

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON AUGUST 20, 2013
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	SHERWOOD FOREST PUBLIC SCHOOL

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, this report **BE RECEIVED** for information; noting no municipal need has been identified for this property.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Corporate Services Committee Report – February 5, 2013 – Local Improvement Charges – Potential Uses.

Corporate Services Committee Report – July 23, 2013 – Local Improvement Charges

BACKGROUND

Municipal Council at its session on July 30, 2013 resolved as follows:

“... the Civic Administration BE REQUESTED to meet with the Sherwood Forest community and the London Muslim Mosque to explore how the City might facilitate the acquisition of Sherwood Forest School for a community or school use purpose at no cost to the City (ie. The London Muslim Mosque) and report back thereon at the August 20, 2013 meeting of the Corporate Services Committee”

Community Interest

The community group in the area is interested in working with entities in the community who may wish to acquire the lands from the City, if the land was acquired by the City.

Staff met with the community group to discuss the community’s interest in preserving the Sherwood Forest School as a neighbourhood school use and continued community shared uses. Staff reviewed the procedures outlined in the Education Act Ontario Regulation 444/98 governing the disposition procedures of surplus property of School Boards, the City policy for the acquisition of real estate, and the City policy for the Sale and Other Disposition of Land. The community group sees continued access to the green space and to the school itself for community meetings as community needs as outlined in the attached submission from S. Levin (Appendix A).

The London Muslim Mosque (LMM) has expressed an interest in working with the City to acquire the Sherwood Forest School to expand their school services, included as Appendix B. Staff have contacted the representative of the London Muslim Mosque to discuss their interest in this school and to advise of the policies and procedures involved in the acquisition of school board properties.

If a government body is not interested in the purchase of the property from the school board, the property would be available on the open market and interested parties would have the opportunity to submit an offer to purchase directly from the School Board.

Municipal Need for the Property

The Realty Division has sent out a preliminary request to other civic service areas for the City's needs analysis on this property. Neighbourhood, Children and Fire Services Area, Parks and Recreation Service Area and Parks Planning have all provided input with regard to the City's need for this building and green space in relation to the area.

The general comments do not support a demonstrated need for this property. Although there is a shortage of gym space, the gym space at the Sherwood Forest Public School is an older style and undersized for current typical gym purposes. While it could be used as multi-purpose space, it was determined that there is no lack of multi-purpose space in the area, given the proximity to Medway Community Centre and a number of other nearby facility, school and library spaces. There are additional limitations at Sherwood Forest School from a public recreation point of view: parking is limited; the facility is situated deep in the heart of a neighbourhood making it more challenging to access; and it is some distance away from public transit stops.

As far as this site providing potential space for a Senior Satellite (similar to that in Argyle at the East London Library), this site again would not be a high priority on the consideration list. The City would seek a more accessible location and prefer to work with existing partners in neighbourhoods to offer the sort of programming desired – so the Sherwood Forest School site is an unlikely location for a future Senior Satellite.

Similarly, there are no future plans to develop standalone “seniors only” community centres given the results obtained through several community engagement exercises about recreation centres, which indicated that older adults prefer to attend multi-generational facilities. The Senior's Community Association currently operates a Senior's Neighbourhood Advisory Council (SNAC) out of Medway Community Centre.

An analysis of the green space was conducted and taken as a whole, the Orchard Park-Sherwood Forest community (bounded by Gainsborough, Wonderland, Sarnia Roads and the Medway Valley/Ramsey Road/Brescia Lane) meets the established standards for parkland.

- i) Distance to green space: current standard = within 800m.
Based on this criterion, the community is served to this standard even with the loss of the Sherwood Forest Campus, though residents on the far north of the community would be just at the outside margins of this standard.
- ii) Hectares of Active green space: current standard = 7.47 hectares
Excluding naturalized areas and school campuses, the community is served by 7.13 hectares of active green space. In addition, the area has access to many hectares of naturalized areas serving hiking and biking interests, which many other communities do not have access to.

