

<b>TO:</b>	<b>CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE  MEETING ON JUNE 20, 2017</b>
<b>FROM:</b>	<b>ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>
<b>SUBJECT:</b>	<b>APPROVAL TO DEMOLISH CITY OWNED PROPERTIES 5615 WELLINGTON ROAD SOUTH, 6712 JAMES STREET AND 5861 WHITE OAKS ROAD</b>

<b>RECOMMENDATION</b>
-----------------------

That, on the recommendation of the Managing Director of Corporate Services and City Treasurer, Chief Financial Officer, with the advice of the Manager of Realty Services, with respect to the City owned properties at 5615 Wellington Road South, 6712 James Street, 5861 White Oaks Road, as shown on Schedule "A" attached, the following actions be taken:

- a) the following properties **BE APPROVED** for demolition:
- i. 5615 Wellington Road South
  - ii. 6712 James Street
  - iii. 5861 White Oaks Road
- b) the Civic Administration **BE DIRECTED** to take all necessary steps to demolish the buildings, including completing a request for quotation for work to be completed, obtaining a demolition permit, and any other activities to facilitate demolition of the improvements on the sites detailed in the report.

It being noted that existing capital accounts and operating accounts will be drawn upon as a source of financing to carry out the subject demolitions.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
--

- Chair and Members Board of Control – April 16, 2010 – Property Acquisition 5615 Wellington Road South
- Chair and Members Corporate Services Committee- May 11, 2015 – Property Acquisition 6712 James Street
- Chair and Members Corporate Service Committee – March 8, 2016 – Property Acquisition W12A Buffer 5861 White Oak Road

<b>BACKGROUND</b>
-------------------

The City of London owns and manages a number of residential properties. These properties have been conveyed to the City for different reasons over a number of years. Reasons for ownership by the City include floodplain acquisition and protection, W12A Community Mitigative Measures Program, sanitary capacity expansion and the protection of Transportation Infrastructure.

The properties detailed in the report are now either beyond their useful economic life, or required for another municipal purpose and are required to be demolished. The lands are to be retained for the purposes as originally stated at time of acquisition as noted in the objective paragraphs below.

None of the properties listed below were purchased with the intention of holding them for residential rental purposes. Residential rental was to be a limited time interim use of the property while the economic life of the property continued.

Examples of improvement required relating to some but not all of the subject properties:

- Roofing replacement
- Window replacement
- Structural issues
- Septic system replacement
- Electrical and plumbing issues
- Severe mould remediation
- Basement waterproofing

Currently all of the listed properties are vacant and require monitoring by Corporate Security and Realty Services.

**5615 Wellington Road South – Owned by the City of London – Currently Vacant**

Purchased in 2011

The property is located in close proximity to the W12A landfill site and was purchased in consideration of the W12A Community Mitigative Measures program.

The house is currently vacant and is in need of significant repairs to make it habitable and bring it up to property standards in the context of a residential tenancy. These repairs would include replacement of several windows, cleaning, updating, roof repairs, installation of an entirely new septic system and further updates to the plumbing system, along with numerous other minor repairs.

The improvements to this property are well beyond their useful economic life.

A preliminary estimate of costs associated with demolition activities ranges between \$20,000 to \$30,000. This demolition will be funded from an existing operating / capital account.

**6712 James Street – Owned by the City of London – Currently Vacant**

Purchased in 2015

This property was acquired in support of the construction of a Trunk Sanitary Sewer, as well as a Secondary Collector Road Extension along Campbell Street. The Trunk Sanitary Sewer alignment has been recommended by the Southwest Area Sanitary Sewer Master Plan, which was adopted by Council in February 2014, and the Road Extension was identified in the Southwest Area Secondary Master Plan. The property requirements for the Sanitary Sewer necessitated a total buyout of the property. The future extension of Campbell Street and its configuration has not yet been determined. The property or any portion thereof will not be declared surplus and sold until such time as the road configuration is determined.

The property was subject to life estate until the passing of the former owner earlier this year.

This property is in very poor condition, showing signs of a leaking roof and substantial structural issues, with several sections of the ceiling caving in. In addition, there is a significant amount of mould growth. The basement is also experiencing material water infiltration. The house is currently vacant and the demolition would eliminate the need for the property to be monitored by Corporate Security.

The improvements to this property are well beyond their useful economic life. A portion of the improvements cannot be salvaged. Realty Services undertook a review of a portion of the site to determine if there was a value proposition in disposing of the improvements on an as is basis. The potential albeit small amount of liability with this approach was not offset by a material improvement in cost recovery. Therefore demolition of all improvements is being recommended.

