

Procedure

Climate Resilient Acquisition of City Buildings



This procedure falls under C627 *Climate Resilience Policy*.

Program Impacted	Environmental Stewardship <i>The City of Edmonton's operations and service delivery sustains and conserves the environment.</i>
Approved By	City Manager
Date of Approval	June 10, 2021
Approval History	This is a new Administrative Procedure with content formerly in: May 9, 2017 (C532 <i>Sustainable Building Policy</i>) April 10, 2007 (C532 <i>Sustainable Building Policy</i>)
Next Scheduled Review	June 10, 2024

1. Application

This procedure applies to the acquisition of Occupied Buildings that are not intended to be demolished or divested, and are over 600 square meters, and where acquisitions are initiated after the approval of this procedure.

2. Governance

- 2.1. The Deputy City Managers (DCMs) who have oversight of real estate, environmental strategy, facility planning, design, construction, operation, maintenance, renewal and demolition of City Owned Buildings shall be accountable for ensuring that City Buildings comply with this Administrative Procedure.
- 2.2. The responsible business sections for each section in this procedure shall develop, implement, and revise applicable programs or guidance that supports the procedure and decision making. The responsible business sections may ask the Climate Resilience Building Team for technical expertise support for program or guidance development if required. This work of the responsible business sections shall include:
 - 2.2.1. Development of guidance documents such as procedures, standards, guidelines, best practices, manuals, tools, and acquisition terms within an agreement.

- 2.2.2. Communications to or training of appropriate parties that shall use these guidance materials or participate in these programs.
 - 2.2.3. Development and prioritization of capital and operating budget profile(s) that are impacted by this Administrative Procedure.
 - 2.2.4. Through training and recruitment, ensure there is sufficient internal expertise related to Climate Resilient Building Practice, to support effective and efficient procedure implementation (e.g. Key Procedure users shall be supported in the application and maintenance of LEED or other green professional accreditations).
 - 2.2.5. Annual, or as requested, reporting to the Climate Resilient Building Committee on program or guidance status including above mentioned items.
- 2.3. A Climate Resilient Building Team shall exist for the purposes of oversight, as outlined in their Terms of Reference. Oversight by the Climate Resilient Building Team includes the following:
- 2.3.1. Policy implementation, including ensuring that the appropriate business section(s) develop and maintain guidance documents such as procedures, standards, guidelines, best practices, manuals, and tools. This will include communications to or training of appropriate parties on the use of these policy implementation tools.
 - 2.3.2. Policy evaluation in the form of compliance reporting: annual reporting to the City Manager and City Council on policy compliance, including all exceptions to the Administrative Procedures; and
 - 2.3.3. Periodic evaluations of the appropriateness and effectiveness of the Administrative Procedure, and Climate Resilient Building Team membership.

3. Requirements

The City must understand the energy consumption, greenhouse gas performance, water use, and the extent of upgrades needed to raise the energy performance to an optimized level of lifecycle cost benefit for any Building that is acquired for use or lease.

The City must also understand the climate risks associated with any acquisitions and the extent of upgrades needed to reduce significant climate risks for any Building that is acquired for use or lease.

The steps below are the process by which Administration will meet these requirements.

3.1. Climate Risk Assessment and Energy and Water Audit

The assessment and audit will be used to:

- 3.1.1. Provide information to the decision makers on the expected energy, greenhouse gas, and water performance of the Building as well as climate risks in order to understand future cost

implications of bringing the Building up to standards set by the City.

