



REPORT TO

REGULAR BOARD

## CAPITAL PRIORITIES 2017-18

*For which of you, desiring to build a tower, does not first sit down and count the cost, whether he has enough to complete it? Luke 14:28*

Created, Draft	First Tabling	Review
August 7, 2017	August 24, 2017	
B. Leporati, Sr. Mgr. Planning and Admissions D. Friesen, Sr. Coordinator, Capital Development J. Volek, Acting Comptroller of Planning and Development Services M. Puccetti, Superintendent of Facilities		
<b>RECOMMENDATION REPORT</b>		

### 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.*



Rory McGuckin

Director of Education

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T.B.D.

Executive Superintendent of Business Services and Chief Financial Officer

## A. EXECUTIVE SUMMARY

On June 12, 2017 the Ministry of Education issued memorandum: *2017:B07 Request for Capital Priorities Project Funding Submissions*. It is recommended that business cases for the following 10 Capital Priorities be submitted to the Ministry of Education for funding consideration:

1	ST MICHAEL CHOIR
2	HOLY ANGELS
3	OUR LADY OF GUADALUPE into ST MATTHIAS
4	LORETTO ABBEY
5	ST RAPHAEL
6	ST MARCELLUS
7	NOTRE DAME
8	OUR LADY OF THE ASSUMPTION
9	ST MICHAEL into ST. PAUL
10	BISHOP ALLEN

## B. PURPOSE

1. On June 12, 2017, the Ministry of Education issued memorandum: *2017:B07 Request for Capital Priorities Project Funding Submissions* detailing eligibility for Capital Priorities funding. The eligibility criteria remains unchanged from previous years' submissions. A priority ranked list of schools identified for submission has been compiled applying the criteria approved in previous Capital Priorities submissions.
2. This report seeks approval of the priority ranked list of schools identified for the Capital Priorities Project Funding request, to be submitted prior to the deadline of **September 8, 2017**.

## C. BACKGROUND

3. Ministry of Education decisions on 2016-17 Capital Priorities submissions were received on November 21, 2016. Eight projects were submitted for funding consideration. The Ministry of Education approved a replacement

school for St. Antoine Daniel through this process. The Ministry letter with rationale for each decision is included as *Appendix 'A'*.

4. Ministry of Education decisions on the 2017-18 School Consolidation Capital submission were received on August 4, 2017. None of the projects submitted by TCDSB for funding consideration were approved. The Ministry letter with rationale for each decision not to fund the project is included as *Appendix 'B'*.
5. A historical summary of the results of TCDSB's funding requests for Capital Priorities funding since 2012 is attached as *Appendix 'C'*. As noted, the Board has been successful in securing capital funding and approvals to construct 6,125 pupil places since 2012, valued at \$185M.
6. At the June 6, 2016 Corporate Services, Strategic Planning and Property Committee meeting the Board approved the report *Capital Priorities Criteria 2016-17* recommending in part that:
  - a) The following matrix be utilized in identification of capital projects to be submitted to the Ministry of Education by July 15, 2016:

	Criteria	Points
1	Internal Rate of Return/Net Present Value	10*
2	Portable Capacity as a percentage of total Capacity	10
3	Short Term Occupancy Agreement (Lease Expiry)	20
4	2019-2020 Utilization Rate	8
5	Facility Condition Index	10
6	Lack of Nearby Capacity (For oversubscribed schools, lack of capacity within 2 km)	10
7	Previous Board Resolution to include project	15
8	Site Size	2

\*On July 17, 2017, Ministry staff confirmed that the Board methodology of calculating Net Present Value (NPV) is consistent with the method employed by the Ministry. **Staff have assigned a rating of 10 points for a positive NPV calculation to the Board approved criteria above.**

7. On June 12, 2017 the Ministry of Education issued memorandum: *2017:B07 Request for Capital Priorities Project Funding Submissions* detailing eligibility criteria for funding with a deadline of **September 8, 2017** for final submission. As with previous rounds of the Capital Priorities program,

funding for Capital Priorities projects will be allocated on a business case basis for new schools, retrofits, and additions that need to be completed by the 2020-21 school year.

8. At the February 25, 2016 Special Board meeting, the Board approved the report *Capital Priorities 2016-2017: School Consolidation (Wards 2&9)* recommending in part that:

***“Any proposed Capital Projects not approved for School Consolidation Funding by the Ministry of Education be included in the TCDSB submission in the upcoming Capital Priorities Funding opportunity in 2016.”***

Holy Angels was ranked as Priority #4 as part of the 2016-17 request for School Consolidation Capital (SCC) funding. This project has yet to receive capital funding for a replacement school. The matrix has been applied to Holy Angels in the current Capital Priorities ranking in an effort to remain consistent. Furthermore, two additional former SCC projects were also included, as detailed below.

