

## **Staff Report 2019-52**

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Meeting Date: Tuesday, May 21, 2019

Subject: Feasibility Study for the Reuse of the Historic Alton School

Submitted By: Ben Roberts, Manager, Business Development & Tourism,  
Strategic Initiatives

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### **RECOMMENDATION**

That due to the projected costs of both capital and operating, the Town of Caledon not pursue an agreement with the Peel District School Board for the adaptive reuse of the old Alton Public School and;

That the Town of Caledon continue to work with the Peel District School Board to identify potential funding sources to fully fund the repurposing of the old Alton Public School as outlined by ERA Architects and;

That staff be authorized to negotiate with the Peel District School Board for fair consideration of the land exchange for the Alton School in lieu of the Town receiving the old Alton School property.

### **REPORT HIGHLIGHTS**

- The old and new Alton Public Schools, located at 19657 Main Street in the Village of Alton, share a septic system. The new Alton Public School was intended to be connected to a future municipal communal sanitary system. With no future municipal servicing being provided to Alton, the shared septic system presents the Peel District School Board with several barriers related to building occupancy and property ownership.
- During the 2018 budget process, Council requested the 2018 budget be amended to add a new 2018 Capital Project regarding an Arts and Culture Feasibility Study for the Alton Historic School House in the amount of \$15,000 from the Tax Levy Funding and \$15,000 from the Peel District School Board
- ERA Architects have proposed a mixed-use operational model featuring three main program elements which include: an early years centre/daycare, arts/cultural studio flex space and an interpretive heritage installation. The three proposed uses respond to articulated needs in the community as well as provide a diversity of revenue streams which is essential to operational function.
- The reuse would retain the historic character of the building but it would require upgrades to its plumbing, electrical, and HVAC systems. To provide for the

mixed-use operational model would also require alterations to external parking, septic systems, landscaping and an ownership and operator structure.

- Initial upgrades associated with the mixed-use operational model according to the work completed by ERA Architects Inc. would cost roughly \$1.3 million dollars, a new septic system would cost in the range of \$100-150K and an additional \$329,569 spend for 1-5 years to keep the building in a good state of repair.

### **DISCUSSION**

#### **Background**

In the summer of 2013 the old Alton Public School located at 19657 Main Street was closed and construction was completed in 2014 on the new Alton Public School. The Old Alton School is currently vacant and still owned by the Peel District School Board.

As the new school was being planned, as noted within Staff Report 2017-100, the Town transferred a parcel of land to the Peel District School Board to allow for a larger building footprint, play areas, and additional parking for the school. In exchange for the land, the Peel District School Board agreed to the following:

- Transferring the parcel of land that the Old Alton School House is on (including the building and septic system behind the Old Alton School House); and
- Entering into a shared use agreement with the Peel District School Board for the Town Library, park and parking lot, gymnasium and washrooms in the new school.

The plan was for the new school to be connected to the new municipal communal sanitary system however, the construction of the communal sanitary system was not able to be completed as the Region of Peel's assessment concluded that the cost of the servicing was too large and unable to be funded. Without the new municipal sanitary system both the new and the old schools share one septic system, located behind the old Alton Public School.

The Peel District School Board has stated that the new Alton Public School was planned to serve the current population as well as growth that was anticipated as a result of the new municipal communal sanitary system. Initial projected growth has not occurred and the new Alton Public School is currently at 45% capacity.

Currently, the properties (both buildings) are owned by the Peel District School Board. It was originally proposed by Peel District School Board staff to sever the Old Alton School property between the land that the old school is on and the land (behind the Old Alton School) that the septic is on. The Peel District School Board proposed retaining ownership of the septic system land and transferring the Old Alton School building and land to the Town in order to proceed with the original agreement of land exchange.