- 3.1.2. Complete BOMA BEST certification of the Building.
 - 3.1.3. Provide information to Lifecycle Management (LCM) section on energy and climate risk related aspects of the Building condition for future rehab work.
 - 3.1.4. Inform daily operations of the Building to improve water and energy efficiency and climate risk through operations.
 - 3.1.5. The audit/assessment will be paid for by the Client Area. The cost of the audit will range in price depending on the size of the Building. Level 2 ASHRAE audits have ranged between \$10,000 and \$60,000 (as of March 2021) for City of Edmonton Buildings depending on size and complexity.
 - 3.1.6. Climate adaptation work and related risk assessment requirements will be identified by Lifecycle Management and may be completed at the same time as the energy and water audits.
 - 3.1.7. If the previous Building owner has a comparable audit/assessment completed within 5 years the City may choose to accept this instead of a City of Edmonton procured audit. Lifecycle Management will determine if the audit is acceptable.
 - 3.1.8. The scope of the audit will be set by Lifecycle Management.
- 3.2. Non Time Sensitive Acquisitions
- If the acquisition is not Time Sensitive the energy and water audits and climate assessments shall be completed during the pre-acquisition process and will be paid for by the Client Area.
- 3.2.1. The Acquisition team contacts the Lifecycle Management Team to request an audit/assessment.
 - 3.2.2. Acquisition team works with Lifecycle Management to confirm what timeline, data and access will be required in order to complete the audit/assessment. The Acquisition team will facilitate communications between the seller, Lifecycle Management, and the consultant hired to complete the energy audit. Commonly required information includes:
 - 3.2.2.1. Access to the Building for a walk through audit of Building systems and operations.
 - 3.2.2.2. Up to date architectural, mechanical and electrical drawings.
 - 3.2.2.3. O&M documentation, including equipment specifications if available.
 - 3.2.2.4. Sequences of operation and schedules for the Building automation system (BAS), include the lighting control system if available.
 - 3.2.2.5. Access to the Building automation system (or indication of available for review on-site during site visits).
 - 3.2.2.6. Previous Building condition assessment, energy audit reports, and climate risk assessments (if applicable).

- 3.2.2.7. Utility data and bills (electricity, natural gas, and water) for the Building covering 36 months (ideally five years at 15 minute intervals or best possible).
- 3.2.2.8. Sub-metered utility data as available.
- 3.2.2.9. List any major upgrades or renovations in the last three years.
- 3.2.2.10. Reports from Building operations staff including information on identified performance factors and existing climate-infrastructure interaction.
- 3.2.2.11. A vulnerability assessment may be completed with numerous stakeholders.

3.2.3. If the seller is unwilling or unable to have the audit completed in advance of the sale and the operational area still wishes to proceed with the acquisition, the operational area will consult with Lifecycle Management regarding intent to move forward with the time sensitive approach outlined below. If Lifecycle Management is concerned with this approach they may require that the operational area proceed with obtaining an exception to procure the property without an energy audit.

3.2.4. Lifecycle Management will procure and review the audit and provide comments and/or recommendations from a general asset efficiency and risk point of view. The results of the audit will be provided to the decision makers in the Client Area. The Client Areas must confirm that they have reviewed the audit results and feedback from Lifecycle Management before acquisition is complete.

3.2.5. If Lifecycle Management expresses concern with acquiring the asset the Client Area must request an exception from the procedure and provide clear justification to the Climate Resilient Building Team for moving forward with the acquisition as part of this exception request. The justification presented may include the intent of the operational area to dedicate funds to implement the recommendations required to alleviate the concerns of Lifecycle Management.

3.2.6. Once audits are completed notice of their completion (and access to them) must be provided to the Building technical document management system for access by:

- The Client Area and Building operators;
- Lifecycle Management;
- The BOMA BEST Certification lead in City Environmental Strategies; and
- The Climate Adaptation team in City Environmental Strategies.

3.3. Time Sensitive Acquisitions

3.3.1. If the acquisition is Time Sensitive the audit/assessments noted above may be completed after the acquisition is complete. If possible Building level utility data will be requested in order to complete building benchmarking. The Client Area must be informed that the acquisition will be made without full understanding of the emissions, water, and climate risk

impact and must agree to this pathway and inform the Climate Resilient Building Team of this pathway for reporting purposes.

- 3.3.2. An audit/assessment must be completed after the acquisition. Real Estate will inform Lifecycle Management and the Client Area that the auditing should be completed. The audit will be completed by Lifecycle Management and will commence (if sufficient utility data exists) within one year (or once sufficient utility data exists) of Occupancy by the City or its tenants and will be paid for by the Client Area.

