

<b>TO:</b>	<b>CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE</b>
<b>FROM:</b>	<b>JOHN M. FLEMING MANAGING DIRECTOR, PLANNING AND CITY PLANNER</b>
<b>SUBJECT:</b>	<b>LORNE AVENUE PUBLIC SCHOOL UPDATE MEETING ON TUESDAY MARCH 24, 2015</b>

**RECOMMENDATION**

That, on the recommendation of the Managing Director, Planning & City Planner, the following report **BE RECEIVED** for information and **ENDORSED** by Municipal Council as the proposed process for satisfying the terms and conditions of the Agreement of Purchase and Sale related to zoning for the Lorne Avenue Public School property.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

Three in-camera reports to Corporate Services Committee dated February 4, 2014, March 18, 2014 and August 26, 2014, respectively.

**DISCUSSION**

**Background**

On July 2, 2014, the Thames Valley District School Board (TVDSB) notified the City of London through Realty Services that the Lorne Avenue Public School has been declared surplus to the Board's needs and will be offered for sale to public bodies. A portion of this site was previously declared surplus by the Thames Valley District School Board and a Property Inquiry Liaison Report was circulated for comment.

The City of London, as a public body, was eligible to submit an offer to purchase the property at fair market value from the TVDSB.

The City had until September 29, 2014 to act in the context of contemplating and/or putting forth an Offer of Purchase.

Municipal Council, at its session held on September 2, 2014 resolved that the following actions be taken with respect to the acquisition of the Lorne Avenue Public School property located at 723 Lorne Avenue:

- a) *the Civic Administration BE DIRECTED to submit the proposed Offer to Purchase to the Thames Valley District School Board to acquire the subject property at a purchase price of \$550,000, as contained in the staff report dated September 2, 2014, subject to:*
  - i) *the City having 120 days from the date of the Vendor's acceptance of the Agreement to satisfy itself in its sole and absolute discretion as to the soil and environmental condition of the property;*
  - ii) *the Purchaser successfully rezoning the subject property to an Open Space OS Variation and/or Residential Variation and successfully obtaining an amendment to the Official Plan, if necessary, within 240 days of the Vendor's acceptance of the Agreement; and*
- b) *the financing for this acquisition BE APPROVED as \$250,000 from the Parklands Reserve Fund and \$350,000 from the Miscellaneous Property Acquisition Reserve Fund. (C1/21/CSC) (3/17/CW)*

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On October 15, 2014 the City entered into an Agreement of Purchase and Sale with the TVDSB to acquire the Lorne Avenue Public School property located at 723 Lorne Avenue, subject to several conditions.

The Agreement of Purchase and Sale contains a condition related to the rezoning of the property that needs to be addressed before the Agreement can be finalized. A condition of the completion of the sale is the City as purchaser rezone to an Open Space (OS) variation and/or Residential variation within 240 days of the acceptance of the offer.

### **Reasons for the Acquisition**

With the closure of Lorne Avenue Public School, the Old East Village neighbourhood (defined as the area between Dundas Street, the CN Tracks, Adelaide Street and Quebec Street) will have no available open space, public or private that could be used for recreational activities. In other words, there is no parkland in this neighbourhood. This is contrary to the Official Plan, the Parks and Recreation Master Plan and the Strengthening Neighbourhood Strategy.

Council has directed a significant amount of investment in revitalizing this neighbourhood and the loss of the elementary school may have a negative impact on realizing this goal. The acquisition of the site for neighbourhood parkland and recreational space contributes to the City's ongoing neighbourhood revitalization efforts and hopefully lessens the impact of losing the school by replacing one community focal point (school) with another (park).

The City wants to explore all options for the site including the sale and full or partial retention of the school building by a purchaser for a use that is suitable in the neighbourhood or a possible combination of residential development and parkland. The final size and location of the park will be determined through community engagement and the outcome of the Request for Proposals (RFP) process.

### **Terms and Conditions of Sale Relating to Zoning and the RFP Process**

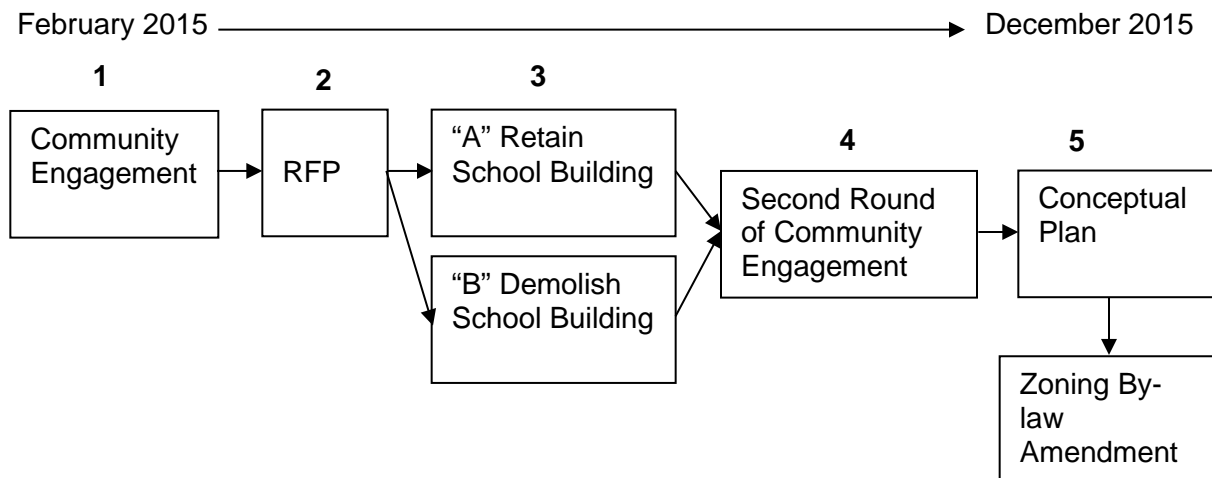
In order to satisfy one of the conditions of the Agreement of Purchase and Sale, the City has initiated a Zoning Amendment application proposing a broad range of possible uses. However, it is intended that this range of uses will be further refined following the RFP process and community engagement process. Presently, it is premature to know if the building will be retained or demolished in whole or in part, the size, configuration and location of the parkland and if the building is retained, its future use is unknown. Community engagement is essential to learn about the community's vision and desired park amenities to help ensure that the park is a success.