The Ontario Building Code requires that a sewage system be located wholly within the boundaries of the lot or parcel of land in which is located within the building or buildings they serve. Accordingly, a severance/land transfer from the Peel District School Board to the Town for the old Alton Public School currently cannot be achieved. Full sanitary service to the properties or creating separate septic systems for each facility would be required before such a severance could take place.

As an alternative, Peel District School Board staff has historically expressed an interest in entering a long-term lease with the Town for a nominal fee. The lease would provide the Town long term use of the old Alton Public School in exchange for the Town of Caledon being responsible for all costs (including capital improvements, maintenance and operating costs).

### **Staff Report 2017-100 – Old Alton School House Update**

Staff Report 2017-100 to General Committee regarding the status of the Old Alton Public School was presented on August 29<sup>th</sup>, 2017. The report entitled “Old Alton School House Update” provided Council with an update in relation to the proposed land exchange between the Town and the Peel District School Board while providing Council with a current assessment of the Old Alton Public School property and building.

Staff Report 2017-100 in addition to the details of a proposed land exchange identified challenges related to the septic system being shared by the new and old Alton schools as well as significant capital costs related to necessary building improvements (\$652,000) and on-going operations (\$82,500 annually).

Within Staff Report 2017-100 based on the projected capital, operating and potential additional costs of the repurposing of the building, it recommended that the Town not proceed with redevelopment and negotiate an alternate consideration for the land already transferred to the Peel District School Board for the new Alton Public School.

Council deferred the report and put forward the following motion:

*“That staff Report 2017-100, Old Alton School House Update by deferred*

*That the Town coordinate a community meeting to include but not limit the following stakeholders; Alton Community Group, Heritage Caledon, Town of Caledon staff from Strategic Initiatives (Tourism, Economic Development) and Finance and Infrastructure Services, Peel District School Board, Peel Art Gallery, Museum and Archives (PAMA), staff from the Region of Peel, and the Peel District School Board Trustee and Ward 1 Councillors to discuss the findings from the Town of Caledon Tourism Strategy 2014, that identifies Alton as an Arts and Culture Hub and consider ideas for potential uses for the Old Alton School House*

*That the first meeting take place prior to November 1, 2017*

*That staff report back to Council with the outcome of the community meeting.”*

As requested by Council, Economic Development staff facilitated a community meeting in Alton on October 17, 2017. Invitations were extended to a number of key stakeholders, including those identified in the motion. As requested in the August 29<sup>th</sup>, 2017 motion, staff provided an update to Council and presented the results of the meeting January 16, 2018 to General Committee.

In brief, the memorandum provided a summary of the responses from the attendees to three questions that were asked of the participants. The questions provided context to the strengths of the community; what services or facilities are needed; and how the old school house could best serve the community.

The community participants produced several viable ideas for the buildings reuse and that the Old Alton Public School has clear value to the community. The ideas that were shared were grounded in publicly accessible community uses. Ideally the uses would celebrate and build on the role of the building as a public asset linked to local culture and heritage as a facility that would retain and maintain the heritage characteristics of the building.

Through the 2018 Budget Process, Council adopted the following:

*“That the 2018 budget be amended to add a new 2018 Capital Project regarding an Arts and Culture Feasibility Study for the Alton Historic School House in the amount of \$15,000 from the Tax Levy Funding and \$15,000 from the Peel District School Board”*

On March 12, 2018, Town staff issued a request for proposal for a Feasibility Study for the Reuse of the Old Alton Public School. On June 1, 2018 Town of Caledon, retained E.R.A. Architects Inc. The working group for the project included Town of Caledon and the Peel District School Board staff.

### **Feasibility Study for Reuse of the Old Alton Public School – ERA Architects Inc:**

Schedule A contains the report by ERA Architects Inc.

#### **Site Context**

The Old Alton Public School is located at 19657 Main Street in the Village of Alton, the property currently has two structures on the property: the old Alton Public School to the

southeast of the property and the new Alton Public School to the northwest corner of the property. The old Alton Public School is designated under Part IV of the Ontario Heritage Act, By-law No. 2013-088. Construction on the current structure began in 1873 and has had numerous renovations to expand and upgrade the facility.

