

EDMONTON PUBLIC SCHOOLS

March 22, 2011

TO: Board of Trustees
FROM: E. Schmidt, Superintendent of Schools
SUBJECT: Disposition of Bellevue
ORIGINATOR: B. Smith, Executive Director

RESOURCE

STAFF: Josephine Duquette, Roland Labbe, Lorne Parker

RECOMMENDATION

That the Offer to Purchase and Interim Agreement for the sale of Bellevue School to Distinctive Employment Counseling Services of Alberta (DECSA), be approved.

* * * * *

On March 1, 2011 the Administration presented information to the Board of Trustees regarding the Offer to Purchase and Interim Agreement for Bellevue School to DECSA. The terms of the agreement are listed within this report.

Background

The Board of Trustees approved the closure of Bellevue School on May 27, 2003 and the building was declared surplus to district need in 2006. DECSA has been a tenant in the building since December 2003. DECSA develops and provides services to assist individuals with employment barriers achieve paid and meaningful employment and assists employers to find engaged and capable employees. They expressed an interest in purchasing the site in 2006 when the Board declared the site surplus to need. Since 2006, the District has been working with the City of Edmonton and DECSA to reach a favourable agreement regarding DECSA's acquisition of the property, while respecting City rights specified in the *Joint Use Agreement (1996)*. The purpose of this report is to obtain approval for the terms of the final Offer to Purchase and Interim Agreement with DECSA. DECSA will continue to lease the building under the current lease agreement until a final sale can be completed.

The community league was contacted by the District on April 25, 2003 to inform the community of the May 27, 2003 public meeting to consider the closure of Bellevue School. The community league president was contacted on December 5, 2003 by telephone to inform the community of the lease tenant. The president indicated he did not believe the community would have any concerns with DECSA's tenancy in the Bellevue School building. A request was made by district staff to inform the community of the tenancy through standard community league communication.

The City of Edmonton contacted the community league executive in October 2006 to discuss the surplus declaration of Bellevue School by the District. On March 9, 2007 the office of the City Manager sent a letter to the community indicating that the surplus declaration was withdrawn. This was a misunderstanding between the City and District relating to the process. The District did not withdraw the surplus declaration but put on hold discussions relating to the potential sale of the building. On December 7, 2009 the City shared with the community league executive that the current tenant was interested in purchasing the building and that the City was negotiating to preserve its right to purchase the site from DECSA.

The Community League President included a note in the February – April 2010 Community Newsletter indicating that DECSA was interested in purchasing the building and that the City would defer, for now, its first right to purchase. A letter was sent to the Community league president on March 4, 2011 to inform the community of the report to be presented at the March 22, 2011 public meeting. A copy of some of the information shared with the community is attached in Appendix I for your reference.

Approvals and Next Steps

Eastglen School is situated on the same land parcel as the Bellevue School building. Administration has initiated a subdivision application with the City of Edmonton to create a separate land parcel for the Bellevue School building. The application is being processed with an anticipated completion date of September 2011. The area being subdivided does not include the playground or playing fields, which are required by Eastglen School and for the broader benefit of Bellevue residents.

The City of Edmonton and DECSA have entered into a separate agreement allowing the City of Edmonton a first right of refusal to purchase the property from DECSA, should DECSA proceed with a sale of the property at some time in the future.

In accordance with the *Disposition of Property Regulation*, the District arranged for two independent appraisals of the land and building. The initial appraisals were completed in 2006 with an update provided in 2008. In 2006 the land and building were appraised at \$820,000, and between \$1,000,000 and \$1,100,000. In 2008 the appraisals were updated to \$1,230,000, and between \$1,000,000 and \$1,370,000. The offered purchase price represents fair value for this land and building given market conditions since 2008.

Terms

The Administration has retained legal counsel from the firm of Parlee McLaws to work with legal counsel for DECSA to draft this agreement. The proposed sale would include the school building and use of a portion of the land for parking.

The business terms of the sale agreement include the following:

1. The agreement is conditional upon the approval of the Board of Trustees and the Minister of Education.
2. A new land parcel is being created for Bellevue School building to separate it from Eastglen School site.
3. The purchase can only be fully executed when the subdivision is completed and the title is created.
4. The District is processing the subdivision application.
5. The proposed parcel is 0.97 hectares (2.39 acres).
6. The purchase price is established as \$1,150,000.
7. A credit of \$80,000 will be attributed to the purchase price as compensation for installing new windows.
8. The tenant will provide a \$1,000,000 deposit.
9. A rent credit will be applied to the purchase price.
10. The rent credit will be the purchase price less four per cent interest, which is retained by the District.

