



REPORT TO

CORPORATE SERVICES, STRATEGIC PLANNING AND PROPERTY COMMITTEE

REQUEST FOR SCHOOL CONSOLIDATION CAPITAL FUNDING SUBMISSIONS (AMENDED)

According to the grace of God given to me, like a skilled master builder I laid a foundation, and someone else is building on it. Each builder must choose with care how to build on it. 1 Corinthians 3:10.

Created, Draft	First Tabling	Review
January 3, 2017	January 12, 2017	
J. Volek, Sr. Coordinator, Planning Services M. Silva, Comptroller, Planning & Development Services M. Puccetti, Superintendent of Facilities		
INFORMATION REPORT		

Vision:

At Toronto Catholic we transform the world through witness, faith, innovation and action.

Mission:

The Toronto Catholic District School Board is an inclusive learning community uniting home, parish and school and rooted in the love of Christ.

We educate students to grow in grace and knowledge to lead lives of faith, hope and charity.



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A. EXECUTIVE SUMMARY

On December 1, 2016 the Ministry of Education issued *Memorandum 2016:B19: Request for School Consolidation Capital Funding Submissions*.

Funding will be allocated on a business case basis for new schools, retrofits, and additions that support consolidations. Proposed projects must be completed by the 2020-21 school year. Boards must submit business cases by **January 27, 2017**. Projects involving Pupil Accommodation Reviews must have a final Trustee decision by **March 24, 2017** in order to qualify for inclusion.

There is also child care capital funding available to fund replacement of child care and child and family program rooms that would be lost due to a school consolidation.

Three of the elementary Pupil Accommodation Reviews have a potential capital solution. As projects related to accommodation reviews must have a final Board decision by March 24, 2017 to qualify, only potential projects from the following two PARs qualify for inclusion in the January 27, 2017 submission:

- a) Holy Redeemer, Our Lady of Guadalupe, St. Matthias
- b) St. Paul, St. Michael, Our Lady of Lourdes

A summary of the potential financial benefits of consolidation of all five reviews are as follows:

Academic Cost Avoidance (annual)	\$2,937,859
Facilities Cost Avoidance (annual)	\$2,164,252
Deferred Maintenance Cost Avoidance (one time)	\$36,791,137
Total	\$38,805,899
Proceeds of Disposition	tbd

The cumulative staff time dedicated to developing this report was 30 hours.

B. PURPOSE

The purpose of this report is to provide an update of where each of the ongoing Pupil Accommodation Reviews (currently five reviews in process) are, and when a final decision of the Board could be made (Appendix 'B'). In addition, the

Ministry has announced details of the next round of “School Consolidation Capital Funding” program. These details are outlined in the Ministry of Education Memorandum 2016 B: 19 attached to this report as Appendix ‘A’.

Lastly, as outlined in comment 8 below, these Reviews, once completed, could have a significant financial impact on both the operating and capital budgets of the Board. Should the Board’s request for Capital Funding be approved by the Ministry of Education some existing school facilities can be upgraded and /or replaced with new modern schools that would address existing obsolete school facilities.

C. BACKGROUND

1. On December 1, 2016 the Ministry of Education issued Memorandum 2016:B19: Request for School Consolidation Capital Funding Submissions (See Appendix ‘A’). The 2017 School Consolidation Capital (SCC) program is supported through the \$750 million in funding that was announced in 2014-15 as part of the School Board Efficiencies and Modernization (SBEM) initiative. In addition, the Ministry has child care capital funding to fund replacement of child care and child and family rooms that would be lost due to school consolidation.
2. Funding for Capital Priorities: School Consolidation projects will be allocated on a business case basis for projects that need to be completed by the 2020-21 school year. Boards must submit business cases by January 27, 2017.
3. Highlights of the Memorandum are as follows:
 - a) School Consolidation Capital (SCC) submissions related to accommodation reviews must have a final trustee decision by **March 24, 2017** to be considered for funding.
 - b) Business cases will be required for a school board’s top eight projects.

