PROSPERITY PROJECTS: 111 HORTON STREET EASTREDEVELOPMENT OPPORTUNITY

May 14th, 2014

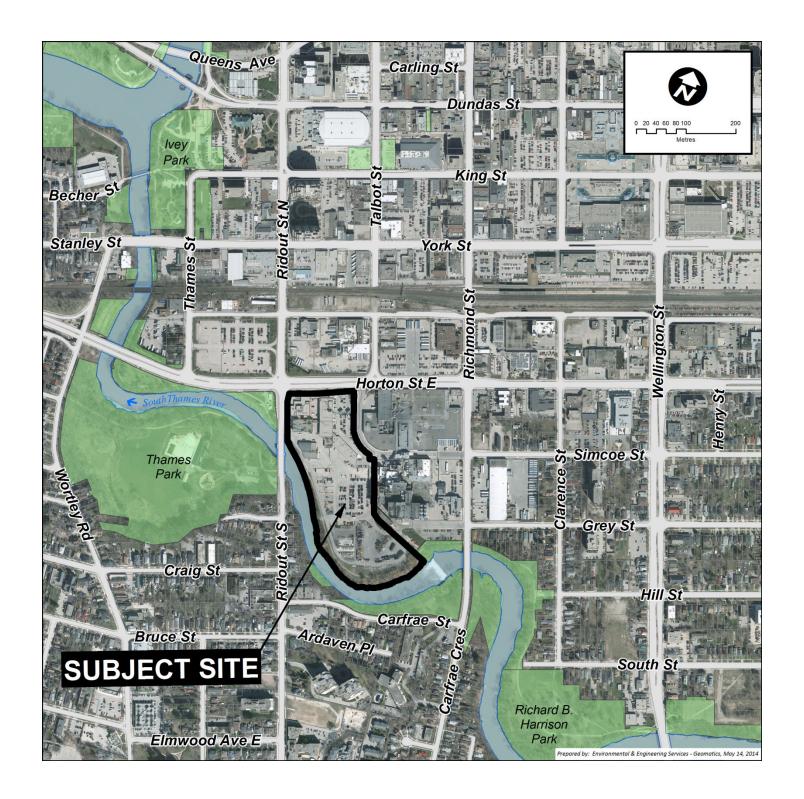
Presentation Outline:

- Proposal Origins
- The Proposal
- Proposal Progress
- Opportunities
- Constraints (Gates)
- Conclusion

Proposal Origins

- Potential Redevelopment Opportunity Identified as concept by City of London Planning:
 - 2011 "Thames Valley Corridor Plan"
 - 2012 "City of Opportunity: A Vision for Downtown London"





Proposal Origins

- January 20, 2012 the City received an initiating letter in which Kilmer identified the Property as having potential to be redeveloped for higher and better land uses.
- June 09, 2012 Kilmer's proposal presentation was part of the IEPC open call to community for prosperity ideas (Gate 1).
- December 18, 2012 Potential redevelopment of 111 Horton St. shortlisted in report to IEPC.

The Proposal

- City of London sell the land at 111 Horton St. to Kilmer Brownfield "as is, where is".
- Kilmer to complete the remediation of the land, provide the City with an environmental release for the property and work with the City to have the land rezoned.
- Added value created would be shared with the City of London.
- Based on preliminary estimates provided by Kilmer, this proposal is expected to create hundreds of short term and long term jobs.

Proposal Progress

- June 11, 2013 Council directed Civic Administration to continue the advancement of the plan as described in the December 18, 2012 report.
- June 25, 2013 :
 - Non-Disclosure Agreement (NDA) between the City of London, London Hydro and Kilmer Brownfield was approved to facilitate information sharing.
 - Council supported the "Redevelopment at 111 Horton street" in principle and requested that Civic Administration undertake a Reach Study.
- September 17, 2013 Council approved Riggs Engineering Limited to perform the Thames River Reach Study.

Opportunities

Brownfield Redevelopment

Economic Benefits

Environmental Benefits

Social Benefits

Brownfield Redevelopment



Redevelopment of brownfield sites may: increase the municipal tax base; increase employment opportunities; enhance viability of inner-City neighbourhoods.

Environmental Benefits



Improvement in environmental quality by removal of contaminants, and therefore lowering the risk of contaminants migrating off site.

Economic Benefits



Based on preliminary estimates Kilmer anticipates:

- 500 full time long term and 400 short term jobs;
- Up to 400 New Residential Units;
- Property Tax Assessment: up to \$100M.
- All Contingent on developable area and costs.

