

B. Turcotte

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE
FROM:	JOHN M. FLEMING MANAGING DIRECTOR, PLANNING AND CITY PLANNER
SUBJECT:	SHERWOOD FOREST PUBLIC SCHOOL REQUEST FOR PROPOSALS – UPDATE AND NEXT STEPS MEETING ON MARCH 28, 2017

RECOMMENDATION

That, on the recommendation of the Managing Director, Planning and City Planner, the following report with respect to additional consultation with constituents within the subject area to discuss the disposition of City-owned lands on the site of the former Sherwood Forest Public School **BE RECEIVED** for information and that staff **BE DIRECTED** to proceed with a tender sale of the surplus land.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Corporate Services Committee Report, February 21, 2017, Sherwood Forest Public School Request for Proposals – Update and Next Steps, prepared by the Managing Director, Planning and City Planner.

BACKGROUND

On February 21, 2017, the Managing Director, Planning and City Planner, with the concurrence of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, recommended to the Corporate Services Committee that the attached report (see Attachment A) *“...pertaining to the disposition of the City-owned surplus lands on the site of the former Sherwood Forest Public School **BE RECEIVED** for information and that Staff **BE DIRECTED** to proceed with a tender sale of the surplus land.”*

On March 2, 2017 Municipal Council resolved that consideration of the City Staff report dated February 21, 2017, with respect to the disposition of City-owned surplus lands on the site of the former Sherwood Forest Public School **BE DEFERRED** pending an opportunity to undertake additional consultation with constituents within the subject area.

ADDITIONAL CONSULTATION AND NEXT STEPS

On March 2, 2017 City staff met with community representatives representing constituents within the Sherwood Forest Public School area to discuss the implications of the disposition of the City-owned surplus lands through a Tender sale process as opposed to a Request for Proposals process.

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Matters discussed at the meeting included “safeguards” that may be available for each sale method to achieve the desired form of development, the ability and timing for community participation in the Tender sale process, and the information that could be requested from a prospective purchaser as part of their purchase offer.

The community expressed its continued support for the City’s demonstration project on the former Sherwood Forest Public School site. The meeting resulted in an agreement between City staff and the community representatives that a Tender sale process is an appropriate method for the disposition of these City-owned surplus lands.

Staff would now recommend that direction be provided to proceed with a Tender sale process of the City-owned surplus lands.

REPAIRED BY:	SUBMITTED BY:
BRIAN TURCOTTE SENIOR PLANNER, CURRENT PLANNING	MICHAEL TOMAZINCIC, MCIP, RPP MANAGER, CURRENT PLANNING
RECOMMENDED BY:	
JOHN M. FLEMING, MCIP, RPP MANAGING DIRECTOR, PLANNING AND CITY PLANNER	

March 6, 2017

BJT/

"Attach."

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FROM:	JOHN M. FLEMING MANAGING DIRECTOR, PLANNING AND CITY PLANNER
SUBJECT:	SHERWOOD FOREST PUBLIC SCHOOL REQUEST FOR PROPOSALS - UPDATE AND NEXT STEPS MEETING ON TUESDAY FEBRUARY 21, 2017

RECOMMENDATION

That, on the recommendation of the Managing Director, Planning and City Planner, and in concurrence with the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following report with respect to the disposition of City-owned surplus lands on the site of the former Sherwood Forest Public School **BE RECEIVED** for information and that Staff **BE DIRECTED** to proceed with a tender sale of the surplus land.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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1. Corporate Services Committee Report, February 5th, 2013, Local Improvement Charges, Potential Uses, prepared by the Managing Director, Housing, Social Services and Dearness Home;
2. Corporate Services Committee Report, July 23rd, 2013, Local Improvement Charges, prepared by the Managing Director, Housing, Social Services and Dearness Home;
3. Corporate Services Committee Report, August 20, 2013, Sherwood Forest Public School, prepared by the Managing Director, Housing, Social Services and Dearness Home;
4. Corporate Services Committee Report, September 24th, 2013, Sherwood Forest Public School, prepared by the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer;
5. Corporate Services Committee Report, December 10, 2013, Options for Site Redevelopment, prepared by the Managing Director, Housing, Social Services and Dearness Home;
6. Corporate Services Committee Report, December 10th, 2013, Stakeholder Consultation Process, prepared by the Managing Director, Housing, Social Services and Dearness Home;
7. Corporate Services Committee Report, Special Meeting, December 16th, 2013, Sherwood Forest Public School, prepared by the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer;
8. Corporate Services Committee Report, March 4th, 2014, Sherwood Forest Public School, prepared by the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer;
9. Planning and Environment Committee Report, October 7th, 2014, 7 Annadale Drive Public

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Participation Meeting, prepared by the Managing Director, Planning and City Planner;

10. Corporate Services Committee Report, February 17th, 2015, Information Report for 7 Annadale Drive (Sherwood Forest Public School), prepared by the Managing Director, Planning and City Planner; and,
11. Corporate Services Committee Report, February 17th, 2015, Declare Surplus a Portion of City Owned Property – 7 Annadale Drive Former Sherwood Forest Public School and further that these “Surplus Lands” be disposed of through a Request for Proposal process, prepared by the Managing Director of Corporate Services and City Treasurer, Chief Financial Officer with the concurrence of the Managing Director, Planning and City Planner.

