To: Chair and Members
Corporate Administration Committee
Outstanding Business Item No. N/A and Issue: FCS06095

From: Joseph L. Rinaldo
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Date: August 21, 2006

Re: University Gardens School and Park-Project 440056953 Further Information (Ward 13)

Council Direction:
On August 9th, 2006, Council approved the following recommendation:

“That the June 30, 2006, Capital Projects’ Status and Projects’ Closing Report and the attached Appendices A, B, C, D (as amended with project 440056953 – University Gardens School and Park referred back to staff for a further report to committee), and E to Report FCS06079 for the tax levy and the rate supported capital projects be received for information;”

Information:
Project 440056953- University Gardens School and Park was initially set-up with a budget of $920,000 which represented the City’s bid in conjunction with Community Partners to purchase University Gardens Elementary School.

The City’s Bid amount was approved by the Planning & Economic Committee Report 05-009 on April 19th, 2005 and by Council on April 27, 2005 through Report CM05011 item (a) (iii). The pertinent excerpts from the Report CM05011 are as follows:

a) That the total funding of the committed School Board Property Purchases Program as detailed in Table 1 be approved including:

   iii) the authorization to negotiate an offer to purchase to facilitate the proposed community partnerships for University Gardens Elementary School (Ward 13)(Report No. PD04240 (a)) and Robert Land Elementary School (Ward 3)(Report No. PD05108);
The amount of the bid was outlined in Table 1 of Report CM05011 and is included as follows:

<table>
<thead>
<tr>
<th>School Site</th>
<th>Site Area (ha)</th>
<th>Status</th>
<th>Acquisition Cost</th>
<th>Additional Costs</th>
<th>Total (Excludes Annual Operating Costs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peace Memorial 75 East 36, Ward 6</td>
<td>2.17 (5.36 ac)</td>
<td>Acquired June 2, 2004</td>
<td>$820,500 &amp; due diligence $15,000</td>
<td>Demo costs $522,000 Development Costs $225,000 Operating Costs $6,500/yr Heritage Recording $5,000</td>
<td>$1,587,500</td>
</tr>
<tr>
<td>Fairfield Elementary 1501 Barton St. E., Ward 4</td>
<td>0.87 (2.15 ac)</td>
<td>Offer accepted Sept./04</td>
<td>$535,000 &amp; due diligence $15,000</td>
<td>Demo. Costs $404,000 Heritage Recording $5,000 Development Costs $172,000 Operating Costs $600/yr</td>
<td>$1,131,000</td>
</tr>
<tr>
<td>Tweedsmuir 50 Victoria St.N., Wd. 2</td>
<td>0.37 (.91 ac)</td>
<td>Offer accepted Oct./04</td>
<td>$325,000 &amp; due diligence $15,000</td>
<td>Demo costs $597,500 Heritage Recording $5,000 Development Costs $73,150 Operating Costs: 300/yr</td>
<td>$1,015,650</td>
</tr>
<tr>
<td>Templemead 460 Wentworth St. N., Wd. 3</td>
<td>1.65 (4.07 ac)</td>
<td>Offer accepted Oct., 2002</td>
<td>$450,000 &amp; due diligence $15,000</td>
<td>Development Costs $328,000 Operating Costs: $3,600/yr</td>
<td>$793,000</td>
</tr>
<tr>
<td>Robert Land 460 Wentworth St. N., Wd. 3</td>
<td>0.87 (2.15 ac)</td>
<td>Being investigated for purchase Due diligence reports being completed</td>
<td>$200,000 &amp; due diligence $15,000</td>
<td>Redevelopment costs:(see PD05108) Operating costs: $5,000/yr Community partners to pay City: $200,000</td>
<td>$15,000 (net)</td>
</tr>
<tr>
<td>Grange 50 Victoria St., Wd. 2</td>
<td>1.76 (4.34 ac)</td>
<td>High Priority Available June /05</td>
<td>Est. MVA $1,400,000 M &amp; due diligence $15,000</td>
<td>Demo Costs: (16,800 sq. ft. $11/sq.ft.)=$185,000 Development Costs: $347,000 Operating Costs: $5,800/yr</td>
<td>$1,947,000</td>
</tr>
<tr>
<td>University Gardens 10 McMaster Ave., Dundas, Wd. 13</td>
<td>1.5 (3.7 ac)</td>
<td>French School Board Lands recently sold to the HWDSB</td>
<td>Est. MVA $920,000 &amp; due diligence $15,000</td>
<td>No development Costs required Operating Costs: 5,300/yr Community Partners to pay City: $520,000</td>
<td>$415,000 (net)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$6,489,150</strong></td>
</tr>
</tbody>
</table>

Unfortunately, the bid was not successful and the budget was reduced to $100,000.

The school was purchased by a developer who is required to dedicate 5% of the land to the City for use as a Parkette; the required contribution totals .185 acres (3.702 acres X 5%). The developer instead is contributing 0.411 acres or 11.1% of the total site area.
The City has agreed to pay the developer for the land in excess of 5%. The payment was approved through by Council on April 12th, 2006 through Report PED06094 which recommended that if the subdivision plan was approved, the funds for the Parkette in excess of 5% would come from the Dundas Parkland Reserve. (item (b)(ii):

(ii) Acknowledgement that a portion of Block 20 (Parkette) will be dedicated to the City for park purposes and that the remainder, above 5%, will be funded from the former Town of Dundas’ Parkland Reserve Fund at Fair Market Value;

The remaining $100,000 budget in project 440056953- University Gardens School and Park represents the fair market value of $85,000 plus incidental costs for the land required for the Parkette that is in excess of the required 5% parkland dedication.

The following Market Value information was provided by the Real estate Division:

- The 5% park dedication was based on site area of 3.702 acres X 5% = 0.185 acres.
- The area of the proposed Parkette was 0.411 acres or 11.1% of the total site area.
- Thus, the land in addition to the 5% the City needed to purchase was 0.411 ac. - 0.185 ac. = 0.226 ac.
- The market value estimated was $375,000/ac. X 0.226 ac. = $84,750, rounded to $85,000.

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