Although short of the strict standard by approximately 1 acre (.34 hectares), the community is very well served relative to many other London neighbourhoods/communities; e.g. Limberlost, Old South etc. It should be noted there would be an associated operational cost to maintain any new green space in the area.

Although the loss of Sherwood Forest School campus would deprive local residents of access to a proximate play structure, this may also merit consideration for investments in other park infrastructures such as a pathway in Furanna Park or installation of play structures at existing parks. These improvements could be considered without the purchase of additional lands.

Acquisition of Property Process

School Board Disposition Process

Under the *Education Act* – Ontario Regulation 444/98 governs the Disposition of Surplus Property of the School Boards.

If a District School Board proposes to sell, lease or otherwise dispose of real property, the Board must first adopt a resolution that the property is not required for the purpose of the board.

The District School Board then must offer the property at fair market value to the following bodies on the same day:

1. The French-language public district school board in the jurisdiction;
2. The English-language separate district school board or Roman Catholic school authority in the jurisdiction;
3. The French-language separate district school board in the jurisdiction;
4. The Board of Protestant separate school in the jurisdiction;
5. The English language college;
6. The French language college as specified;
7. The University as specified;
8. The Crown in right of Ontario;
9. The Municipality;
10. The Upper Tier Municipality;
11. The Local Services Board;
12. The Crown in right of Canada.

The District School Board cannot accept or reject any offers before the expiration of 90 days from which the proposal was issued.

After the 90 days, the Board can accept the offer at fair market value by the body that has the highest priority among the bodies that made offers. If there are multiple offers, then the Board may attempt to negotiate the fair market value with the highest priority or within a 30 day period elect to have fair market value determined through binding arbitration.

If the District School Board does not receive an offer from a priority body to which the proposal was issued before the expiration of 90 days the Board can dispose of the property at fair market value to any other body or to any person.

City of London Acquisition Policy

The City of London Real Property Acquisition Policy governs the framework for the purchase of real estate for municipal purposes. The Policy applies where real property rights are acquired by the City of London and includes any right, interest or benefit in land including, but not limited to fee simple acquisitions, leases, licenses, options, air rights, density transfers, permanent easements, rights-of-way, linear corridors, and other limited interests such as joint-use agreements, temporary working easements, permissions to enter and construct, and any other legal binding agreement related to the acquisition of real property rights.

The Policy calls for a Service Needs Assessment prior to initiating any type of acquisition subject to very few exceptions. The Needs Assessment includes such things as:

- Justification and rationale for acquisition
- Definition of municipal need
- Evaluation of the Cost of Ownership
- Risk and Benefits
- Acquisition Options
- Other factors including Policy considerations

Funding is a key consideration under the Policy. A source of funds is required to be identified. No source of financing has been identified to this point. (See budget section). The associated life cycle costs and operating costs need definition in addition to the capital cost.

Taking advantage of the Municipalities preferred status as a government agency is allowed for under the Policy.

The Acquisition process is prescriptive under the Policy. Items required under the Policy include Due Diligence Activities such as Appraisals, Environmental Review, Compliance Activities, and Legal review. It should be noted that with each acquisition potential liabilities and risk are assumed by the municipality.

Responsibilities under the Policy are also defined for various Service areas in the context of a potential Acquisition.

As a matter of practice other civic service areas, including Finance, are included in the process and solicited for feedback in order to further define the municipal need and/or provide any objections to the potential acquisition.

Unless otherwise provided for by By-law, City Council approval is required for the acquisition of real property rights in accordance with the provisions of this Policy and any and all applicable By-laws and Legislation. In accordance with the approval authority, executing authority is then delegated to the appropriate City officials.

Significant staff time and municipal resource is employed in the acquisition process.

Disposal of Municipal Property

Sale and Other Disposition of Land Policy

The City of London's Sale and Other Disposition of Land Policy provides that the City will dispose of surplus land in an open and transparent process to ensure that the consideration for such disposal is fair, reasonable and in the best interest of the City. "Disposition" means the sale, transfer, conveyance or exchange of the fee simple interest in land or the granting of a lease for a term of twenty-one (21) years or longer.

