

Environmental Implications

Approving a below market transaction with SHC will enable the Co-op to improve the energy efficiency of the residential units which will reduce their environmental impact and contribute to the imagineCALGARY urban sustainability plan.

The Property has been reviewed in accordance with The City of Calgary's Sales, Acquisitions and Leases Environmental (S.A.L.E.) Policy.

Given that the use of the Property and surrounding area is primarily residential (with the exception of the Water Services pump station and the Calgary Curling Club), it is not expected that a Phase I Environmental Site Assessment ("ESA") would identify any significant contamination concerns.

Given the age of the buildings (~1977), it would be expected that a hazardous building materials assessment would be recommended. Since the current form of agreement is a ground lease, and the buildings were constructed and are owned and maintained by SHC, SHC is responsible for appropriate management of the building materials.

Given the Property history, should only a nominal lease extension be approved, Administration will seek to include surrender provisions that require SHC to assess the Property at expiration of the lease. The ESA would confirm Property conditions at time of surrender and would include recommendations for further assessment/remediation. If a proposed sale is approved and The City ever had to exercise its option to repurchase, such option to repurchase agreement would require that SHC assess the Property prior to closing.