### **Cultural Heritage Value and Adaptive Reuse**

The form and small scale of the building with its large window openings and belfry capture a sense of a rural village school. The interior retains pre-1930s elements and the site has a long-standing association with, for some, five generations of families in the Alton area. Alton Public School has been a community landmark and important component of the Main Street streetscape since 1875.

To conserve the old Alton Public School the rehabilitation approach is proposed allowing for a sensitive adaptation of the historic place while protecting its heritage value.

There are several examples of successful adaptive reuse projects of old schools ie. Ivywild School, Colorado Springs, Colorado and Aberdeen School, Moncton, New Brunswick.

### **Existing Building Condition**

ERA Architects Inc. performed a visual inspection of the building July 17, 2018 and a detailed evaluation report was completed by Nadine International Consulting Engineers April 17, 2017.

- The exterior brick walls, foundation walls and windows are in fair condition with normal deterioration with maintenance required in three to five years to maintain functionality.
- Exterior gaskets and sealants on the windows require replacement.
- The roof, soffits, eavestroughs, gutters and downspouts all appear to be in good condition.
- The interior elements appear to be in fair condition with some floor finishes in poor condition and require maintenance within the next year.
- The vinyl floor tiles and acoustic ceiling tiles are asbestos containing as per 2009 ESA report by Trow Associates.

### **Community Consultation**

The old Alton Public School has clear value to the community, and ideas for its reuse are largely grounded in publicly-accessible community uses. An ideal use would celebrate and build on the role of the building as a public asset, as a facility intrinsically linked to local culture and heritage.

Prior to ERA Architects Inc. being retained, a community consultation was held October 17, 2017. ERA approached additional consultation through targeted stakeholder meetings with members of the local community, business owners and operators and political leadership. The themes, roles and needs of the community identified were broad in nature but centered on community need, heritage, arts & culture and education. A detailed list of the uses is provided in Schedule A.

### **Options & Parameters**

The old Alton Public School has the capacity to be a multi-use space that can serve many of the needs identified by the community. Five distinct program areas have been identified: arts and culture, active living, innovation, education and tourism. Upon further analysis, details of which can be found in Schedule A, there was a strong potential for arts and culture, education and tourism.

- Arts and culture - given the community support and regional engagement could be supportable in that it targets all three audience segments: visitors, current residents and potential new residents.
- Education - relatively easy to implement and would resonate with the community and work well in integrating with new Alton Public School with the potential of offering adult/continuing education classes, early years centre, tutoring, ESL, computer literacy.
  - This would be better suited to a private operator and offers a strong partnership model.
- Tourism component - developing as a standalone use would not directly engage the immediate community and fails to a central community engagement priority however by integrating tourism into arts, activity, education into part of the visitor's experience would be viable.

### **Infrastructure Constraints**

The study identifies a number of key challenges that would need to be addressed in advancing an adaptive reuse of the property:

- Septic: The new school and old Alton Public School legally share one property and therefore one septic system. To legally sever the properties and have the old Alton Public School operate under a new owner, each building requires a separate septic system.
- There is no room on the property to construct a separate, second septic system

Through an assessment completed by Van Harten Surveying the recommendation by ERA Architects is that the property on which the Old School sits cannot be severed, and single ownership must be retained over the entire site, including both schools. It is also recommended that the single septic system be replaced, the current location of the system however is not an ideal location.

