005, a new Minor Treatment Unit located in Surrey Memorial's existing Emergency was opened by the Honourable George Abbott, BC Minister of Health. At the unveiling, Minister Abbott confirmed the Provincial Government's commitment to improving health care in our city by pledging over \$200 million for both enhanced and additional health care infrastructure by 2010. In addition to funding renovations to existing facilities and new strategies to improve health care for Surrey residents, the Minister announced funding for a new facility for outpatient services, otherwise known as an Ambulatory Care Centre. This will include a multi-disciplinary Primary Care Clinic which will assist residents without access to a family doctor as well as improve the ability of families to stay healthy, manage chronic illnesses and disabilities, and reduce the demand for Emergency visits and hospital beds.

One of the most exciting components of the Minister's announcement on December 5<sup>th</sup> was confirmation of \$88 million in funding for a new Emergency Centre and additional clinical space at Surrey Memorial Hospital.

Our Foundation's Board and staff work tirelessly to ensure that Surrey Memorial is equipped with the best facilities and can offer Surrey residents the quality health care they deserve. Over the past year, we have worked closely with provincial and municipal elected officials and Fraser Health, advocating for necessary expansion and new infrastructure at SMH. The new Emergency Centre is a major step forward in addressing the needs of Surrey's diverse and rapidly growing population.

## **Meeting the Needs of Today, and Tomorrow**

Operational by 2010, the new Emergency Centre will be triple the size of the current facility, bright and modern with flexible space designed for growth. It will feature a specialized unit for children, with its own waiting area, separate entrance, treatment rooms and family areas away from the rest of the ER. The most critical patients will be separated from less urgent cases and treated immediately. There will be an area dedicated solely to mental health patients, providing privacy and respect while limiting the impact on other patients. The new Emergency Centre at Surrey Memorial will be built for the needs of today, and for those of tomorrow, keeping our growing community in mind.

## **Investing in Health for the Future**

As we prepare to launch the community phase of our Emergency Centre Campaign, Surrey Memorial Hospital Foundation requests that the City of Surrey consider a major role in the kick-off of our fundraising efforts. A municipal contribution of \$9 million

towards the Emergency Centre project would provide a tremendous boost to our campaign and help ignite community support for this initiative.

Surrey Memorial Hospital Foundation understands and respects how difficult it is for a municipality to manage the opportunities and challenges of rapid growth. We are also cognizant that, under the 1999 Greater Vancouver Transit Authority agreement, GVRD municipalities assumed responsibility for funding of transit in the region while the Province assumed responsibility for health care infrastructure. In the case of a specific funding request, it may be helpful if it was viewed more as a municipal investment with an appropriate and reasonable return, rather than a grant or fund from the City.

### **Lasting Economic Benefits**

Infrastructure projects such as a hospital expansion generate significant local benefits. As construction gets underway at Surrey Memorial, there will be an immediate infusion of economic activity. Fraser Health experts estimate a minimum of 750 person-years of construction work will be required to complete the undertaking.

While this activity is important in the short term, the payback to Surrey will continue long after the initial investment has been returned. Once finished, the revitalization and expansion of hospital facilities will provide an impetus for continued new investment in our community as companies and their employees choose to locate here, drawn by exceptional community services. Commercial assessments and property taxes will benefit the City for years to come. And, as with other construction projects underway in Surrey, there is an added benefit that comes with maintaining the momentum that is currently highlighting ours as one of the best cities in Canada to live, do business and raise a family.

### **Options for Investing**

There are numerous avenues available to the City for making an investment in our campaign. While some of the following options for raising investment funds may be more achievable than others, they are intended as a starting point for deliberations on Surrey's involvement and are presented in random order:

- Waive building permit fees for the project
- Make an in-kind donation by offering land title on developable land in Surrey
- Waive development charges on the project
- Offer in-kind contribution in the form of upgrades and site development services normally undertaken by Fraser Health for a project such as this
- Utilize capital budget or debentures for financing all or part of the municipal investment in the project against anticipated revenues from new building permits and development charges resulting from Surrey expansion

Implementation of one or several of these options to facilitate Surrey's investment in the Emergency Centre Campaign will demonstrate the City's position as a leader in returning the dividends of development to the public's top priority – quality health care.

### **Our Shared Vision**

Surrey Memorial Hospital Foundation's primary mission is to support our community through ensuring our hospital's role as a leader in health care delivery. Since 1992, we have raised more than \$45 million for enhancements and improvements at Surrey Memorial, and to support innovative programs, training and research.

We now face the greatest challenge in our Foundation's history. With the assistance and generosity of our citizens and continued leadership from our city officials, we are confident that, working together, we can meet the challenge.

High quality health care is integral to Surrey's continued development as a safe, clean and active city. Expanding emergency services at Surrey Memorial is a critical link to the network of community services made possible through the guidance and foresight of our municipal government.

We ask the City of Surrey to join with us as we move forward with our campaign to improve health services at Surrey Memorial Hospital for the residents of our community. Your investment and active involvement will help to save lives, enhance care and allow Surrey to realize its great potential.



Surrey Memorial Hospital  
FOUNDATION

*Making life better.*

August 14, 2006

Mr. How Yin Leung  
Acting General Manager, Planning & Development  
City of Surrey  
14245 – 56<sup>th</sup> Avenue  
Surrey, BC V3X 3A2

Dear Mr. Leung,

I would like to thank you for meeting with Ryan Koch and myself on August 4<sup>th</sup> to discuss partnership opportunities between Surrey Memorial Hospital Foundation and the City of Surrey. We are encouraged by Council's strong commitment to health care in Surrey and are grateful to have solid support from the leaders of our community.

To follow-up on our discussions, I wanted to clarify that Surrey Memorial Hospital has an agreement with Fraser Health that any monies raised for any project/facility associated with the Provincial Government's commitment of \$220 million for new health care infrastructure in Surrey will be counted against our commitment of \$15 million. While the Foundation's case has been the ER, this agreement allows us to partner with organizations on other components of the new health care infrastructure coming as a result of the \$220 million, including the expanded Renal and Cardiac programs, the new and expanded Neo Natal Intensive Care Unit, as well as the Surrey Memorial Outpatient Hospital in Green Timbers.

Surrey Memorial Hospital Foundation's Emergency Centre Campaign presents our community leaders with an opportunity to contribute to the health, prosperity and long-term success of our community. Please do not hesitate to contact me if you require any additional information or have any further questions. Thank you again for your time.

Sincerely,

Kate Ludlam  
Director, Major Gifts

Cc: Judy McLeod, Manager, Long Range Planning and Policy Development

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