

RECOMMENDATIONS:

(1) The Infrastructure and Planning Committee recommends that Council authorize Option 1 of the following:

(a) Property:

PLAN 7711604

BLOCK A

EXCEPTING THEREOUT ALL MINES AND MINERALS

AREA: 1.471 HECTARES (3.63 ACRES), more or less, as shown hatched in red on Attachment 5

Municipally known as 787 3 ST NW

(b) Options:

OPTION 1:

Authorization to extend the current Lease term by an additional 35 years on the same terms and conditions and negotiate the potential sale of the Property to SHC at book value of \$648,008.18 plus transaction fees and any other Council requirements.

OR

OPTION 2:

Amend and extend the existing Lease for an additional 50 years to expire in 2089 at nominal.

OR

OPTION 3:

Amend and extend the Lease for an additional 50 years at nominal to expire in 2089, subject to annual review of SHC's financials and evaluate potential to increase rent over time based on what SHC can afford.

OR

OPTION 4:

Do nothing for the remainder of the current Lease term and following Lease expiry, publicly market the Property and negotiate a market sale or other below market value sale to a successful applicant.

(2) Option 1 – Administration Recommendation:

Authorize the General Manager Infrastructure Services to approve the terms and conditions of a 35-year lease extension to the current term as well as a below-market sale of the Property at book value plus transaction fees, housing agreement, option to repurchase, restrictive covenant, and any other required agreements, including approving of any rectifications, corrections, changes, additions, amendments or deletions of any terms and conditions which are necessary in order to facilitate the negotiation, completion and administration of such transaction agreements.

(3) Should Option 2 or 3 be preferred by Council, then the following Recommendation be adopted instead of Option 1 Recommendation:

Authorize the General Manager Infrastructure Services to approve the terms and conditions of a lease extension to the current term and any other required agreements, including approving of any rectifications, corrections, changes, additions, amendments or deletions of any terms and conditions which are necessary in order to facilitate the negotiation, completion and administration of such transaction agreements.