A preliminary estimate of costs associated with demolition activities ranges between \$20,000 to \$30,000. This demolition will be funded from an existing operating / capital account.

**5861 White Oaks Road – Owned by the City of London – Currently Vacant**

Purchased in 2016

The property is located in close proximity to the W12A landfill site and was purchased in consideration of the W12A Community Mitigative Measures Program. At the time of purchase, the property was considered a Priority 1 acquisition as the residence is within 200 meters of the W12A landfill.

Since the City purchased the property, the previous owner has resided there under a life estate. The life estate has since been relinquished by the former owner. The property is now vacant, and in need of significant repairs to bring it up to the acceptable standards in the context of a residential tenancy. The property has not received an update in several decades.

The improvements to this property are well beyond their useful economic life.

A preliminary estimate of costs associated with demolition activities ranges between \$20,000 to \$30,000. This demolition will be funded from an existing operating/capital account.

**Conclusion**

The properties detailed in this report have exhausted their economic life. Repurposing the properties for another municipal use or updating them to adequate property standards would require significant investments. The structures located on the lands listed above should therefore be scheduled for demolition.

A location map showing the subject properties is attached as Schedule “A”.

Pictures of the properties are attached as Schedule “B”.

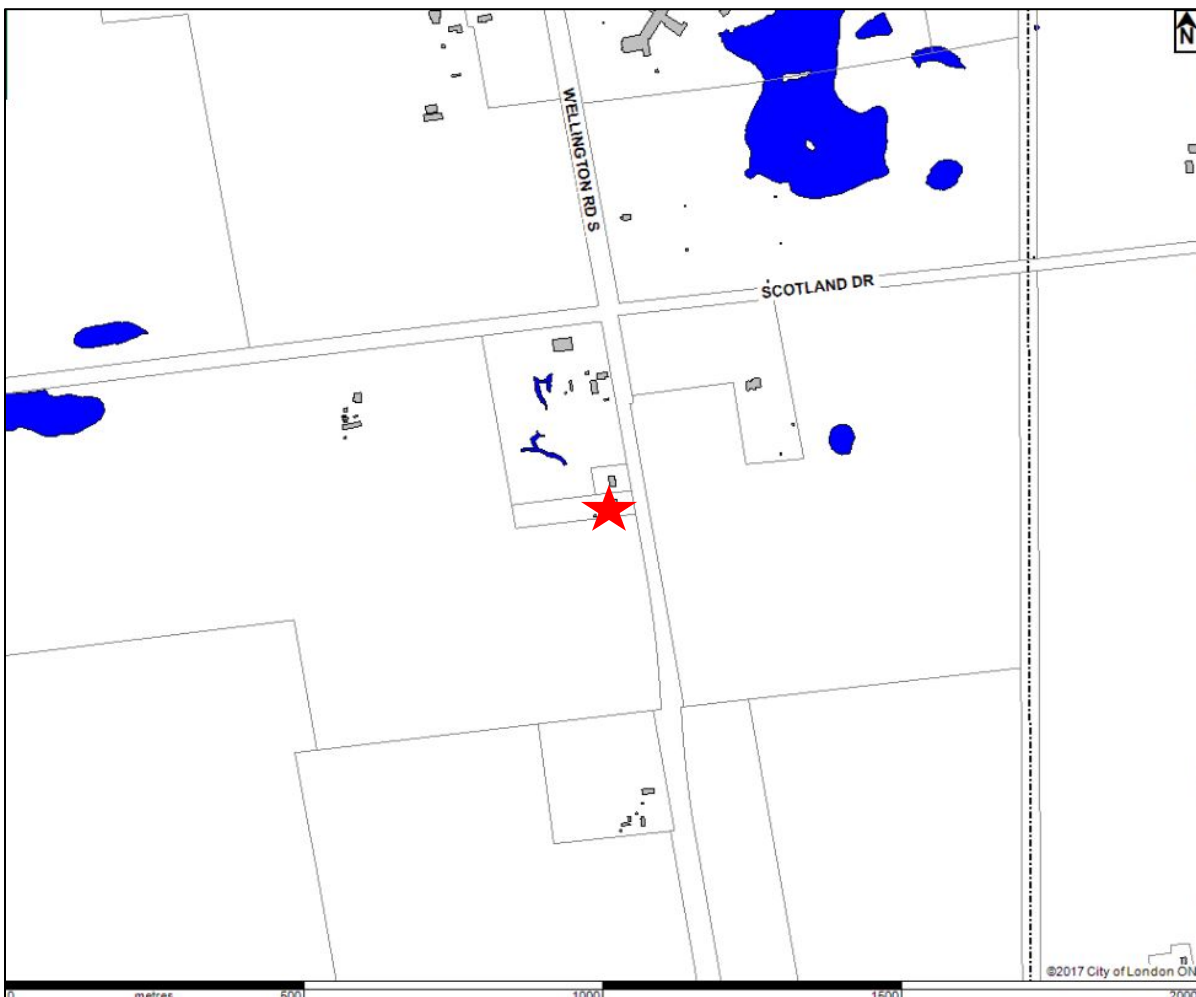
<b>PREPARED BY:</b>	<b>SUBMITTED BY:</b>
<b>COLIN MCCLURE PROPERTY COORDINATOR</b>	<b>BILL WARNER MANAGER OF REALTY SERVICES</b>
<b>RECOMMENDED BY:</b>	
<b>ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>	

