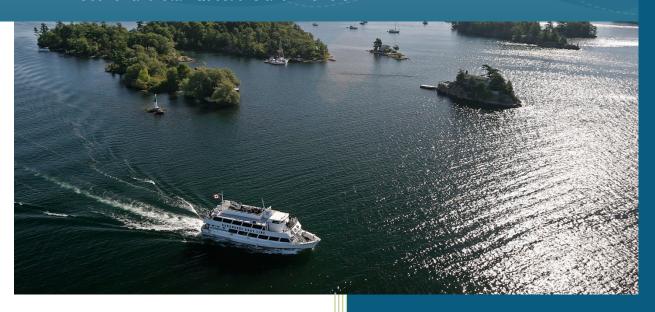
2012

Waterfront Development Opportunity

Council and Staff Questions and Answers



"The Town of Gananoque seeks a developer with the capability and imagination to deliver a world-class mixed use commercial and/or residential concept."

Gananoque

Ontario

Canada

THE CORPORATION OF THE TOWN OF



SUMMARY OF QUESTIONS AND ANSWERS -

ADDITIONAL COUNCIL AND STAFF QUESTIONS

175 St. Lawrence Street, Gananoque Ontario

1. Question to earthdevelopment: Please clarify your response regarding who will be responsible for cleaning up the site. During the public meeting it was referenced that you would be working "in collaboration with the town" and "working with the Town's engineers". I do not believe they(earthdevelopment) understood that the town's going in position is that the successful bidder would be solely responsible for the cost of the clean-up but perhaps I misunderstood them.

Our research and experience suggests that attempts to remediate sites like 175 St Lawrence in a pristine approach (dig it up, take it all away, isolate it from the groundwater) may prove to be enormously expensive and unworkable in the long term. As I think you know our team have conducted remediation for damaging products like perchlorethylene in towns like Truro, Nova Scotia (which was subject to a recent flood). We have also built bathtubs in the lake at projects like Corus Quay in Toronto. Originally we thought that at 175 St. Lawrence we might be able to excavate one level below grade, dispose of the contaminated material and find a solution which would prevent ground water from percolating through the foundation and basement system. During the public meeting I thought that there might be merit in approaching the problem from a different perspective. This approach would involve engaging environmental engineering resources if a Record of Site Condition approach would be more cost effective. Our very preliminary investigations indicate it would be. Furthermore our current thinking would be for the Town, us, and other property owners in Lowertown to collectively consider a Record of Site Condition (RSC) approach which would give all of us more affordable clarity around how to manage the known pollutants and the groundwater problems in this neighborhood. We also believe if the Town were to participate you could secure available grant dollars to help mitigate the RSC costs. Our objective in this approach would be to find more affordable solutions so as to hopefully create available dollars to purchase 175 St. Lawrence from the Town. The other approach would be to "dig and dump" the site, which in our minds may not leave any value available for the Town for this important property. We would be pleased to meet with you to more fully discuss our history in remediating sites and our flawed experience in attempting to build waterproof bathtubs in groundwater.

2. Have earthdevelopment or any of its' named partners have been directly involved in the remediation of a Brownfield Site including the filing of a Record of Site Condition with the Province? If so, which projects?

earth as a corporation has not but its principals and affiliates have had extensive experience in their previous corporate lifetimes addressing both remediation and Record of Site Condition solutions. Our most demanding project was the remediation and disposal of perchlorethylene (a dnapl in Truro Mall, Nova Scotia where I was personally responsible for all aspects of that program. Other team members (George Davis) were responsible for the construction of the Corus Quay building which was built on filled land, was designed to have a bathtub in the lake parking garage and which had substantial soil remediation and methane venting programmatic issues. In our collective history as national property developers we have had extensive experience in managing complex environmental matters. We have also worked with a variety of environmental consultants including entities like Marshall Macklin Monaghan, Golder Associates and Halsall across Canada. This experience we believe gives us access to the brightest and best thinking for 175 St. Lawrence.

3. Have RMP Construction or any of its' named partners have been directly involved in the remediation of a Brownfield Site including the filing of a Record of Site Condition with the Province? If so, which projects?

I am not listing the many environmental projects we did in Ottawa. Here are a few recognizable locations:

St. Laurent Shopping Centre had a few on their own.

George and York in the Byward Market for the NCC.

50 Laurier in Ottawa; 18 storey building required clean up for the garage.

Here is a list of projects that are close to home.

Clean up's requiring a Record of Site Condition, which is the changing of zoning from "Commercial or industrial zoning" to "residential zoning".

Completed projects:

The Moorings was a large one in Brockville. 2 million dollars Cotton Mill Lofts in Cornwall 1.5 million dollars

Projects in progress which require a ROSC;

Cotton Mill Cornwall, 5.5 million dollars, this is in progress and the majority of the cleanup and demolition is completed.

Projects that did not require a ROSC, but were involved with environmental cleanup to satisfy the requirements of the Environmental Ministry of Ontario

Mariner's Club in Prescott. Kemptville (in progress)

4. Question to earthdevelopment: There is still some confusion regarding the private property. If unable to acquire the surrounding private and public property, would earthdevelopment still be willing to ahead with only 175 St. Lawrence Street?

If selected as proponent for 175 St. Lawrence, we have indicated we will meet with the Town and adjacent owners within our defined master plan area. We are strongly of the opinion that the Town and we require a more global and collaborative approach if we have any real expectations of rejuvenating and reactivating Lowertown. We would hope that the Town and other property owners would share our more collaborative approach and that we might collectively resolve a way to undertake the affordable development of 175 St. Lawrence and agree upon processes to plan for the orderly redevelopment of the other blocks in Lowertown. We are doubtful that a single project will achieve the objectives for a profitable solution for anyone. That being said earth can confirm that should we not be able to discern a collaborative path forward we would quickly decide to try and do it alone or inform the Town that we do not see a path to success. We are sorry this may appear unconventional to Gananoque and could be thought to be non-compliant with your request, but we think it is the best approach to achieve the Town's objective for Lowertown.