

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON OCTOBER 30, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	LAND ALLOCATION – FIRE STATION NO. 15 INNOVATION DRIVE

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, with the concurrence of the Fire Chief and the Managing Director, Neighbourhood, Children and Fire Services, on the advice of the Manager of Realty Services, with respect to a portion of the City owned land located between 2395 - 2455 Innovation Drive, described as Part Block 3, Plan 33M-544, designated as Parts 1 and 5, Plan 33R-18258, containing an area of approximately 1.68 acres (6,800 square meters), as shown on Schedule "A" attached, the following actions **BE TAKEN**:

- a) the subject land **BE ALLOCATED** for use as a future fire station; and
- b) the financing for this allocation **BE APPROVED** as set out in the Source of Financing Report attached hereto as Appendix "A".

PREVIOUS REPORTS PERTINENT TO THIS MATTER

None.

BACKGROUND

In 2017, Council approved Capital Project PP1087 to construct a fire station in the southeast area of the city in order to provide specified response times to that area as it grows. Research and identification of location and the subsequent land acquisition has been ongoing with pre-engineering work budgeted for 2021 and construction thereafter in 2022.

Given that residential areas continue to expand toward the east from Summerside Subdivision and businesses are expected to continue to occupy Innovation Park, the London Fire Department has been consulting Realty Services with respect to the acquisition of appropriate land that would be a good fit in terms of response times for this developing area.

Several properties were identified by Realty Services and further investigated for size, availability, cost and current state of the property. The London Fire Department reviewed the short listed properties from an operational stand point, such as 4 minute and 8 minute response times, entry and exit points for the responding fire trucks versus traffic or street intersections, location of a 24 x 7 active fire station in collocation to businesses and subdivisions and other environmental factors.

The London Fire Department in collaboration with Realty Services is recommending that a portion of the City owned land located between 2395 and 2455 Innovation Drive be allocated for future use as Fire Station No. 15 due to the advantages noted in this report.

Site Description and Factors Supporting Selection of Fire Station Location

The subject property is a portion of an industrial building lot within Innovation Park Phase I. The proposed site has frontage onto Old Victoria Road and is located south east of the intersection of Commissioners Road East / Hamilton Road and Old Victoria Road. The site is serviced by municipal water, sanitary sewer, storm sewer, natural gas and hydro.

Official Plan & London Plan:	Light Industrial
Zoning:	Light Industrial - LI2 (9)
Area:	1.68 acres (6800 square meters)
Site Description:	Vacant City owned land

The parent property was developed for industrial development within Phase I of Innovation Park. The parent site has a lot area of approximately 7.41 acres prior to the allocation for a fire station, with frontage onto Innovation Drive and Old Victoria Road. The proposed fire station parcel is estimated to be approximately 1.68 acres, which would leave a remaining site area of approximately 5.73 acres to be marketed and used for an industrial development.

The site was reviewed by the Industrial Land Development Strategy (ILDS) implementation team. The benefits of proceeding with the severance of these lands for the fire station include:

- Cost savings to the City - Given that the site is shovel ready, no additional land acquisition costs and lower engineering and construction costs versus other private greenfield opportunities with various unknowns.
- Consultation with the Facilities Division has resulted in positive feedback about the suitability of the shape and size of the proposed parcel to construct a station similar to the recently completed Fire Station No. 11. (See attached aerial photo)
- The marketability of the remaining block (5.73 acres) is improved – configuration is squared up and market demand for the past year has been steady for smaller parcels ranging between 2 to 5 acres in size.
- Removing the portion of land from the overall parent parcel does not diminish the overall supply of available lots for other industrial clients.
- Impact of a 24 x 7 fire station will be minimal to adjacent properties since these are mainly industrial and agricultural, with only one residential property to the north.
- Emergency services response time is anticipated to be improved for the industrial park and immediate surrounding area given proximity of the new station. The existing resources from Station Nos. 5 and 10 will be hard put to provide appropriate speed and adequate weight of response within Provincial and international standards.

Environmental Review

As a result of the parcel remaining idle for the past several years, an environmental Species At Risk (SAR) Screening Report was required under new legislative requirements. The report concluded the observation of the Eastern Meadowlark which is considered a threatened species.

The City of London will be required to complete a mitigation and/or compensation plan for this area through the Ministry of Natural Resources and Forestry (MNR). Realty Services along with the City's Ecologist have currently engaged a consultant to assist with the mitigation and or/ compensation plan which will be completed prior to development of this parcel.

Financial Impact

Capital Project PP1087 (New Fire Station No.15) currently has a \$500,000.00 approved budget for land acquisition. A portion of this budget will be utilized to prepare the land for construction (grading, site drainage, site contamination and potential species at risk relocation). Any remaining amount will be utilized for engineering and/or construction (if necessary). Additional funding is budgeted in 2021 and 2022 for engineering and construction respectively. The operating costs associated with Fire Station No. 15 will be pursued through assessment growth business cases closer to opening of the facility.

The allocation of the lands for this purpose will recognize a funding transfer of approximately \$126,000.00 based on the current sale price per acre of industrial land within Innovation Park Phase I.

Conclusion

A search for a suitable site for the establishment of the new Fire Station No. 15 has been ongoing for a number of years with a limited supply of adequate sites. Approval of the land allocation brings to a close a long standing search for a new fire station site.

The land allocation is therefore recommended by the Civic Administration and the London Fire Department.

A Location Map and Aerial Photo are attached as Schedule "A" for the Committee's information.