Prior to the disposal of land by the City, the Municipal Council shall declare the land to be surplus and the Municipal Council will, in a meeting open to the public, pass a resolution declaring any such land surplus to the needs of the City. In consideration of declaring the lands surplus, a municipal needs assessment should be completed including a Property Liaison to civic departments to canvass if there is any municipal need for the land.

The City should obtain an appraisal of the fair market value of lands being disposed.

A method of sale should be determined giving consideration of the methods of sale outlined in the City Disposal of Land policy including: Proposal Call Procedure (RFP) for large blocks of land that may be suitable for major redevelopment or for a targeted use and market exposure; Public Tender; Direct Negotiations and Public Auction.

Again, it should be noted that significant staff time and resource are employed in the land disposition process.

Legal Advice

In a separate Confidential report the Committee will receive advice from the City Solicitor with respect to legal issues associated with the acquisition and disposition of a surplus school property for the purposes of transferring to a third party for a private religious school. These must be considered prior to making any decision with respect to this matter.

Budget

During the 2013 budget deliberations, Council resolved that a placeholder for the 2014 budget be established in the amount of \$250,000 for the Sherwood Forest Public School repurposing for a senior's centre; as the community is working diligently towards repurposing the site through a number of projects.

Note: There is currently no source of funding until the 2014 Budget approval (slated for February 2014).

CONCLUSION

It is difficult for Civic Administration based on current standards and criteria, to argue for significant investment in this community ahead of investments over other, less well served communities. The provincial and municipal policies governing the acquisition and sale of government assets provide that Fair Market Value be received for the asset and that the process be transparent, fair and competitive.

The acquisition and disposition of a surplus school property should consider the associated legal issues and the use and costs of municipal resources employed.

PREPARED BY:	PREPARED BY:
BILL WARNER MANAGER – REALTY SERVICES	MIKE TURNER DEPUTY CITY TREASURER
RECOMMENDED BY:	
MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

August 9, 2013
Attach.

- c. Jim Barber
 Jennifer Smout
 Dave Munteer

APPENDIX A

From: Sandy Levin
Sent: Thursday, August 08, 2013 10:00 AM
To: Warner, Bill
Cc: Turner, Mike; rcstoddart; kjcsavoy; jrwalton
Subject: from residents re Sherwood Forest Public school as a community need

Bill, thank you again to you and Mike for meeting with us. I apologize again for my part in the communication mix up with the representatives from the London Islamic School.

Please find attached our submission as to why the acquisition of the School site by the city would fulfill a community need.

I would also like to add that over our two plus years of working on this project, we have continued to disagree with Parks Planning about the active park space in the area. In Orchard Park / Sherwood Forest, no city owned park has any playground equipment. Any and all equipment in use by the community is currently on school board property. We have also rejected the notion that the space in the park on the other side of Wonderland Road meets the community need. This park is across a 4 lane arterial road (to be 6 lanes in the city's transportation plan), whereas children can walk unaccompanied to the Sherwood Forest Public School site. The Sherwood Forest site play area is well shaded with mature trees versus the unshaded "concrete beach" of the park. And because of its location, the Sherwood Forest School site has many eyes on it given its wide frontage on two streets.

We hope this is helpful to you in preparing your report. If you have any questions, please do not hesitate to contact me.

Sandy Levin

Orchard Park Sherwood Forest Ratepayers
 Follow-up to Meeting with Bill Warner and Mike Turner
 Wed. Aug.07, 2013

In order for the City to consider the acquisition of the Sherwood Forest School site, there must be demonstrated "municipal need." The question is: What would be the community use or purpose for the land?

The Orchard Park Sherwood Forest Ratepayers Association represents the interests and concerns of residents in response to developments and changes in our neighbourhood. (Addendum: Sherwood School Site Usage Survey) The closing of Sherwood Forest School essentially eliminates the hub of our community. Acquisition of the property would ensure the continued availability of:

- Access to green space
- Playground equipment
- Playing fields
- Opportunities for recreation and fitness
- Community gathering place
- Space for local groups and clubs
- Polling station
- Preservation of the unique character of the neighbourhood.