THE PURPOSE OF THIS REPORT

In December of 2014 the Corporation of the City of London acquired the former Sherwood Forest Public School (SFPS) site and associated playfields (see Figure 1). A portion of the site at the intersection of Wychwood Park and Annadale Drive would be retained by the City to provide for the development of a new urban park. The balance of the site was to be declared surplus and disposed of through a Request for Proposal (RFP) process.

The intention of the RFP process was to choose a development entity with which to negotiate a final set of development agreements in respect to the repurposing of the site for a residential infill demonstration project.

The repurposing of the former SFPS site was to address a number of key planning and financial objectives of the City of London. Through the implementation of the infill demonstration project it was the Council’s intention to:

- implement a community endorsed preferred land use concept that included a range of single detached and cluster housing forms;
- promote design and architectural excellence through the timely development of an infill demonstration project that is sensitive to, compatible with, and a good fit within, the existing neighbourhood;
- promote and provide for a built form that will serve to attract young families and/or provide for down-sizing opportunities for existing residents to allow aging in place;
- promote and provide for neighbourhood connections that link the private and public realm; and,
- achieve best value for the site.

In August of 2016 the City of London of London issued a RFP (RFP16-12) for the sale of the surplus lands. The purpose of this report is to:

- provide an overview of the actions of the previous Council pertaining to this matter;
- report on the results of the RFP process; and,
- identify the preferred method of land sale best suited to realize Council’s stated intentions for the repurposing of the site.

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Figure 1 - 7 Annadale Drive (the former Sherwood Forest Public School and associated playfields)



7 Annadale Drive -
2015 Air Photo of
Sherwood Forest
Public School Site
(prior to
demolition)

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THE ACQUISITION AND REZONING OF SHERWOOD FOREST PUBLIC SCHOOL

Surplus school sites, particularly those in established low density residential neighbourhoods, are an emerging land use issue in the Province of Ontario. Local residents typically favour the retention and repurposing of these sites for community based programming and/or open space uses. Fully serviced as these sites are, surplus school sites also present opportunities for intensification and redevelopment for the building industry. Municipal planning authorities must balance these competing public and private interests within the context of identified local needs, municipal budgets, and the *Provincial Policy Statement, 2014*.

Sherwood Forest Public School (SFPS) was constructed in 1966. The school was located at 7 Annadale Drive on lands then legally described as Lots 225 to 227 inclusive, Lots 242 to 255 inclusive, Part of Lot 249, Block 1 and Part of Block K, Plan 891 (see Figure 2) and designated as Part 1 on Reference Plan 33R-6891 (see Figure 3), City of London, County of Middlesex.

Sherwood Forest Public School was declared surplus in 2012 and closed in 2013. The Thames Valley District School Board (TVDSB) subsequently initiated a School Board Disposition Process under the *Education Act, Ontario Regulation 444/99*.

On October 2, 2013 Municipal Council directed Civic Administration to explore, in collaboration with the public and private sector, the redevelopment of the SFPS site.

Subsequent to these consultations, and with a mind to retaining a portion of the SFPS site for a public park and a portion of the site for a residential infill demonstration project, Municipal Council, at its session of March 18, 2014, resolved:

*“...the Agreement of Purchase and Sale for the property known as 7 Annadale Drive **BE ACCEPTED** subject to the following conditions...the completion of the transaction is conditional upon the purchaser successfully causing the property to be rezoned to an OS (OPEN space) Zone variation [to provide for the development of a City owned neighbourhood park] and a R1/R6 [single detached and cluster housing forms] Zone variation [to provide for the development of a residential infill demonstration project].”*

The conditional offer was accepted by the TVDSB on May 6th, 2014. At the time, the final date by which the property would have to be rezoned (or the condition would fail and the offer lapse) was September 3rd, 2014. The City of London subsequently negotiated an extension to the September 3rd, 2014 deadline date to December 2nd, 2014. This extension was negotiated to provide Planning staff an opportunity to consult with public and private sector stakeholders in the preparation of a preferred land use concept. The preferred land use concept would serve to inform and support a recommended Zoning By-law amendment for the property.

On October 7th, 2014 the Managing Director, Planning and City Planner submitted a report to the Planning and Environment Committee recommending a zoning amendment for the SFPS site. The recommended zone served to: satisfy Council’s condition of Purchase and Sale requiring that the property be rezoned; implement a preferred land use concept for the site; and, address specific site design matters raised by the community through the consultation process.