PREPARED BY:	SUBMITTED BY:
CAMERON BAZILLI SENIOR PROPERTY APPRAISER & NEGOTIATOR	BILL WARNER MANAGER OF REALTY SERVICES
REVIEWED AND CONCURRED BY:	REVIEWED AND CONCURRED BY:
LYNNE LIVINGSTONE MANAGING DIRECTOR, NEIGHBOURHOOD, CHILDREN AND FIRE SERVICES	LORI HAMER FIRE CHIEF LONDON FIRE DEPARTMENT
RECOMMENDED BY:	
ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

October 2, 2018

File No. P-2501

cc: Lori Hamer, Fire Chief
Gary Irwin, Division Manager, Geomatics and Chief Surveyor
David G. Munteer, Assistant City Solicitor

APPENDIX 'A'

#18166

Chair and Members
Corporate Services Committee

October 9, 2018
(Land Allocation)

**RE: Land Allocation - Fire Station No. 15 Innovation Drive
(Subledger LD180062)
Capital Project PP1087 - New Fire Station No. 15 South East London**

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES:</u>	<u>Approved Budget</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Land Acquisition	500,000	126,000	374,000
NET ESTIMATED EXPENDITURES	<u>\$500,000</u>	<u>\$126,000</u> 1)	<u>\$374,000</u>
 <u>SUMMARY OF FINANCING:</u>			
Debenture Quota	1)	\$176,500	\$44,478
Drawdown from City Services - Fire Reserve Fund (Development Charges)	2)	323,500	81,522
TOTAL FINANCING		<u>\$500,000</u>	<u>\$126,000</u>
			<u>\$374,000</u>

Note to City Clerk:

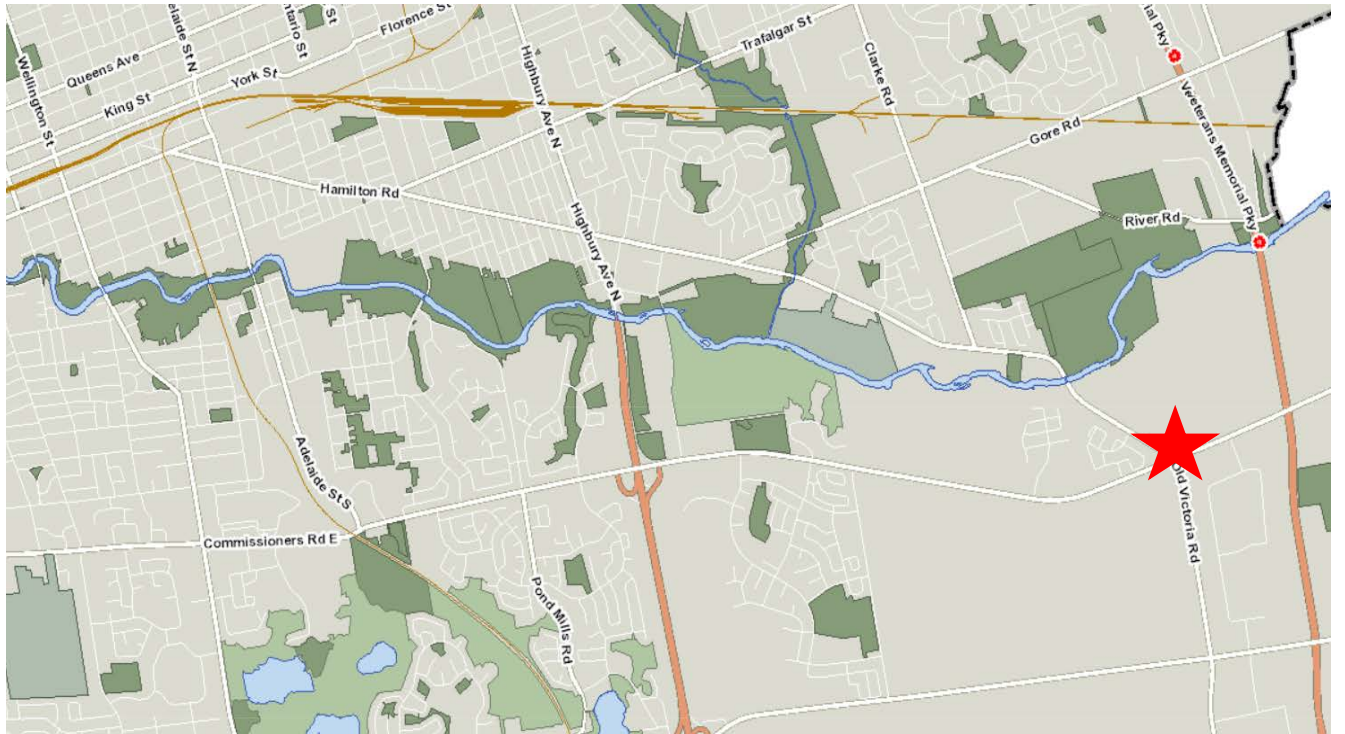
- 1) Administration hereby certifies that the estimated amounts payable in respect of this project does not exceed the annual financial debt and obligation limit for the Municipality of Municipal Affairs in accordance with the provisions of Ontario Regulation 403/02 made under the Municipal Act, and accordingly the City Clerk is hereby requested to prepare and introduce the necessary authorizing by-law. An authorizing by-law should be drafted to secure debenture financing for project PP1087 - New Fire Station No. 15 South East London for the net amount to be debentured of \$176,500.
- 2) Development charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2014.


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Jason Davies
Manager of Financial Planning & Policy

Schedule "A"

Location Map



 = Subject Property

Aerial
Photo

