



## REPORT

### ADMINISTRATIVE SERVICES COMMITTEE

MEETING DATE: MARCH 29, 2016

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**FROM:** Legal Department

**DATE:** March 7, 2016

**SUBJECT:** Former Chisholm School Site at 165 Charnwood Drive – Update and Disposition Strategy

**LOCATION:** 165 Charnwood Drive (Ford Dr. & Lakeshore Rd. E.)

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#### RECOMMENDATION:

1. That the report of the Legal department, dated March 7, 2016, regarding the Former Chisholm School Site at 165 Charnwood Drive – Update and Disposition Strategy, be received; and
2. That staff be authorized to issue a public tender for the sale of the lands based upon the principles in the report, and report back to Council with the results of the tender and recommendations.

#### KEY FACTS:

The following are key points for consideration with respect to this report:

- This report is a follow-up to a staff report presented at the July 6, 2015 meeting of Planning and Development Council, to provide an update on the progress of the project and a recommended disposition strategy for the site.
- A study completed in December 2013 by N. Barry Lyons Consultants Limited concluded that the Town interests in ensuring control over its development vision for the site and in capturing a significant portion of the value uplift associated with the development process would be best served by taking the property through to completion of a draft plan approval.
- On July 6, 2015, Planning and Development Council approved an official plan amendment, zoning by-law amendment, and draft plan of subdivision for the site. The effect of these approvals was to permit the redevelopment of the property as a subdivision containing 9 lots for detached dwellings and

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a block to extend Charnwood Park.

- Town staff has been moving forward with demolition of the school building and with its due diligence in preparation for the disposition of the property.
- Staff is recommending that it prepare and issue a public tender for the sale of the lands based upon principles outlined in this report, and return to Council with a further report, expected in fall 2016, with the results of the tender and recommendations.
- The agreement of purchase and sale and other documents will be prepared to help ensure the development vision for the site is maintained, while limiting liabilities and maximizing the Town's investment in the property.

## **BACKGROUND:**

The Halton District School Board closed Chisholm Public School in June 2010, then used it for a portion of the 2010/2011 school year to accommodate some Maple Grove Public School students while that school was under renovation. The Town purchased the property in April 2012.

Options for the future use of the property were evaluated through the *South Central Public Lands Study*. On April 8, 2013, Council endorsed the study recommendation that the property be redeveloped for nine detached dwellings, plus an expansion to the adjacent Charnwood Park, and directed staff to proceed with implementation.

Based upon the Council approved recommendation, Town staff has moved forward with the implementation and an official plan amendment, zoning by-law amendment, and draft plan of subdivision, which were approved at the Planning and Development Council meeting on July 6, 2015. The effect of these approvals was to permit the redevelopment of the property as a subdivision containing:

- Nine lots for detached dwellings;
- A park block adjacent to the existing Charnwood Park;
- A public road off Charnwood Drive into the subdivision; and,
- An extension to an existing public walkway connection to Bonnylyn Court.

As part of due diligence to prepare the property for disposition, a phase 1 environmental site assessment was completed in 2014. It identified an area of potential environmental concern related to winter salt use throughout the asphalt driveway and play areas.

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The vacant one-storey school, built in 1974, was demolished in October 2015.

A limited phase 2 environmental site assessment (ESA 2) was conducted in early 2015, confirming some ground contamination due to salt use. Shallow depths of salt contamination associated with winter maintenance are normal, anticipated, and typical of redevelopment sites previously used for community use. Limited ground water testing was also completed and a Phase 2 ESA was completed in February, 2016.

## **COMMENT/OPTIONS:**

### ***Recommended Disposition Strategy***

It is recommended that staff be authorized to prepare and issue a public tender for the sale of the lands based upon the principles discussed in this staff report, and return to Council with a further report, expected fall 2016, with the results of the tender and recommendations.

A study completed in December 2013 by N. Barry Lyons Consultants Limited concluded that the Town interests in ensuring control over its development vision for the site, while capturing a significant portion of the value uplift associated with the development process, would be best served by taking the property through to completion of a draft plan approval.

The Town has completed the development approvals to this stage, and in order to ensure that these objectives are maintained and risks/liabilities are mitigated, the Town is working to tailor conditions for the agreement of purchase and other documents.

Proponents will be required to submit bids and enter into an agreement of purchase and sale confirming that no applications will be contemplated to revise the official plan and zoning in any fashion. Similarly, the agreement will be structured to ensure that the draft plan of subdivision moves forward to registration based upon the recently approved application and conditions. It is anticipated that the agreement may contemplate possible minor adjustments to the lot boundaries and shape, but any such changes would need to respect the provisions of the zoning as approved and maintain the nine lot single family home subdivision.

Similarly, conditions will be provided in the agreement of purchase and sale and/or the subdivision agreement to ensure that the environmental conditions of the site meet provincial and regional requirements, and that the development proceeds pursuant to the vision and timing anticipated by the Town. This may include provisions for termination of the agreement and/or a Town right to repurchase the property if the developer does not fulfill the conditions or sought to substantially modify the approved development.

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Such approaches, which may also include the use of restrictive covenants registered on title, would put the onus on the developer to implement the development as approved by Council.

The approved developer would be responsible for installing the necessary site servicing and infrastructure, including construction of the public road and the extension of the public walkway to Bennylyn Court.

The Town would at all times retain control and ownership of Block 10 on the draft plan of subdivision to ensure that Charnwood Park is expanded and developed in a time frame that the Town controls, while recognizing the contribution of this block to fully satisfying the requirements of parkland dedication for this site.

If this report is approved, staff will:

1. Prepare the necessary legal documents that implement the principles of disposition outlined in this report.
2. Proceed to tender and identify a successful proponent.
3. Report back to Council with the results of the tender and further recommendations.

## **CONSIDERATIONS:**

### **(A) PUBLIC**

A public information meeting held on March 3, 2015, and a statutory public meeting held at Planning and Development Council on May 11, 2015 (Staff Report PD-62-15), provided opportunities for the public to comment. The public will be further informed of the progress and disposition strategy for the site through this report.

### **(B) FINANCIAL**

The funding requirements for the demolition of Chisholm School, as well as associated planning and due diligence activities, were approved as part of the 2015/2016 capital budgets. Development Charges will be fully applicable to the development of the newly created residential lots. The original purchase of the school sites was primarily funded from the General Working Capital reserve. In accordance with town policy the net proceeds from the sale of the land will be used to replenish the reserve.

### **(C) IMPACT ON OTHER DEPARTMENTS & USERS**

Conditions of the draft plan approval and provisions in the subdivision agreement will address matters identified through review by internal and external departments and agencies.

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**(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS**

This report addresses the corporate strategic goal to:

- be accountable in everything we do
- be fiscally sustainable
- be the most livable town in Canada

**(E) COMMUNITY SUSTAINABILITY**

The proposed disposition strategy is consistent with the sustainability objectives and principles in the Livable Oakville plan and is also fiscally sustainable.

**APPENDICES:**

Appendix A – Location Map

Confidential Appendix B – Confidential Memo from the Legal Department dated March 7, 2016 (*See confidential agenda.*)

Prepared by:

Submitted by:

Jim Knighton  
Realty Services Manager

Douglas Carr  
Town Solicitor