June 5, 2017  
Attach.

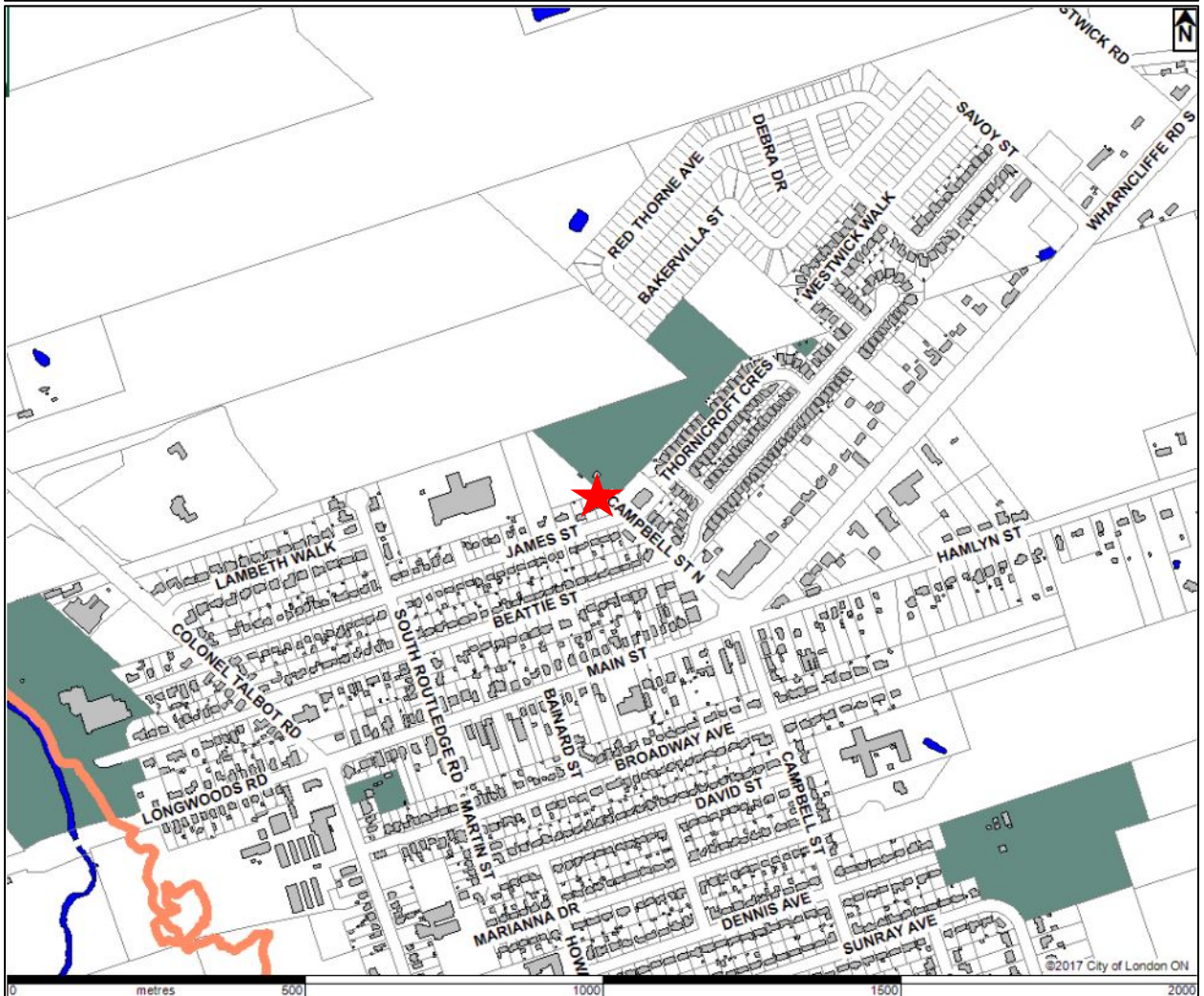
- cc: Kyle Gonyou, Heritage Planner
- Gary Irwin, Chief Surveyor
- Michael Losee, Division Manager, Solid Waste Management
- David G. Munteer, Solicitor II
- Dave O'Brien, Division Manager, Corporate Security and Emergency Management
- Alex Shivas, Upper Thames River Conservation Authority