One of the conditions of the completion of the sale is that the City, as the purchaser, is responsible to rezone to an Open Space (OS) variation and/or a Residential variation within 240 days of the acceptance of the offer. This condition must be fulfilled by June 15<sup>th</sup>, 2015.

The completion date of the Agreement of Purchase and Sale is September 15, 2015. Discussions are currently ongoing between the City and the TVDSB to extend this completion date.

### **Proposed Process**

The following process is proposed to engage the local community to understand their vision for the site and the parkland and to issue an RFP to understand the private sector interest and opportunities in retaining the school building (in whole or in part) prior to finalizing the Zoning By-law Amendment application:



Two general scenarios will guide the process forward. Scenario “A” is the creation of a municipal park on a portion of the site and the sale of the existing school building to a purchaser who will retain the remainder of the site and all or a portion of the existing building for their use. Scenario “B” is the creation of a municipal park on a portion of the site and if a suitable purchaser cannot be found, the demolition of the school building. The demolition of the school building may introduce an opportunity to provide residential infill housing on the site.

City staff met in January and February 2015 to discuss the process to establish the community engagement schedule and the potential mechanisms to find a suitable purchaser.

**Scenario A**

1. In April 2015, the City will meet with the local community to share information on the history of the site, discuss the RFP process, identify potential locations for the parkland assuming the sale and retention of the school building and ask the community to identify their high level goals, objectives and vision for the parkland.
2. An RFP including a Request for Qualifications will be released to determine if any private sector interest exists in purchasing the building from the City in order to retain the building for a use suitable in the neighbourhood. The RFP is anticipated to be issued in early May 2015 with a six-week window for proposals to be submitted.
3. Under Scenario “A”, the RFP generates proposals for retaining all or a portion of the school building. An evaluation of the proposals is required. The evaluation is anticipated to take from early July 2015 until early August 2015.
4. A second round of community engagement will begin in early September after the evaluation period is finished and a report to Council for direction to proceed is approved. The second round of community engagement will allow staff to share the results of the RFP process and continue the discussion with the community on how the parkland will be designed to meet their goals, objectives, and vision.
5. After the second round of community engagement is complete, the Conceptual Plan for the site will be established. At this point the Zoning By-law Amendment application is refined to narrow the range of uses to those proposed in the Conceptual Plan. The rezoning is expected to take up to four months to finalize. If proposals are received to retain all or a portion of the school building, the entire RFP and rezoning process is anticipated to be completed by December 2015.

**Scenario B**

1. The community engagement process under Scenario “B” will begin after the initial discussion on Scenario “A” in April 2015 and the results of the RFP are released.
2. Under Scenario “B”, the completed RFP process did not result in any proposals for retaining the school building or the evaluation of the proposals shows that the proposed uses would be unsuitable for the school building and neighbourhood.

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3. If the RFP does not generate any successful proposals, the City will initiate a second round of community engagement in July 2015. The second round of community engagement will continue the discussion with the community on how the parkland will be designed to meet their goals, objectives, and vision if the school building is to be demolished.
4. After the second round of community engagement is finished, the Conceptual Plan for the site will be established. At this point the Zoning By-law Amendment application is refined to narrow the range of uses to those proposed in the Conceptual Plan. The rezoning is expected to take up to four months to finalize. If no proposals are received, the entire RFP and rezoning process is anticipated to be completed by December 2015.

<b>CONCLUSION</b>
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The Lorne Avenue Public School property was acquired by the City of London to meet a critical need for parkland in the Old East Village neighbourhood.

Prior to finalizing the Zoning By-law Amendment application, extensive community engagement and issuing the RFP is required. The community engagement meetings will provide an opportunity for the neighbourhood to share their goals, objectives and vision for the site and parkland. The RFP will gauge the private sector interest and proposals for retaining all or a portion of the school building. The outcome of the RFP will determine if the school building will be retained in whole or in part or demolished. The preferred location and configuration of the parkland may change depending on whether the school building is retained or demolished.

It is anticipated that the process will conclude by the end of 2015.

**Acknowledgments**

This report was prepared with input from Bill Warner, Realty Services, Mark Henderson, Development and Compliance Services, Andrew Macpherson, Environmental and Parks Planning and Alan Dunbar, Financial Planning and Policy.

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February 27, 2015  
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