9. In the memorandum *2017:B07 Request for Capital Priorities Project Funding Submissions*, the Ministry of Education increased the number of Capital Priorities a Board can submit to 10 (previously 8). This move was, in part, to compensate for the termination of the School Consolidation Capital (SCC) Program. School Boards have been informed that SCC funding is fully depleted and that there will only be one opportunity per year for Boards to apply for Capital funding, via business case submission. The Ministry has clarified that Boards can submit Capital requests stemming from completed Pupil Accommodation Reviews as part of the Capital Priorities funding process.
10. The recommendation for the consolidation of Our lady of Guadalupe into St. Matthias and St. Michael into St. Paul are the outcomes of two recently completed PARs, but were not approved for SCC funding in the last and final round of funding consideration (*Appendix ‘B’*). Further, the PAR involving St. Michael and St. Paul recommended the construction of a future school to be built on the former Duke of York PS site to accommodate the consolidated student population. However, the Ministry of Education advised the Board that they are not supportive of this recommendation, but would consider a consolidation at the existing St. Paul. Both consolidation

projects have been included in the current Capital Priorities matrix, identified as “St. Michael into St. Paul” and “Our Lady of Guadalupe into St. Matthias”. The projected enrolments, OTG capacities and portable needs are reflective of the consolidated school projects within the matrix.

11. The Ministry of Education provided rationale for not funding a replacement facility for Bishop Allen Academy-partly attributable to a lack of fixed attendance boundaries at the secondary level (*Appendix ‘A’*). Furthermore, there is surplus capacity in Central Etobicoke when factoring in the capacity of the former Don Bosco S.S. TCDSB has also expressed an interest in acquiring the 850 pupil place Scarlett Hts. Entrepreneurial Academy from the TDSB. TCDSB continues its efforts to revise the Secondary Admissions Policy to include boundaries. In accordance with the Ministry rationale, the Capital Priorities matrix reflects the current availability of capacity in the Etobicoke area therefore reducing the ranking of Bishop Allen to #10.
12. Projects eligible for funding consideration in this round must meet one or more of the following funding criteria categories:

Enrolment Pressure	Assessments will be based on capacity, historical enrolment trends, enrolment forecasts, and geographic distribution of students.
School Consolidations	Assessments will be based on the projected operating and renewal savings and the removal of renewal backlog relative project cost, and <b>priority will be given to projects with the highest Internal Rate of Return. This will be calculated using the expected cost of the project compared to the expected savings resulting from the project.</b>
Facility Condition	The Ministry will fund a replacement school project with the highest deferred maintenance backlog. There is general agreement amongst building condition experts that buildings with a (FCI) of greater than 65% should be considered as a candidate for replacement. (FCI=Deferred Maintenance/Current Benchmark Replacement Cost)

13. It is recommended that business cases for the following 10 capital priorities be submitted to the Ministry of Education for funding consideration. Application for Child Care funding related to each project requires joint submission and approval from City of Toronto Children’s Services.

1	ST MICHAEL CHOIR
2	HOLY ANGELS
3	OUR LADY OF GUADALUPE into ST MATTHIAS
4	LORETTO ABBEY
5	ST RAPHAEL
6	ST MARCELLUS
7	NOTRE DAME
8	OUR LADY OF THE ASSUMPTION
9	ST MICHAEL into ST. PAUL
10	BISHOP ALLEN

**D. STAFF RECOMMENDATION**

It is recommended that business cases for the following 10 capital priorities be submitted to the Ministry of Education for funding consideration by **September 8, 2017**.

Rank	Project	Description
1	St. Michael Choir	Replacement School
2	Holy Angels	Replacement School/Child Care
3	Our Lady of Guadalupe into St. Matthias	Replacement School/Child Care
4	Loretto Abbey	Addition/Retrofit/Child Care
5	St. Raphael	Replacement School/Child Care
6	St. Marcellus	Replacement School/Child Care
7	Notre Dame	Replacement School/Child Care
8	Our Lady of the Assumption	Replacement School/Child Care
9	St. Michael into St. Paul	Building Improvements including Accessibility/New Larger Gym/Site Improvements including Greening and Playground Upgrades/Child

		Care
10	Bishop Allen	Replacement School/Child Care