**SCHEDULE "A" – LOCATION MAPS**

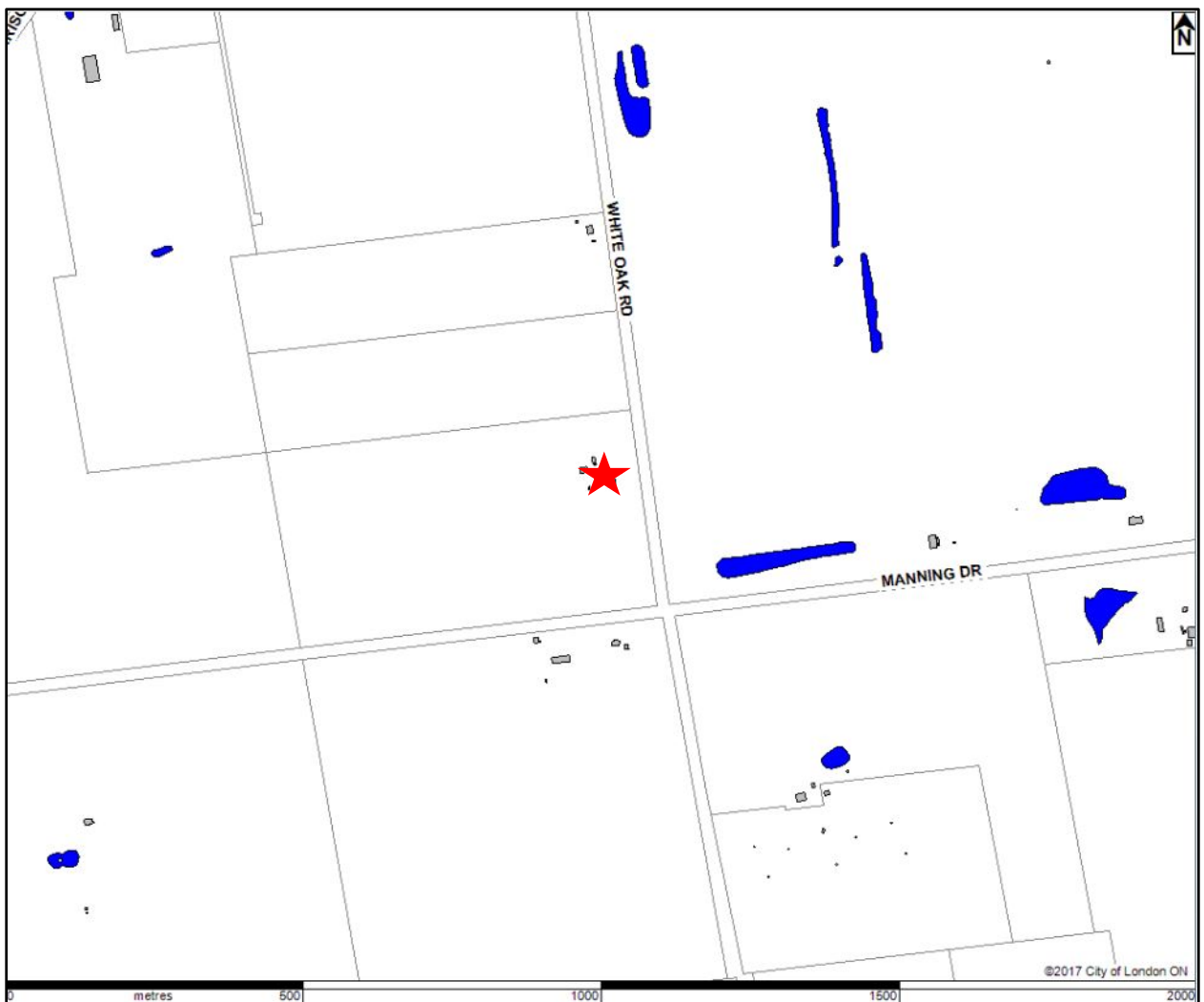
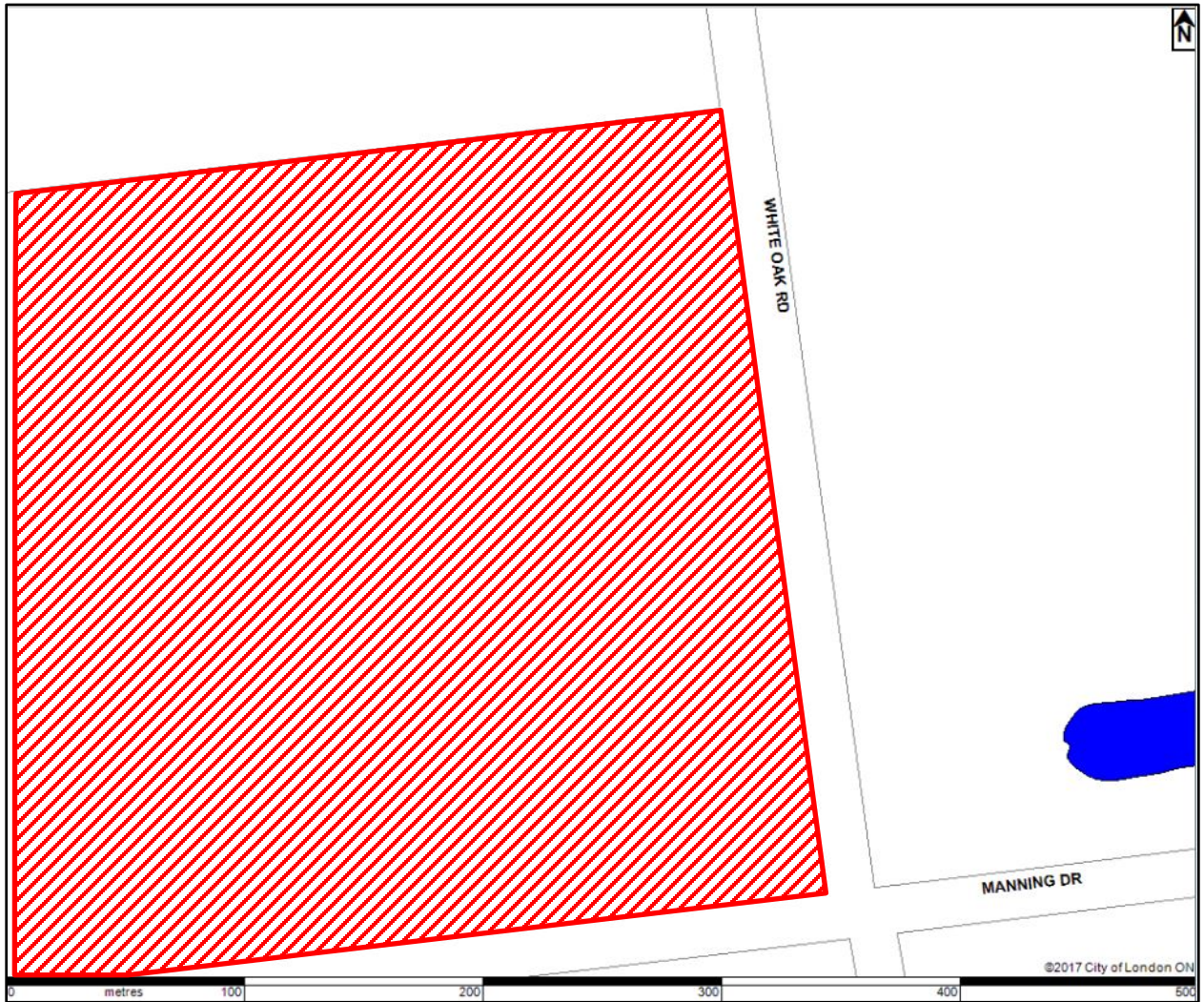
**5615 Wellington Road South**



6712 James Street



5861 White Oaks Road



**SCHEDULE "B" – PICTURES**

**5615 Wellington Road South – Exterior View**



**5615 Wellington Road South – Interior Photos**









**6712 James Street – Exterior View**



6712 James Street – Interior Photos





**5861 White Oaks Road – Exterior View**



**5861 White Oaks Road – Interior Photos**