4. Exceptions

- 4.1. Buildings that meet the application criteria (Section 1: Application) of this Administrative Procedure, but for some extraordinary reason cannot meet the Administrative Procedure requirements, may apply for an exception. Exceptions should only be requested as an absolute last resort.
- 4.2. If Real Estate is unsure if a formal exception request is appropriate or would appreciate feedback from the Climate Resilient Building Team they may request an informational meeting with the Climate Resilient Building Team.
- 4.3. A request for an exception shall be made as follows:
 - 4.3.1. A summary of the issue, reasoning for the exception request, and supporting documentation shall be submitted to the Climate Resilient Building Team (sustainableBuildingteam@edmonton.ca). This request must be signed by the appropriate General Supervisor and/or Director.
 - 4.3.2. The Climate Resilient Building Team will review the *documentation* and will:
 - 4.3.2.1. First: Provide a recommendation to Real Estate for additional steps or opportunities to be investigated that could improve project alignment with the Administrative Procedure requirements. Real Estate will implement the suggestions and report back to the Climate Resilient Building Team with the results if still not compliant with the Administrative Procedure. Then:
 - 4.3.2.1.1. Agree with the submitted analysis and recommend that Real Estate is granted an exception (with or without conditions). Or;
 - 4.3.2.1.2. Disagree with the submitted analysis and recommend that the project is not granted an exception (either in full or part). Providing a recommendation for how Real Estate could meet the Administrative Procedure requirements.
 - 4.3.3. Once the Climate Resilient Building Team provides a decision on Real Estate's request for an exception, the Climate Resilient Building Team will submit the request and their recommendation to the DCM(s), whose business unit(s) are responsible for achieving the specific policy standard(s) via the appropriate protocols. The DCM's approval is required to

formally authorize an adjustment to the policy standards through an exception to the Administrative Procedure(s).

- 4.4. If not communicated directly to the Climate Resilient Building Team, Real Estate shall submit the formal decision of the DCM to the Climate Resilient Building Team for tracking and reporting purposes.

Definitions

Unless otherwise specified, words used in this procedure have the same meaning as defined in the C627 *Climate Resilient Policy*.

- **BOMA BEST** A voluntary certification program that provides a framework for assessing the environmental performance and management of existing Buildings. The rating system assesses ten key areas including: energy, water, air, comfort, health and wellness, custodial, purchasing, waste, site and stakeholder engagement. Refer to external BOMA BEST resources for more information.
- **Buildings** As defined by the National Building Code (Alberta Edition).
- **City Owned Buildings** Buildings that are legally owned by the City including arenas, pools, leisure centres, libraries, fire stations, police stations, administration Buildings, maintenance and shop Buildings.
- **Client Area** The Department which has an approved capital profile to acquire land and/or Buildings.
- **Climate Resilient Building Practice** Identified processes, practices or systems widely recognized as ways of improving Building resilience. Such practices extend beyond green Building certification that is based on initial Climate resilient design and construction, and emphasizes Climate resilient practices throughout the entire Building lifecycle.
- **Occupancy** the date that the City of Edmonton or it's tenants move into the facility.
- **Occupied Building** A Building that is regularly occupied by staff, contractors or visitors. Occupied Buildings exclude: LRT stations; conditioned storage Buildings; pump stations; power substations; Buildings that are not occupied by individuals year-round (e.g., a seasonal park pavilion, outdoor pool, etc.).
- **Resilience/Resilient** The concept of Resilience covers the proactive capacity of public, private, and civic sectors to withstand disruption, absorb disturbance, act effectively in a crisis, adapt to changing conditions including climate change, and grow over time.
- **Time Sensitive** Time Sensitive Acquisitions are identified through the budgeting process as major City priorities such as major infrastructure projects (e.g. LRT where multiple acquisitions are required and ultimately Expropriation would be recommended to Council) would need to be completed within a time period that is considered unreasonable to procure and complete an energy

audit within (usually six months).

References

- [City of Edmonton Portfolio Manager Toolkit](#)
- City's Facility Design and Construction Consultant Manual(s): Consultant Manual (2019): Volume 1 - Design Process and Guidelines, latest edition
- City's Facility Design and Construction Consultant Manual(s): Consultant Manual (2019): Volume 2 - Technical Guidelines, latest edition
- National Building Code (Alberta Edition)