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Figure 2 – Registered Plan 891 (registered in 1962)

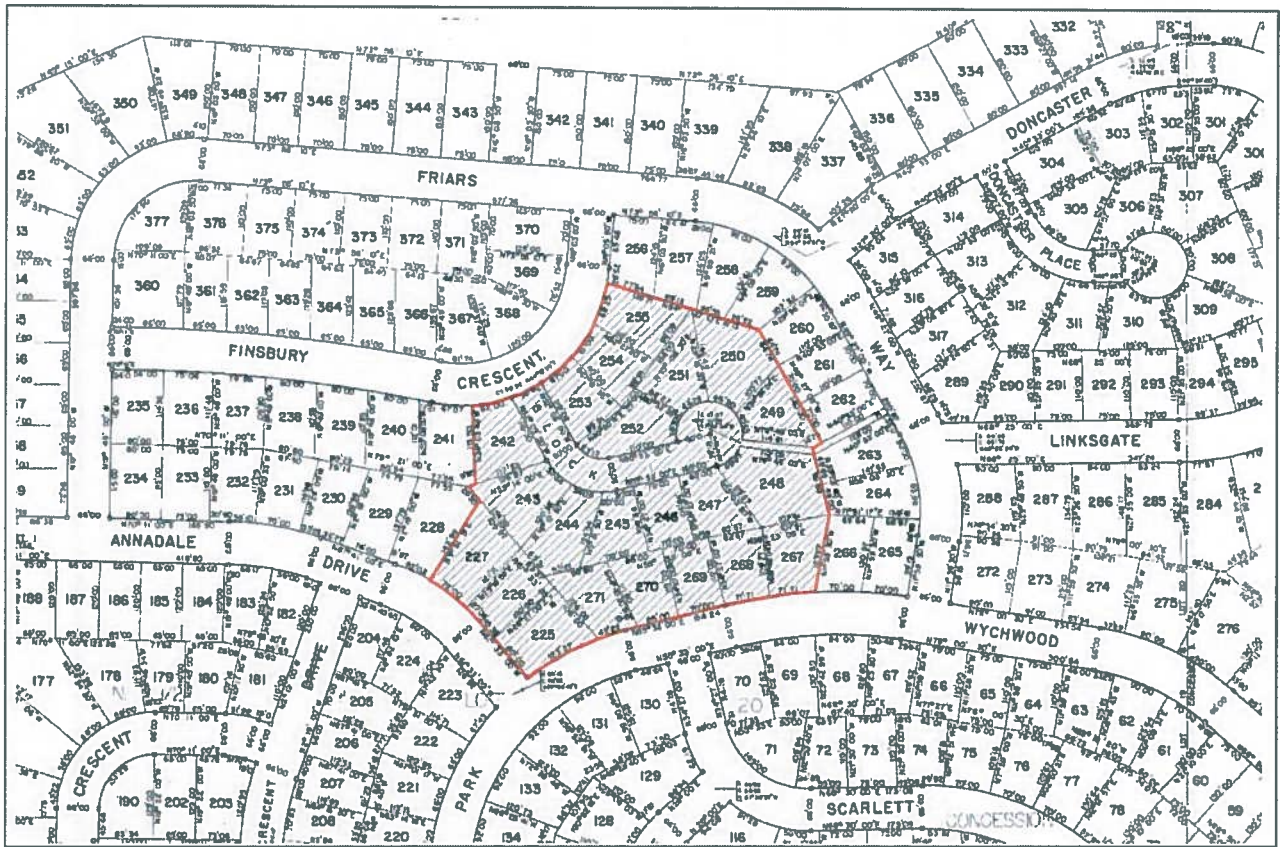
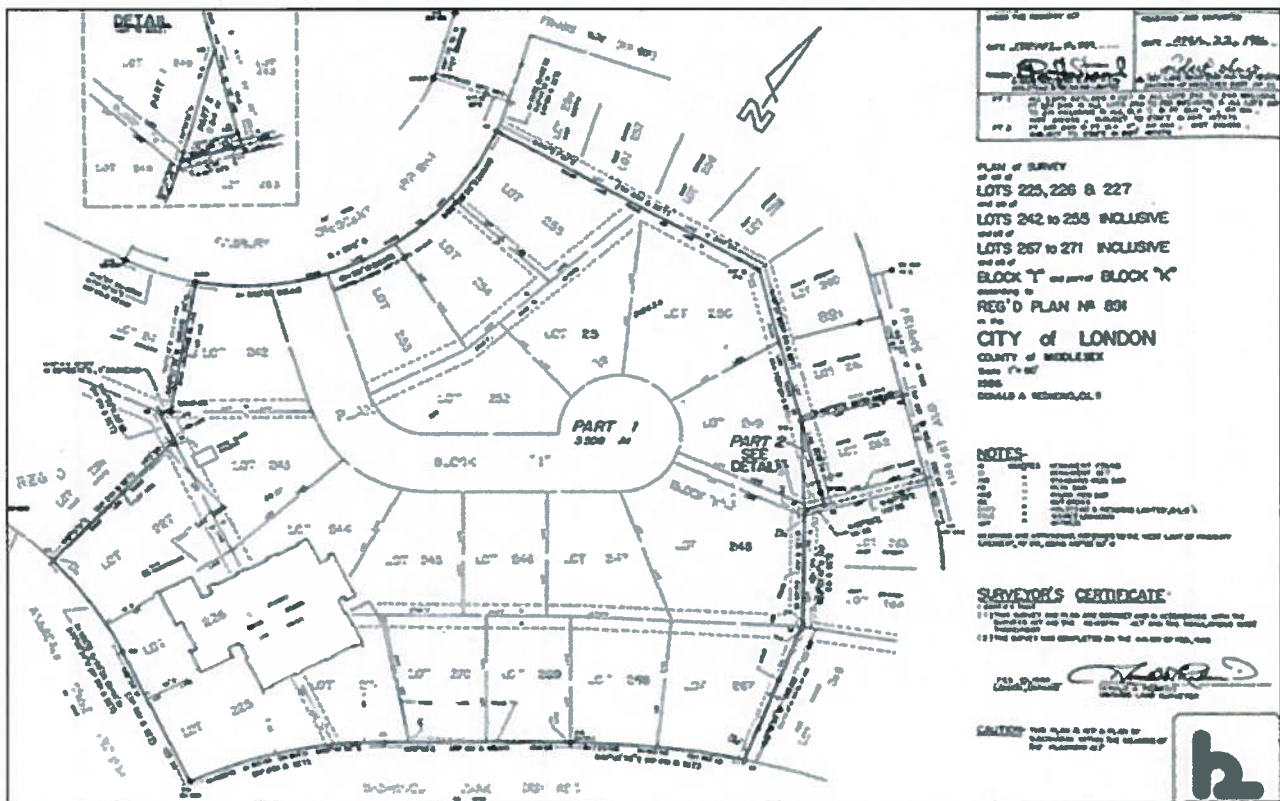