JD:gm

Appendix I – Correspondence with Community and Community League



Board of Trustees
 Don Fleming, Chairman
 Svend Hansen, Vice-Chairman
 Bill Bonko
 Bob Dean
 Gerry Gibeault
 Ray Martin
 George Nicholson
 Lynn Odynski
 Jean Woodrow

Superintendent of Schools
 Angus McBeath

 Centre for Education
 One Kingsway
 Edmonton, Alberta T5H 4G9
 T 780 429-8000
 F 780 429-8318
 edmpubsch@epsb.ca
 www.epsb.ca

April 25, 2003

Dear Parents and Community Members,

Edmonton Public Schools is considering the closure of Bellevue school. The public input meeting was held on April 10, 2003.

Following the public meeting, attended by 5 trustees, there is a three-week period for parents and community members to present to the board further responses to the proposed school closure. The board gives consideration to any submissions to the proposed closure that it receives after the public meeting.

Following the consultation period, the administration of Edmonton Public Schools will draft a recommendation that will be presented to the Board of Trustees on May 27, 2003. The meeting begins at 6:00 p.m. in McCauley Chambers at the Centre for Education.

Members of the school community and the community at large are welcome to attend this meeting.

Please contact Anne Sherwood at 429-8020 if you want the opportunity to make a presentation to the board.

If you require any other information, please contact Andrea Furness at 429-8544 or Pat Semeniuk at 429-8431.

Yours truly,

A handwritten signature in black ink, appearing to read 'Angus McBeath'.

Angus McBeath
 Superintendent of Schools

AMcB:cp

ATTACHMENT



Board of Trustees
Don Fleming, Chairman
Svend Hansen, Vice-Chairman
Bill Bonko
Bob Dean
Gerry Gibeault
Ray Martin
George Nicholson
Lynn Odynski
Jean Woodrow

Superintendent of Schools
Angus McBeath

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June 9, 2003

To the Parent or Guardian:

I am writing to inform you that on May 27, 2003 the board of trustees of Edmonton Public Schools approved the following recommendation:

That the closure of Bellevue School at the end of the 2002 – 2003 school year be approved.

Students attending Bellevue may choose any district school; however, Montrose School and Mount Royal School have been designated as receiving schools for these students. Yellow bus transportation will be provided from the Bellevue attendance area to the designated receiving schools for students who attended Bellevue and have been impacted by the closure of the school.

For further information about enrolment for September 2003, and applying for transportation to the designated receiving schools, please contact Bellevue School at 477-5933.

Yours truly,

Angus McBeath
Superintendent of Schools

AMcB:af

file copy

Board of Trustees
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David Colburn
Don Fleming
Ken Gibson
Svend Hansen
Wendy Keiver
George Nicholson
Don Williams

Acting Superintendent of Schools
Edgar Schmidt, MEd

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May 31, 2006

Barry Bezuko, Executive Director
Distinctive Employment Counselling Services of Alberta
11515 - 71 Street
Edmonton, AB T5B 1W1

Dear Mr. Bezuko:

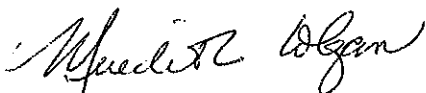
RE: Disposition of Bellevue School

The Board of Trustees for Edmonton Public School District No 7 has given Property Management permission to proceed with disposition of the Bellevue School site. The City of Edmonton has been given notice as per the Joint Use Agreement and the City will have 120 days in which to respond to their first right of purchase clause.

In the event that the City was to decline on their first right to purchase the building it is recommended that Edmonton Public Schools and DECSA each obtain an appraisal of the property reflecting fair market values.

If necessary, we can assist you by providing a list of approved appraisal companies and agreeing on common criteria for the appraisals. Please let me know if this idea meets with your approval.

Sincerely,



Meredith Colgan, Supervisor
Property Management

:mc

c. Michael Ediger, Manager, Planning



OFFICE OF THE CITY MANAGER
CITY OF EDMONTON

3rd FLOOR, CITY HALL
1 SIR WINSTON CHURCHILL SQUARE
EDMONTON, ALBERTA T6J 2R7
PHONE (780) 496-0222
FAX (780) 496 0220

March 9, 2007

Reference No.: 0405-20SCH

Bellevue Community League
Mr. Brian Finley, President
7308 -- 112 Avenue
Edmonton, Alberta
T5B 0E3

Dear Mr. Finley:

As you know, last May the Edmonton Public School Board (EPSB) declared three school sites surplus to their needs, one of which was the Bellevue Elementary School. Since that time, City staff have been working with these communities to determine if the City should enact our first right to purchase.

