



December 20, 2005

Province accepts Health Region's proposal to restore historic building at Michener Centre

Red Deer... An historic building gutted by fire two years ago is being given a new lease on life, thanks to a partnership of the provincial government and the David Thompson Health Region.

Alberta Infrastructure and Transportation has accepted an \$11.3-million proposal from the David Thompson Health Region to historically reconstruct, expand and eventually take ownership of the south administration building at the Michener Centre in Red Deer, consolidating the health region's administrative functions under one roof.

"This exciting partnership will benefit the Michener Centre, the community and the healthcare system," said Dr. Lyle Oberg, Minister of Infrastructure and Transportation. "The consolidation will help reduce David Thompson Health Region's leasing costs and free up space at the regional hospital for clinical and programming needs."

"The proposed reconstruction and expansion will preserve the historic character of the building and re-establish it as a productive part of the community," said Mary Anne Jablonski, Red Deer-North MLA.

The government will contribute \$4.7 million in cash and \$3.6 million in insurance proceeds, and will transfer a 13.2-acre parcel of land to accommodate the historical refurbishment and expansion of the former south administration building. The health region will contribute \$3 million.

"This project is a win-win for the Alberta Government, the residents of Red Deer and the Health Region. It will be financed through current leasing costs thus reducing future lease costs as well," said DTHR President and CEO John Vogelzang. "We will restore the Michener Centre building to its original grandeur and use the revitalized space to serve the residents of Central Alberta for years to come."

Space in the Red Deer Provincial Building currently occupied by the health region will be returned to the province and allocated to government departments in need of office space.

The south administration building was struck by lightning in June 2003, causing a major fire, with major smoke and water damage. After concluding there were no government programming requirements for the building, government issued a request for proposals for other uses for the building.

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Backgrounder attached.

Media enquiries may be directed to:

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Backgrounder

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Michener Centre restoration and transfer

About the Proposal

- David Thompson Health Region will restore, convert and expand the former south administration building while maintaining the historical character of the building to house its regional support services, including finance, continuing care administration, communications and corporate offices.
- The proposal calls for a complete renovation of the building. An addition on the rear of the building will replicate the historic front entrance that is also being restored.
- The estimated cost to restore the building is \$7.3 million; the addition will cost an estimated \$4 million.
- David Thompson Health Region will contribute \$3 million.
- The Alberta government will contribute:
 - \$4.7 million from the Infrastructure and Transportation budget
 - \$3.6 million in insurance proceeds
 - 13.2 acres of adjacent land to be transferred to the health region following completion of the project.

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About the Fire

The fire consumed about 90 per cent of the roof and attic of the building, and burned through to the fourth floor, making the third floor inaccessible. The remaining floors, including the basement, suffered extensive smoke and water damage.

At the time, the building was occupied by Michener Services as their human resources office.

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