Figure 3 – Reference Plan 33R-6891 (deposited in 1986)



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On October 14th, 2014 Municipal Council resolved that, on the recommendation of the Managing Director, Planning and City Planner, the following actions **BE TAKEN** with respect to the [zoning] application of the City of London relating to the property located at 7 Annadale Drive (see Figure 4):

- (a) *the proposed by-law attached hereto as Appendix "A" **BE INTRODUCED** at the Municipal Council meeting on October 14th, 2014 to amend Zoning By-law No. Z.-1, in conformity with the Official Plan, to change the zoning of 7 Annadale Drive **FROM** a Neighbourhood Facility (NF) Zone **TO** a Holding Open Space (h-18*OS1) Zone, a Holding Residential R1 Special Provision (h-18*R1-5()) Zone, a Residential R1 Special Provision (R1-5()) Zone and a Holding Residential R6 Special Provision (h-5*h-18*R6-3()) Zone;*
- (b) *the Site Plan, Subdivision, and Consent Approval Authorities, **BE REQUESTED** to consider implementing the following design matters through the Site Plan Approval process:*
 - i) *Development of the site which, with variations at the discretion of the Managing Director, Planning and City Planner, is generally in keeping with the conceptual site plan and conceptual entrance plan attached hereto as Appendix "B" and "C";*
 - ii) *Cluster dwellings adjacent to the public open space shall be oriented toward the public open space and have their primary entrances front onto the park and a high level of detail on these facades and the secondary entrances oriented toward the interior of the site;*
 - iii) *Residential R1 dwellings adjacent to the public open space shall be oriented toward the public open space and have their primary entrances front onto the park and the secondary entrances front onto the public street. Both the park-facing and the street-facing facades of these dwellings shall have a high level of architectural detail;*
 - iv) *Single detached dwellings and townhouses adjacent to the public open space shall have a consistent setback from this property line in order to create a continuous building line along the park;*
 - v) *Any new fencing provided along the park boundary shall be minimized, made of decorative material and integrated with landscaping to present a positive interface to the park. Enhanced landscaping elements shall be incorporated into the development to provide for additional buffering between the new townhouses and rear yards of properties fronting Friars Way; and,*
 - vi) *The design and orientation of lighting standards shall be addressed through the public site plan process to ensure safety while minimizing impacts on adjacent existing properties.*

IT BEING NOTED that future matters to be addressed through a future consent or subdivision application include the "deregistration" [or deeming] of the existing registered plan prior to the sale of the subject lands.

The purpose and effect of the Zoning By-law amendment was to provide for: the development of a future City owned urban park (at the intersection of Wychwood Park and Annadale Drive); single detached housing forms fronting Wychwood Park and Finsbury Crescent; and, cluster housing forms (excluding apartments) interior to the site (see Figure 5). As the lands were identified in the City of London Archaeological Master Plan as having archaeological potential, the Council approved Zoning By-law amendment also included a Holding "h-18" Zone requiring that the lands be assessed for the presence of archaeological resources prior to development.

