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File No. O-7668
Planner: B. Debbert

TO:	CHAIR AND MEMBERS - PLANNING & ENVIRONMENT COMMITTEE
FROM:	JOHN M. FLEMING DIRECTOR, LAND USE PLANNING AND CITY PLANNER
SUBJECT:	LONDON PSYCHIATRIC HOSPITAL LANDS – NOTICE OF COMPLETION OF PROVINCIAL ENVIRONMENTAL ASSESSMENT FOR DISPOSITION OF THE LANDS MEETING ON JULY 23, 2012

RECOMMENDATION

That on the recommendation of the Director, Land Use Planning and City Planner, the following report on the Class Environmental Assessment – Notice of Completion of Consultation and Documentation Report – Category B, for the London Psychiatric Hospital lands at 850 and 900 Highbury Avenue **BE RECEIVED** for information purposes.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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December 12, 2005 – Information report to Planning Committee regarding a process for planning the redevelopment of the London Psychiatric Hospital Lands.

April 21, 2009 – Meeting to table the draft London Psychiatric Hospital Lands Area Plan Terms of Reference and circulate it for comment.

June 22, 2009 – Public Meeting for consideration of the adoption of the London Psychiatric Hospital Lands Area Plan Terms of Reference.

June 13, 2011 – Public Meeting for consideration of endorsement of the Secondary Plan and the Municipal EA Study - Storm Drainage and SWM Servicing Works.

September 26, 2011 – Public Meeting for consideration of the adoption of the Secondary Plan, related Official Plan amendments, and acceptance of the Municipal EA Study – Storm Drainage and SWM Servicing Works.

BACKGROUND

On June 11, 2012, Infrastructure Ontario (IO) issued notice that it has completed the Consultation and Documentation (C & D) Report for the proposed decommissioning, demolition, disposition, leases, easements, and co-development agreement, of the Provincially owned London Psychiatric Hospital lands located at 850 and 900 Highbury Avenue. The Notice provided 30 days for the provision of written comments or an order for the project to comply with Part II of the *Environmental Assessment Act*.

The C & D Report is the result of a Class Environmental Assessment – Category B, which was initiated in early 2011 by Infrastructure Ontario as required by the *Environmental Assessment Act* for realty activities associated with the subject lands. The process included the opportunity for stakeholders, including the City of London, to comment on the proposed undertaking. The

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undertaking includes decommissioning after the departure of St. Joseph’s Health Care; demolition of most of the non-heritage buildings; disposition of the property (including disposition with ESA to a non-conservation body); planning approvals (Secondary Plan); severance (as required); leases (letting)/easements (as required); and co-development agreement.

Planning Division staff participated throughout the EA process by providing written comments and discussing certain aspects of the proposed undertaking with IO staff. The focus was to ensure that the undertaking was consistent with and facilitated the effective implementation of the London Psychiatric Hospital Lands Secondary Plan which was in the process of being completed, and that City interests were addressed.

City comments provided during the process are summarized in the C & D report and, for the most part, are appropriately addressed in Part IV of the document – “Analysis of Environmental Effects, and Required Mitigation and Monitoring”. The Planning Division has provided written comments on three remaining areas of concern. These concerns revolve around the following matters:

1. The EA indicates that environmental due diligence in the area of the Horse Barn will take place before any real estate activity relating to that area, but indicates that the remainder of the site will either be remediated, risk assessed or disposed of in the current condition while informing the purchaser of the results of related environmental studies. Additional clarity is required in the EA regarding whether remediation of brownfield sites will occur prior to disposition of the land. If brownfield sites within the property are not remediated prior to the disposition of the land to a developer(s), the development of the land in an orderly and comprehensive fashion may be compromised. Further, some of the potential brownfield sites are on land that may be acquired by the City through parkland dedication or other means. IO has been advised that the City will generally not acquire brownfield sites that have not been remediated.

2. The London Psychiatric Hospital Lands Secondary Plan encourages the use of materials salvaged from the buildings to be demolished in landscaping, public art and/or new building construction. The EA indicates that any future purchaser/developer will be made aware of this. The undertaking includes the demolition of buildings prior to disposition of the land, which would result in the likely disposal of these materials so that they are not available for re-use. City staff have requested IO to consider a solution that would result in the stockpiling of the salvageable materials from the buildings that the Province will demolish.

3. The EA indicates that “if IO proceeds with a co-development agreement, IO will consult the City to address any concerns prior to issuing such RFP; however the City will not act as an advisor in the selection of the development proponent...”. This does not reflect discussions that were held in June, 2011 between Mayor Fontana, City staff, and the VP Real Estate Portfolio and Executive Vice-president of the former Ontario Realty Corporation, and resulted in an expectation that the City would continue to be involved in the process up to and including the selection of a development proponent. This section should be clarified to reflect the anticipated type and degree of City involvement in the development of the RFP for proponents to acquire and develop the land, as observers of the proponent selection process, and in the determination of terms of a co-development agreement between the Province and the developer.

Infrastructure Ontario staff have expressed a desire to work with the City to resolve these matters, as the City is recognized as a major stakeholder in the process.

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PREPARED BY:	SUBMITTED BY:
BARB DEBBERT, SENIOR PLANNER COMMUNITY PLANNING AND URBAN DESIGN	JIM YANCHULA, MCIP, RPP MANAGER OF COMMUNITY PLANNING AND URBAN DESIGN
RECOMMENDED BY:	
JOHN M. FLEMING, MCIP, RPP DIRECTOR, LAND USE PLANNING AND CITY PLANNER	

July 13, 2012

BD/

Attach.

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