Social Benefits

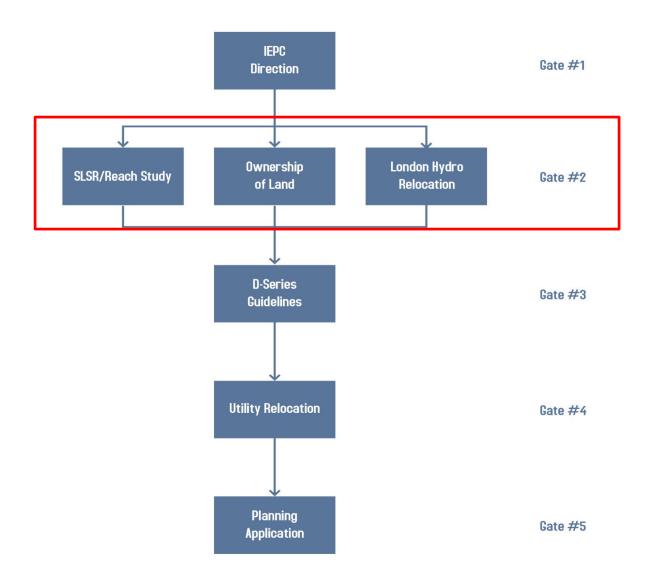


Brownfield development can be an engine for urban renewal:

- Neighbourhood and downtown revitalization;
- Improved aesthetic quality of the urban environment.
- In-line with Planning concept of opening up river front.

ACTION AND DECISION OVERVIEW 111 HORTON STREET PROJECT

Constraints (Gates)



Subject Land Status Report (SLST) (Gate 2)



- To assist with the identification of barriers that could impact the redevelopment proposal, a SLSR was undertaken in the Spring of 2013.
- A SLSR provides useful ecological inventory for consultants to complete an Environmental Impact Study (EIS).
- EIS will take about 3 months at a cost of \$30,000.

Reach Study (Gate 2)



- The Property is 5.50 ha in size, its developable land area (outside of the regulatory flood plain), is 1.40 ha.
- The remaining 4.10 ha of land is located within the flood plain.
- One option to increase the development envelope is to fill in the flood plain lands.
- Very preliminary estimated cost to infill property \$350,000-\$500,000.
- Still in process...

Ownership of Land (Gate 2)

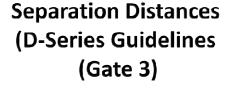


- The title of the Property is complex due to the age of some of the agreements and the relationships among the City, the Public Utilities Commission and London Hydro.
- Any decision to dispose of the 111 Horton Street site will require agreement among the City, London Hydro and the PUC.

London Hydro Relocation (Gate 2)



- London Hydro conducts its business from its combined administration/service facility; any relocation would be complex and costly.
- Estimated cost of relocating the entire operation would be at least \$40 million, and take from 5 to 7 years to complete.
- London Hydro is willing to consider a partial relocation.
- Any relocation would be at the cost of the City of London /London Hydro.



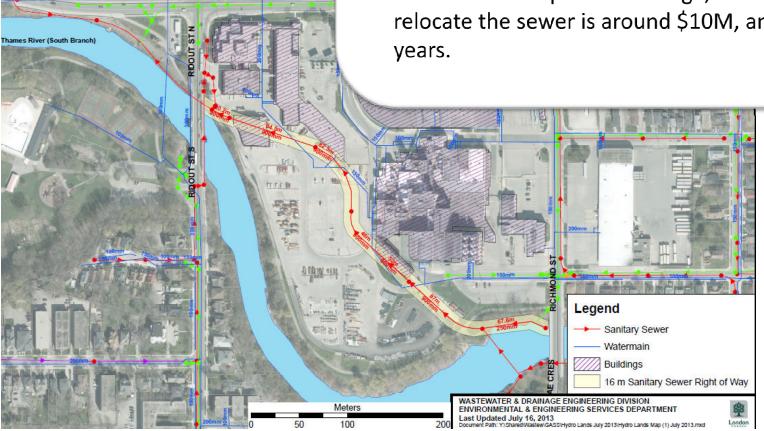


- The objective of the D-6 Guideline is to prevent or minimize the encroachment of sensitive land uses on industrial land uses and vice versa.
- Breweries are classified as a Class III industry, the most restrictive class.
- A feasibility analysis will require additional information in order to make an assessment for allowing less than the recommended minimum separation distance.
- Cost of feasibility study is about \$20,000 and will take 3 months to complete.





- The sewer serves a population of about 10,000 and is in good structural condition.
- Kilmer to perform due diligence on the site to confirm whether they would work around the sanitary trunk sewer.
- A 16 meter wide easement (0.72 ha) with access to it would be required.
- Should Kilmer's position change, the cost to relocate the sewer is around \$10M, and take 3-4 years.



Planning Application (Gate 5)



- Kilmer to submit a Proposal Summary:
 - Outline a written summary of the development proposal.
 - This will identify what additional reports and studies may be required.
- To permit the proposed mixed-use development, the submission of a Planning Application will be required to amend the Official Plan designation and Zoning By-law..
 - o Cost is \$15,000 (paid by Applicant).
 - 4-6 Months (after application has been submitted.
- Kilmer to submit a conceptual site plan.

Conclusion