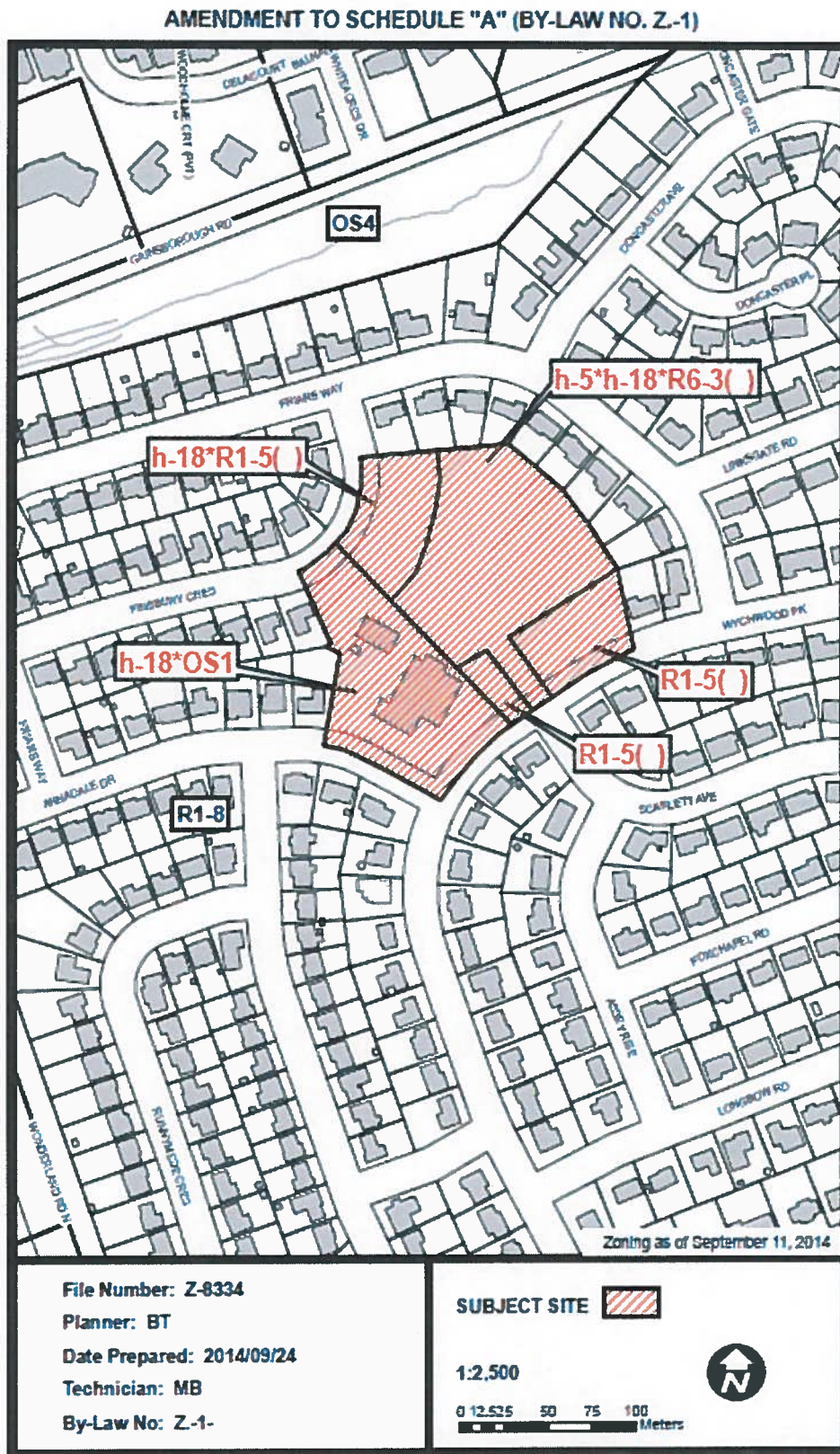
Council's October 14th, 2014 adoption of the Zoning By-law amendment served to clear the condition of the offer of Purchase and Sale. The City of London subsequently took possession of the former Sherwood Forest Public School site in December of 2014.

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It should be noted that, as a condition of the Purchase and Sale Agreement, the City of London would be obligated to pay the TVDSB an additional \$250,000 should the lands be sold by the City for development purposes within three years of the City assuming ownership and possession.