The goals of the Sherwood Forest community are consistent with the City's vision for strong neighbourhoods. The **London Strengthening Neighbourhood Strategy**, endorsed by City Council, promotes a vision for neighbourhoods that "will be environmentally and socially responsible and will have available green space, vibrant local economies and accessible amenities of daily life."

Many of the strategies in the Strengthening Neighbourhood Implementation Plan would be served through the preservation of the Sherwood Forest site:

"Encourage and promote neighbourhood celebrations and events."

"Develop more informal programs at community centres and other gathering places."

"Increase amount of park space."

"Improve accessibility, walkability, playability and connectivity of park spaces."

"Promote parks and environmentally significant areas."

"Create more informal gathering places."

"Create, gain access and promote community spaces in neighbourhoods."

"Improve resident engagement."

- **London Strengthening Neighbourhoods Strategy**

The acquisition of the Sherwood School site, as currently being explored, would fill a "municipal need" at no cost to the City. It is an opportunity to preserve and support one of the City's great neighbourhoods.

Addendum: Sherwood Forest School Site Usage Survey

In the spring of 2012, the Orchard Park / Sherwood Forest Ratepayers initiated a survey in order to gauge community opinions concerning the value of Sherwood Forest school and its green space. The survey was distributed in both paper and electronic format; one adult member per household was asked to respond. The personal identification information section was optional. Specific questions were asked about the personal importance of the space, suggestions for potential uses for the property, and finally, their willingness to incur financial costs to retain the land for public use. A comment section was also appended.

- Of the 58 Sherwood Forest household responses, 84% said that it was important to them and/or their family to be able to use the green space adjacent to the school.
- 43 out of the 58 Sherwood Forest respondents, i.e. 74%, indicated a willingness to pay higher city taxes over 10 years to secure the land (through a city purchase) for public use.

The numerous comments and concerns expressed in the survey results are summarized in 5 major themes:

- The open space is valuable because it is used both actively and passively as “solitude of green”.
- So many people use the property every day and in all seasons to play and exercise in a safe accessible area.
- “Once it’s gone it’s gone”. This central green “hub” space has been an integral part of Sherwood Forest and Orchard Park’s heritage and identity.
- The area will be less desirable if schools are lost, safe public green space is diminished, and traffic increases.
- It is an important local issue related to residents’ quality of life in the city.

APPENDIX B

LONDON *Muslim* MOSQUE

Bill Warner, Manager Realty Services
 300 Dufferin Ave.,
 P.O. Box 5035
 London, ON
 N6A 4L9

August 8, 2013

Dear Mr. Warner

Thank you kindly for your time on Wednesday. As mentioned in our letter to the Mayor on July 17th we are in close contact with the Sherwood Forest community and are aware of their needs and wishes for the Sherwood Forest Public School property. We are committed to being the best of neighbors and to meeting the community's needs.

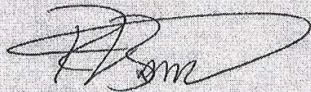
We believe that the London Islamic School serves as a major attraction to Immigrants and professionals looking for a place to call home. It also complements the great educational intuitions available in London and furthers the city's reputation as an education hub. This will not only yield financial return to the City of London but it will also enrich the human capital available in the city. Whether they are foreign doctors sponsored by their governments, or entrepreneurs, professionals or skilled labour we feel that the quality of education we offer at the London Islamic School will attract them to this great city.

If the city were to purchase the property, we understand that it would have to dispose of it through a process that is fair and transparent such as a Request For Proposal. In such a case the London Muslim Mosque will be glad to submit a proposal that meets the community's needs, is cost neutral to the city and offers a Fair Market Value for the property.

The Sherwood Forest Public School property offers the community, the London Islamic School and the City of London a unique opportunity to come together for the benefit of the larger London Community.

We are extremely appreciative of your assistance in this matter,

Yours Sincerely,



Rob Osman
 Chair, London Muslim Mosque