- **Parking and Access:** Any new use proposed would have to accommodate the parking as required through Town of Caledon zoning by-law. The existing fire route must be maintained, and the existing drop-off/pick-up route must be maintained.
- **Physical Building Upgrades:** Regardless of use, building upgrades are required to meet Ontario Building Code Standards, this includes: new accessible washrooms, AODA upgrades to doors, hardware and openings, removal of asbestos-containing materials, installation of sprinklers as per required by the Ontario Fire Code and upgrades to the water distribution system.
- **Models for Ownership & Operation:** While there was an intention to execute a land swap between the Peel District School Board (PDSB) and the Town prior to the building of the new Alton Public School, this swap has not been completed and with the uncertainties associated with the septic system it is uncertain on how or if the old Alton Public School property can be severed. The PDSB is currently the owners and given the septic restrictions the PDSB must remain as owner. The PDSB has stated that they do not wish to be involved in the operation of the building.

A future owner or operator would not risk investing in the building without a guarantee of viable infrastructure. An investor in the building would prefer to hold the title on the building, requiring the property to be severed so that title could be held separate from the new school.

### **Options**

As the PDSB has indicated it has no means of funding non-classroom space and therefore unable to be involved in the operation of the Old Alton School, ERA Architects has outlined two potential operational/ownership models each of which has Town of Caledon leasing the building from PDSB.

- **Option 1 - Town lease the building for \$1 or other nominal sum, requiring a clear agreement between the Town and PDSB regarding the eventual transfer of title and clear direction and responsibility for initial capital upgrades, new septic for the joined site unless specified in future title transfer agreement.**
- **Option 2 - Town would lease the space to a third party with the Town maintaining involvement to ensure control over the proposed new use, this would require a clear direction for initial capital upgrades as an operational partner would expect the space to be reasonably fitted out and the Town**

would require clear return on initial investment should the capital costs fall to it.

Option 1 is understood to be the preferred model with a clear formalized agreement between the Town and PDSB to advance either of these options.

### **Recommendations for Adaptive Reuse**

The suggested new uses for the building are driven by four primary considerations: feasibility from a structural and architectural perspective, stakeholder/community priorities, celebration of the site's history and conservation of its heritage features and the current constraints in terms of required infrastructure and current ownership model. The proposed use is a mixed-use operational model featuring three main program elements:

- Early years centre/daycare
- Arts/cultural studio flex space
- Interpretive heritage installation

The three proposed uses respond to articulated needs in the community as well as provide a diversity of revenue streams which is essential to operational function. The street-front portion of the building, the two front classrooms, presents the arts and cultural element of Alton's identity. The central hallway or the indoor street which features a heritage display leads to the main entrance of the daycare, offering three separate rooms for infant, toddler and preschool ages, a kitchen, office, and washrooms of the main corridor, reflecting the existing functionality and identity of the site as adjacent to a school.

### **Alterations/Operational Considerations/Costing**

With the uses proposed there is a requirement to update existing plumbing, HVAC, fire suppression system, barrier free doors and the need for some modifications having minimal impact to the interior, details of the work can be found in Schedule A.

Based on the Order of Magnitude (Class D) Estimate prepared by Altus Group for ERA Architects the proposed interior renovation work would cost roughly \$1.35M. This does not include a new septic system based on (+/- 8000L/day sewage flow; common system with shared leeching bed) that would cost in the range of \$100-150k.

The costs noted above should be read in conjunction with the Condition Assessment Report by Nadine International Engineers, dated April 2017 noting a 1-5 year spend of



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\$329,569 and a 6-30 year estimate of \$628,308 required to keep the building in a good state of repair.

With the Early Years Centre/Daycare use, this would also require a private, adjacent, outdoor space play area is required and would require the removal of one row of parking to accommodate the outdoor area. ERA Architects have provided a revised parking plan. Costing for the creation of the outdoor play, estimated by Altus Group, is \$74,154. A detailed breakdown is provided below:

		Quantity	Unit Rate (\$)	Total (\$)
<b>D1 Site Work</b>				
<b>D11 Site Development</b>				
Site.D11.1	Site hoarding and protection	73 m	50.00	3,669
Site.D11.2	Remove existing asphalt paving and dispose off-site	205 m2	25.00	5,114
Site.D11.3	Remove existing concrete paving and dispose off-site	186 m2	25.00	4,641
Site.D11.4	Remove existing concrete curbs and dispose off-site	45 m	35.00	1,590
Site.D11.5	Remove existing granular material to allow for new topsoil, allow 400mm deep	156 m3	15.00	2,340
Site.D11.6	Misc. removals and demolition	1 sum	1,000.00	1,000
Site.D11.7	Concrete curbs	32 m	90.00	2,903
Site.D11.8	Modify pavement markings to suit revised layout	1 sum	2,000.00	2,000
Site.D11.9	Prefinished aluminum fence, 1,200mm high c/w gates	72 m	225.00	16,160
Site.D11.10	Remove/relocate post-mounted traffic/parking signs as required	1 sum	500.00	500
Site.D11.11	Make good modify existing building signage	1 sum	5,000.00	5,000
Site.D11.12	Topsoil placement and grading	195 m3	75.00	14,632
Site.D11.13	Planting bed c/w mulch and planting	73 m2	50.00	3,642
Site.D11.14	Sodding, allow 50% of play area	122 m2	20.00	2,445
Site.D11.15	Trees - medium	2 no.	600.00	1,200
Site.D11.16	Play area surface, similar to Fibar system, allow 50% of play area	122 m2	60.00	7,320
<b>TOTAL FOR D11 SITE DEVELOPMENT</b>		<b>1,117 m2</b>	<b>66.38 /m2</b>	<b>\$74,154</b>

In discussion with Region of Peel staff, the old Alton School was assessed as a potential site for an Early Years Centre but after review the site was not able to meet the required criteria.

### **Funding & Grant Options**

ERA Architects provided information on potential public funding for capital upgrades (details provided in Schedule A), with eligibility based on owner and operating structure as well as intended community use.

Prior to evaluating funding options, a formal lease agreement would have to be finalized so that the lead applicant is clear. Further research would need to be undertaken, dependent on the applicant and the exact scope of work identified.

### **Conclusion:**

Initial upgrades associated with the mixed-use operational model according to the work completed by ERA Architects Inc. would cost roughly \$1.35 million dollars, a new septic system would cost in the range of \$100-150K and an additional \$329,569 spend for 1-5 years to keep the building in a good state of repair.

The new and the old Alton Public School share one septic system, with occupancy restrictions placed on both buildings and the inability to sever the two properties. Separate ownership is not permitted in such circumstances. There is no room on the property to construct a separate, second septic system.

The Old Alton Public School is an attractive heritage building that holds significant value for the community. While the building has a high degree of reuse potential, the costs as outlined above are prohibitive. The Town also recognizes that the Peel District School Board, current owner of the Old Alton School, has an inability to dedicate capital or operating funding towards non classroom space.

As the recommendations from ERA Architects Inc. would add to the costs that were identified in Staff Report 2017-100, staff recommends not proceeding with an agreement with the Peel District School Board for the adaptive reuse of the old Alton Public School but negotiate an alternate consideration for the land already transferred to the PDSB for the new Alton school.

As per the recommendation in the report, staff recommends that Town Economic Development staff continue to work with Peel District School Board staff to review the funding and grant options as identified in the consultant report to identify potential funding sources for advancing the repurposing of the Old Alton School.

### **FINANCIAL IMPLICATIONS**

Other than staff time in researching funding opportunities and making applications, there are no direct financial costs related to the recommended approach.

However, should Council decide to move forward with the reuse as outlined in the consultant's report, initial upgrades would cost roughly \$1.35 million dollars, a new septic system would cost in the range of \$100,000-150,000 and an additional \$329,569 in expenditures over the next 5 years to keep the building in a good state of repair. Operating costs for such a facility are estimated to be \$60,000 (excluding any programming costs or contributions to facility replacement reserves).

**COUNCIL WORK PLAN**

Connected Community: Further explore arts and culture centre opportunities

**ATTACHMENTS**

Schedule A - ERA Architects Report