Figure 4 – the October 14, 2014 Council Approved Zoning By-law Amendment



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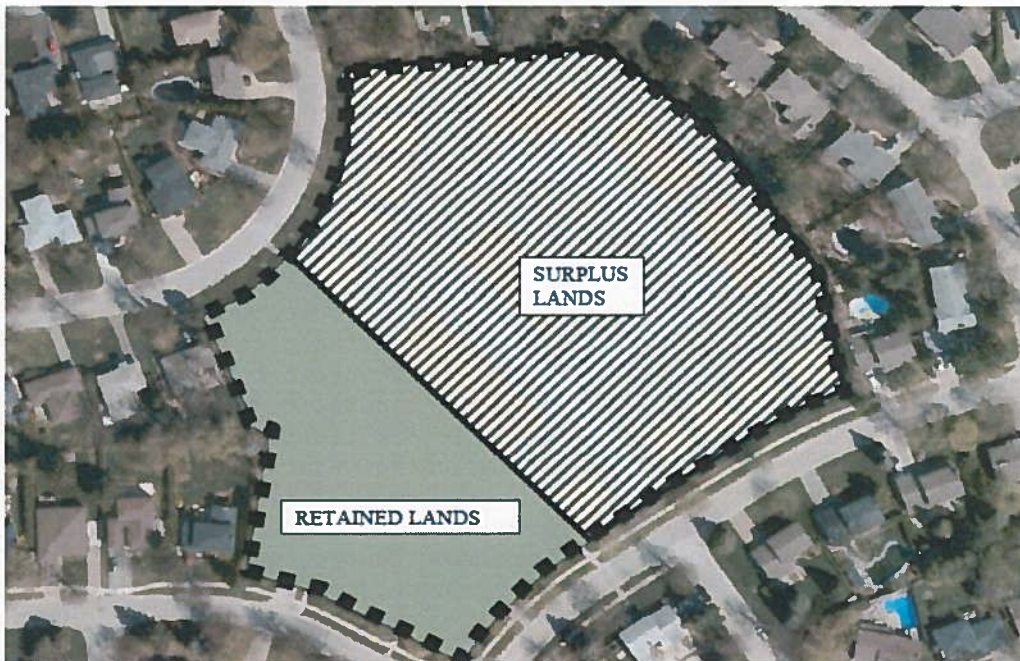
Figure 5 – the Conceptual Land Use Plan



MUNICIPAL DUE DILIGENCE - ACTIONS PRECEDING THE RELEASE OF THE RFP

In March of 2015 Municipal Council resolved that, on the recommendation of the Managing Director of Corporate Services and City Treasurer, Chief Financial Officer, on the advice of the Manager of Realty Services, and with the concurrence of the Managing Director, Planning and City Planner, those lands identified as “Surplus Lands” on Figure 6 be declared surplus and be disposed of through a Request for Proposal process.

Figure 6 – Surplus Lands to be Disposed through a Future RFP



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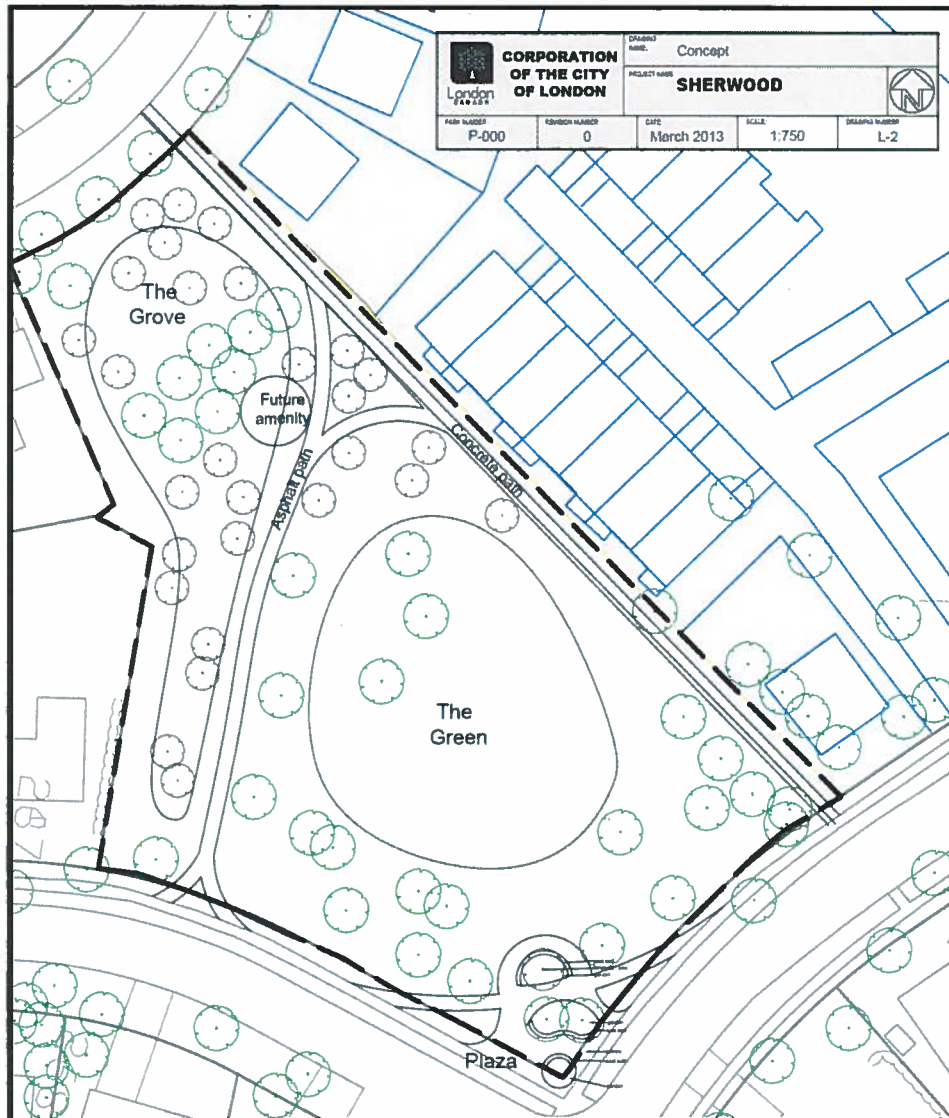
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In May of 2015 Municipal Council awarded a tender for the demolition of the Sherwood Forest Public School. The demolition of the school was completed in October of 2015. Subsequent to the demolition of the structures on the site, the City undertook to grade, top soil and seed those areas previously occupied by buildings and parking areas.