While we received a lot of great input through the consultations, the EPSB has since withdrawn their surplus school declaration and the site can no longer be purchased by the City of Edmonton.

The City has requested that the EPSB simply lease the land surrounding the Bellevue site to the existing tenant, who may then purchase the building in order to make some necessary improvements. This arrangement will ensure that the existing open space and playground are available to community use.

If the school site is declared surplus in the future, the City will again have a first right to purchase the property and will work with the local community to determine if it continues to be needed.

In closing, I want to thank you for working closely with the City as we deal with the surplus school sites. The input we receive from community leagues and community groups is invaluable to helping us make the right decisions for our City.

Yours truly,

A. B. Maurer, P. Eng.
City Manager

ABM/lc

C: Linda Cochran, General Manager
Community Services Department

Presidents' Corner

Predicting a year of thanks and progress

Pieter Spyker
Highlands President

According to the United Nations, 2010 has been designated as the Year of Biodiversity and the Year of Youth. Well, in the Highlands we want 2010 to be the Year of Thanks and the Year of Progress.

First off, the Year of Thanks. Let me say a big Thank You to all of those who have given time to our community in the past year. Your efforts make the Highlands a community. As nice as it is to hear someone say thank you, we want to do more. We are planning a special night to thank all the volunteers who keep the community going.

Regarding the Year of Progress, we hope to make real progress on upgrading or replacing the Highlands lounge. We have commissioned an engineering report that will assess the structure of the current building. We are interested in finding out whether the building can take a major renovation, or if it would be more cost effective to replace it. Once this has been determined, we hope to put together a concrete action plan for developing the grounds. Ideally, the plan will include an upgraded building, sport courts, ice rink and other facilities.

I hope your 2010 will be as exciting as ours.
Thank you.

Bellevue 2010

Brian Finley
Bellevue President

Another year begins – welcome to 2010! I am hopeful that over the coming months there is an opportunity for you to join us for some community events.

Edmonton continues to grow, and we in Bellevue are sharing in the benefits and the challenges of that growth. This is a great time for Bellevue to increase its reach into the community. We are working hard to add programs that will provide more face-to-face time with the Bellevue family, and will do our best in 2010 to keep you up to date on goings-on.

In this issue, you will find a list of some of the upcoming activities out of our hall.

You are always welcome to take advantage of these programs, and you are also invited to join us as we plan for the upcoming year. Our monthly meetings are held on the first Monday of the month at 7:30 p.m. at Bellevue Community Hall (7308 112 Ave.), and are open to all the residents of our community. You can also call any executive member to talk about how you can best be involved in our efforts.

As part of communicating with residents, I want to share the following information from the City of Edmonton regarding plans for Bellevue School.

"In April last year, Edmonton Public Schools informed the City of Edmonton that DECSA – Distinctive Employment Counseling Services of Alberta – has a strong interest in acquiring the Bellevue School. DECSA has been leasing the school site for many years. Normally, when a school site is no longer required by a school board, it is declared surplus and the City is given a first right to purchase.

"The City has been discussing solutions with DECSA that would result in the City deferring, for now, its first right to purchase so long as the site remained in use as an educational facility."

Your community league executive continues to monitor developments between the two parties and will report back to you when a final agreement has been prepared.

Check this spot for more on that and all the other happenings in our community over the coming months. Join us as we make this a great year for Bellevue.



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Phone Carol at 477-3495

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Superintendent of Schools
Edgar Schmidt

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March 4, 2011

Brian Finley, President
Bellevue Community League
7308 – 112 Avenue NW
Edmonton, AB T5B 0E3

Dear Mr. Finley:

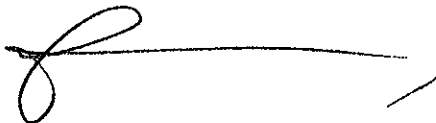
I am writing to inform you, as President of Bellevue Community League, that Edmonton Public Schools has reached a tentative agreement with Distinctive Employment Counseling Services of Alberta for the potential purchase of Bellevue School.

If the Board of Trustees approves the recommendation and terms of the sale agreement, Edmonton Public Schools administration will seek the approval of the Minister of Education.

The recommendation report will be presented to the Board of Trustees at a public meeting on March 22, 2011. The report will be available on March 16, 2011 and can be accessed from the following link: <http://www.epsb.ca/board>.

If you have any questions regarding the District's proposed sale of Bellevue School recommendation, please contact me by email at lorne.parker@epsb.ca or by phone at 780-429-8426. All inquiries or input should be received by Friday, March 18, 2011.

Sincerely,



Dr. Lorne E. Parker, EdD, CD
Managing Director
Planning and Student Transportation

LP:jd