

<b>TO:</b>	<b>CHAIR AND MEMBERS FINANCE AND ADMINISTRATIVE SERVICES COMMITTEE  SPECIAL MEETING ON MARCH 19, 2012</b>
<b>FROM:</b>	<b>TOM JOHNSON MANAGING DIRECTOR - CORPORATE ASSETS</b>
<b>SUBJECT:</b>	<b>DECLARE SURPLUS PORTION OF SOUTH STREET LANDS</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director - Corporate Assets, on the advice of the Manager Realty Services, with respect to the City owned lands located on South Street bounded by Wellington Street / Waterloo Street and the Thames River, the following action **BE TAKEN**:

- a) the subject lands identified to the north of the Hazard Limit Line established by the City's Official Plan, as shown on the attached plan, **BE DECLARED SURPLUS**, for the eventual sale and redevelopment for uses following the guiding principles of the Thames Valley Corridor Plan and the SOHO Community Improvement Plan.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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June 2011	SOHO Community Improvement Plan - BNEC
September 2011	Downtown Vision – City of Opportunity - Committee of the Whole
December 2011	South Street Campus Decommissioning - Planning and Environment
January 2012	South Street Campus Heritage Evaluation - Planning and Environment
January 2012	Unsolicited Proposal Policy tabled for circulation - IEPC
January 2012	Strategic Investment and Economic Prosperity Plan - IEPC
January 2012	SOHO Wellington Centre Project Proposal Fincore Consulting - IEPC

<b>BACKGROUND</b>
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**Context**

The City owned lands within the South Street Campus block bounded by Wellington Street, South Street, Waterloo Street and the Thames River are essentially vacant and could have excellent potential for redevelopment opportunities associated with the Downtown Strategy. These lands could be considered for the first phase of the redevelopment of the former hospital lands and be disposed of to the private sector for mixed use development including residential, commercial and office uses.

The majority of the subject City owned lands which form a part of the larger South Street Campus lands, are currently under a 99 year lease with the London Health Sciences Centre (LHSC). The City and the London Health Sciences Centre are undertaking plans that will return control of subject lands back to the City. Prior to the sale of any City owned lands declared surplus, the amendment of the lease of these lands will have to be agreed to.

The SOHO Community Improvement Plan (CIP) developed as a grass-roots neighbourhood plan over a period of one and a half years, was adopted by Council in June 2011. The plan recognizes the significant opportunity for development of the South Street Campus lands and the City must ensure that any proposal must consider the recommendation of the plan so that it can serve as a tremendous catalyst for revitalization of the SOHO neighbourhood.

Environmental studies and remediation of a portion of the City owned lands has been completed and a Record of Site Condition (RSC) has been filed for certain lands, not including the lands subject to this report. Further environmental studies and a RSC may be required for the remainder of City owned lands located at the South Street area, unless these lands are sold on an “as is” basis.

The City owned lands being considered for disposal and sale opportunities in the initial phase of the redevelopment of the South Street lands comprises approximately 1.497 acres (0.606 Ha) of land. A Reference Plan will be prepared to define this site area. Some of the lands at this location are owned by the UTRCA and are being managed by the City of London. The portion of the UTRCA lands above the Regulatory limit, being the non-hazardous lands may have similar potential for redevelopment and the assemblage of these lands with the City owned lands would provide greater planning flexibility for the combined lands at this location.

Civic departments have been canvassed for comments on the consideration of these lands for municipal purposes and there is no identified need. Parks Planning is satisfied that the City could dispose of the lands north of the UTRCA’s Regulation limit line. The UTRCA was also circulated for consideration of these lands and have no plans to acquire the City owned lands.

The City acknowledges that the lands below the Regulatory limit will form an appropriate setback from the Thames River Valley and that these lands are regulated by the UTRCA under the *Conservation Authorities Act*. The City would have an interest in the ownership of these regulated lands for inclusion with abutting City owned lands for the Thames Valley Parkway.

The City is in discussions with the UTRCA on the process around the acquisition and disposal of these lands as the UTRCA is bound by provincial policy in this regard. There is a regulatory floodplain which applies to part of the lands and erosion control limits that need consideration. The UTRCA have indicated that the approval of the Ministry of Natural Resources will be necessary for the disposal of Conservation Authority lands.

The method of sale of these lands will be determined after an appraisal of their current market value and upon the evaluation through the Strategic Investment and Economic Prosperity Plan process.

**Summary**

The City owned lands within the South Street Campus block that are essentially vacant and have potential for immediate redevelopment opportunities associated with the Downtown Strategy should be declared surplus to municipal needs and disposed of to the private sector for mixed use development including residential, commercial and office uses.

A plan is attached for the Committee’s information.

<b>PREPARED BY:</b>	<b>RECOMMENDED BY:</b>
<b>BILL WARNER MANAGER REALTY SERVICES</b>	<b>TOM JOHNSON MANAGING DIRECTOR - CORPORATE ASSETS</b>

March 8, 2012  
Attach.

File No. P-2358

cc: Geoff Belch  
John Fleming  
Martin Hayward  
Andrew MacPherson  
David G. Munteer