In the fall of 2015 the City of London prepared a concept plan for the development of the future “urban” park located at the intersection of Wynchwood Park and Annadale Drive. The conceptual park design was to be included in the future RFP. Respondents to the RFP would be required to describe how their development concept integrated with the overall design approach to the urban park, abutting streets and, where possible, contributions and/or amenities the proposal incorporates and contributes to the City-led improvements of the public lands. Future respondents to the RFP would be invited to outline all contributions, monetary and otherwise, and when in the development process these contributions would be made.

The key design features of the urban park (see Figure 7) included: a “green” (an unprogrammed open space area surrounded by shade trees); a “plaza” (a seating area or meeting place); a “grove” (a passive area characterized by large shade trees on mown grass) and, asphalt and concrete paths (to increase neighbourhood connectivity and access to areas within the park).

Figure 7 – The Retained Lands and a Future Urban Park



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It is to be noted that Planning Services has also now budgeted funds in 2020 under the “Maintain Urban Park” Capital Program to undertake basic maintenance in this park (regular grass cutting, garbage clean-up, etc.). Once park features to be constructed and installed in the park are finalized (pathways, benches, additional plantings, etc.) an additional report would be submitted to Council seeking additional operating funds in order to maintain the upgraded park infrastructure.

In March of 2016 Municipal Council adopted By-law C.P.-1509-76 – the purpose and effect of which was to consolidate those lots and part lots shown on Figure 2 into one parcel by “deeming” the subject lands not to be in a registered plan of subdivision. The removal of the internal lot boundaries would serve to “deregister” the existing Registered Plan (see Figure 2 - Registered Plan 891) and expedite the sale and redevelopment of the identified surplus lands through a future consent or subdivision application process. A draft reference plan identifying the surplus lands (or the future development block) and the retained lands (the future City urban park) was also prepared for inclusion in the RFP. The draft reference plan would be finalized and deposited prior to the future sale of the surplus lands.

In the spring of 2016 a consultant was retained by the City of London to undertake a Stage 1, 2 and 3 Archaeological Assessment of the site. The Stage 3 Archaeological Assessment was completed in the summer of 2016. The Stage 3 Assessment concluded that the site “...does not meet the provincial criteria for Stage 4 mitigation of construction impacts...” and recommended that the area be considered “...free of archaeological concern...”. The findings and recommendations of the Stage 3 Archaeological Assessment were subsequently forwarded to the Ministry of Tourism, Culture and Sport (MTCS) as a condition of licensing in accordance with Part VI of the Ontario Heritage Act. In September of 2016 the MTCS notified the City of London that the recommendations of the Stage 3 Archaeological Assessment “...have been deemed compliant with the MTCS’s requirements for archaeological fieldwork and reporting and has been entered into the Ontario Public Register of Archaeological Reports”.

With the completion of these actions the Corporation of the City of London was in a position to finalize the RFP for the surplus lands in the summer of 2016. In addition to the City’s standardized RFP submission instructions and expectations, the finalized RFP also included a number of mandatory and project specific submission requirements including:

- a demonstration of financial capacity to undertake and complete the redevelopment of the site in a timely manner (supported by financial statements, access to capital information, debt and equity, credit ratings, private financing, etc.) and audited financial statements for the past five years;
- a development vision and design concept (supported by a site plan, landscaping plan, elevations, cross sections and architectural renderings);
- a description of the proponent’s team, organization, key personnel and qualifications; and,
- a financial offer to purchase the development site.

These mandatory submission requirements would be evaluated and “weighted” as follows:

- Demonstrated Financial Capacity - pass/fail;
- The Development Vision and Design Concept - 40%;
- The Respondents Team and Organization - 25%; and,
- The Financial Offer to Purchase the Development Site – 35%.