- c) Boards may also request funding for the construction of child care and child and family programs and community hubs as part of a school board's SCC submission.
 - d) The Ministry is aiming to make announcements regarding funding decisions in early Spring 2017. An announcement of the next round of Capital Priorities will follow shortly thereafter.
- 4. The Ministry of Education will consider funding projects that allow a school board to reduce their excess capacity. Eligible considerations are:
 - a) Consolidating two or more schools into one new facility.
 - b) Building an addition/major renovation to an existing school to accommodate students from other schools that a school board has made the decision to close.
 - c) Right-sizing existing schools by renovating existing space for other uses including child care and child and family program rooms and community hubs.
- 5. **It is important to note that the Ministry expects that the business case will demonstrate why the proposed project is the best accommodation solution. This should include a rationale of why less costly alternatives are not being recommended by the board, including the use of existing school facilities that require little or no capital investments or joint use facilities between school boards. The focus will be on the cost effectiveness of the proposed solution.**
- 6. School boards and Consolidated Municipal Service Managers have an opportunity to include child care and child and family programs as part of their SCC request. The Ministry will consider funding capital projects in schools where there is a need to replace child care and child and family program rooms that would be lost due to a school consolidation or address demand in a new school build as part of a school consolidation. As part of the SCC submission, the Ministry requires a Joint Submission Form signed by the Board and City of Toronto Children's Services.
- 7. There are five ongoing TCDSB Pupil Accommodation Reviews as follows:

Review	Staff recommendation
Holy Redeemer, Our Lady of Guadalupe, St. Matthias	Potential Capital solution
St. Paul, St. Michael, Our Lady of Lourdes	Potential Capital solution
Prince of Peace, St. Rene Goupil, The Divine Infant	Potential Capital solution
Blessed Pier Giorgio Frassati, Sacred Heart, St. Bede, St. Gabriel Lalemant	Non-capital solution
Don Bosco	Non-capital solution

8. Utilizing the staff recommendations for each review the estimated cost avoidance and the potential Proceeds of Disposition are as follows:

Review	Academic Cost Avoidance	Facilities Cost Avoidance	Deferred Maintenance Avoidance	Potential Proceeds of Disposition
Holy Redeemer, Our Lady of Guadalupe, St. Matthias	\$665,667	\$254,526	\$7,943,335	tbd
St. Paul, St. Michael, Our Lady of Lourdes	\$285,020	\$167,310	\$8,771,113	tbd
Prince of Peace, St. Rene Goupil, The Divine Infant	\$1,107,250	\$498,926	\$5,571,938	tbd
Blessed Pier Giorgio Frassati, Sacred Heart, St. Bede, St. Gabriel Lalemant	\$409,528	\$277,818	\$2,054,821	tbd
Don Bosco	\$470,394	\$965,672	\$12,449,930	tbd

Totals	\$2,937,859	\$2,164,252	\$36,791,137	tbd**
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****Potential Proceeds of Disposition would be generated from the disposition of any surplus properties approved by the Board of Trustees and offered for sale at Fair Market Value as outlined under Ontario Regulation 444/98.**

9. Three of the elementary Pupil Accommodation Reviews have a potential capital solution. As projects related to accommodation reviews must have a final Board decision by March 24, 2017 to qualify, only potential projects from the following two PARs qualify for inclusion in the January 27, 2017 submission:
 - a) Holy Redeemer, Our Lady of Guadalupe, St. Matthias
 - b) St. Paul, St. Michael, Our Lady of Lourdes

10. A summary of the status, meeting dates, and expected Board approvals are attached as Appendix 'B'. There is a Special Board meeting scheduled for February 1, 2017 to receive input from delegations from the following Pupil Accommodation Reviews:
 - a) Holy Redeemer, Our Lady of Guadalupe, St. Matthias
 - b) St. Paul, St. Michael, Our Lady of Lourdes
 - c) Don Bosco

11. The timelines to be met between the Ministry announcement of available funding and the business case submission deadline is relatively short. Specifically for SCC funding, a final decision on a Pupil Accommodation Review must be made by the Board of Trustees to satisfy eligibility for funding. The reporting requirements within the Pupil Accommodation Review Policy (S.A.09) limit reporting to Regular Board meetings only. This requirement lengthens the process by at least 3 months making it difficult to complete a review prior to the Ministry funding deadline. To accurately and efficiently satisfy Ministry of Education reporting timelines for future SCC Funding announcements, staff will provide a report to the Governance and Policy Committee with a proposal to amend the Pupil Accommodation Review Policy (S.A.09) reporting requirements to allow reports to be heard at Board/Standing Committees.

12. There is a concurrent report to the Board of Trustees in January 2017 on the priority ranking of the projects to be submitted.

13. There will be an additional opportunity to apply for Capital Funding under Capital Priorities funding later in 2017. However, it is anticipated that many more requests for capital funding will be made by all school boards under the following categories:

- a) School Consolidation
- b) Accommodation Pressure
- c) Facility Condition

D. CONCLUDING STATEMENT

This report is for the consideration of the Board.