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**THE RELEASE AND RESULTS OF THE SHERWOOD FOREST PUBLIC SCHOOL RFP
(RFP16-12)**

On August 24, 2016, RFP 16-12 was released by the Corporation of the City of London and posted on Biddingo.com. Biddingo.com is an "...online portal" that connects suppliers providing various goods and services to buyers from the Provincial, Municipal, Education, Crown Corporation, Housing, Construction and Healthcare sectors and Private companies from across Canada. Buyers, public and private alike, throughout Canada advertise RFPs, RFQs, RFIs, etc. and distribute their documents on Biddingo.com daily. They have access to detailed reports such as invitation lists, document taker's lists, mandatory site meetings, amendment notices, bid results, awarded contracts, etc..."

Notice of the release of the RFP was also forwarded to the London Home Builders Association, the London Development Institute, the London and St. Thomas Real Estate Board, local Real Estate Brokerages, as well as other development entities whom had specifically requested notice of the release of the RFP.

In response to the release of RFP 16-12: 3 individuals downloaded the online document; 11 individuals attended the City's Purchasing Division to pick up a hard copy of the RFP; and, 11 individuals previewed the RFP online.

RFP16-12 closed on September 30, 2016. Notwithstanding the encouraging initial interest in the RFP detailed above, only one submission was received. This submission was opened and subsequently rejected by the City for failing to satisfy RFP16-12's project specific mandatory submission requirements.

With no compliant bids RFP16-12 has now been closed and its status on Biddingo.com changed to "Cancelled". In attempting to reconcile the initial development interest in the RFP and the limited number of responses it solicited, it has come to the attention of City staff that the mandatory submission requirement of multi-year corporate financials (in-as-much as they could be subject to a MFIPPA request) was, in the opinion of the development industry, a deal breaker and enough to have several companies decide they were not interested in responding to the RFP.

CONCLUSIONS, OPTIONS AND NEXT STEPS

Council's Offer of Purchase to acquire the former Sherwood Forest Public School site was for the purpose of undertaking a residential infill demonstration project. The project was intended to promote design and architectural excellence and provide for a built form that was sensitive to, compatible with, and a good fit within the neighbourhood.

Recognizing the importance of this project to the community, and wishing to deliver the project in a timely fashion, the City of London worked collaboratively with the neighbourhood to develop a preferred land use concept for the former school site. The preferred land use concept provided for single detached housing forms fronting the local streets (Wychwood Park and Annadale Drive) and higher intensity housing forms interior to the site. The development of the preferred land use concept also served to identify a number of specific design issues that were of particular importance to the community that would typically be addressed as part of the a Site Plan Approval process.

RFP16-12 did not result in the sale of the City's surplus lands for the envisioned infill demonstration project. That being said, other methods of land sale are available to Council including:

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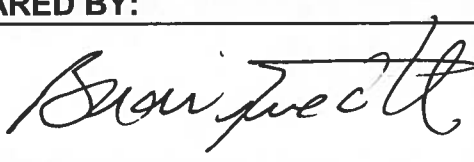

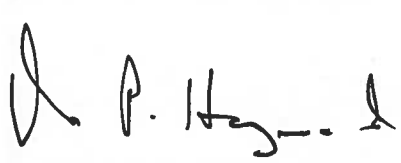

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- a revised RFP;
- public auction;
- a listing with the Multiple Listing Service or Real Estate Broker;
- direct advertising wherein the City advertises the sale of the land and seeks a developer to enter into negotiations;
- direct negotiations as authorised by Council; or,
- Tender.

A number of variables come into play in the consideration of these land sale options including: Council's stated intentions for undertaking the demonstration project; the expectations of the community in regards to "what the final product will look like"; and, the previously stated concerns of the development industry regarding the now closed RFP16-12. City staff would recommend, and would seek direction to proceed with, a Tender sale of the surplus lands. The Public Tender would include pre-determined terms and conditions acceptable to the City including, but not limited to:

- A reserve price;
- Deposit;
- Site area included in sale;
- Due diligence period for purchaser;
- Financial contribution to the park development;
- Completion date;
- "as is" clause; and,
- The submission of a concept and/or site plan implementing the approved Council approved zoning for the site; a massing model; an enhanced landscaping plan; and, a lighting plan.

City staff are confident that a Public Tender for the surplus lands can be prepared and issued in relatively short order given the previous work undertaken in the preparation of RFP16-12.

PREPARED BY:	SUBMITTED BY:
	
BRIAN TURCOTTE SENIOR PLANNER, CURRENT PLANNING	MICHAEL TOMAZINCIC, MCIP, RPP MANAGER, CURRENT PLANNING
CONCURRED BY:	RECOMMENDED BY:
	
MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	JOHN M. FLEMING, MCIP, RPP MANAGING DIRECTOR, PLANNING AND CITY PLANNER

January 31, 2017