

**TORONTO CATHOLIC DISTRICT  
SCHOOL BOARD**

**OLIVER CARROLL, CHAIR**

**REMARKS TO**

**ONTARIO STANDING COMMITTEE**

**ON FINANCE AND ECONOMIC AFFAIRS**

**PRE-BUDGET CONSULTATION**

**February 1, 2007**

**Barrie, Ontario**



**(Check against delivery)**

## **Introduction**

Good morning. Thank you for the opportunity of speaking to you today.

I'm sure you've heard, or will hear, many speakers talk to you about the operating problems facing Ontario school boards and the flaws in the funding formula.

You're probably thinking – “Here we go again, another school board telling us they need more money”.

Well, of course, that's a given.

We have made many submissions to the Ministry of Education about how the funding formula could be changed to address the operating budget issues. I'm sure these have been made available to you.

On this topic, I will say that we agree with all the other boards in the province who say the funding formula is flawed and must be changed.

Today, I want to focus on a different challenge – capital and infrastructure planning. I'm going to talk about how we can work together to meet the provincial goal of “Building Strong Communities” at a minimal cost to the Province.

## **Objective**

My objective today is to convince you that the province should endorse, in the budget, the concept of ensuring that the best publicly owned school property remains in public hands and is available for use by the school boards at sometime in the future to educate our children.

Sounds simple? ... We think so.

## **Why**

The TCDSB owns approximately 230 sites and the Toronto District owns 650. The total area is over 5,000 acres.

We currently have approximately 20 closed schools with at least another 10 to come.

All of these school properties are in mature communities – they are, in many cases, the only vacant public space available.

You may have recently heard that the Toronto District is looking at closing schools – they may eventually have close to 100 surplus school properties

Both boards are working together, and we've started discussions with the Toronto French Language school boards, to determine how the accommodation needs of each can be met prior to the disposition of surplus school assets.

Some discussions have also taken place with the City of Toronto to determine the best approach to realizing the maximum financial value for our property while providing for future needs – it's our duty as trustees, and our responsibility to taxpayers.

One thing we have learned from past experience with school closures and the sale of school property is that taxpayers generally view school property as belonging to the public and as a community asset.

Both boards are at the point where we absolutely must make decisions on our long-term accommodation plan – there's no more delaying.

### **What**

Over the last 18 months, we have been working with the Toronto District Board to come up with a plan to use existing capital assets (school properties) to generate significant revenues while keeping their use and ownership in public hands for future growth.

We want to sell the density rights to our surplus property where the community has an interest in it. We believe it can work, not only in Toronto, but across the province.

It's a win – win – win for the province, for municipalities and for school boards and, of course, the public

It helps the province by supplementing sources of capital funding for schools – thus saving the Province money.

It gives municipalities an opportunity to provide green space and services to the community at little cost to the City.

It gives school boards the opportunity to optimize the value of their property now; and ensures the property will be available, in the future, to educate our children.

### **How would it work?**

In our case, we would be dealing with the City of Toronto.

We have suggested that where one of the other school boards or the City has an interest in a piece of school board property we would enter into an agreement that would permit us to zone the property to its highest allowable value and then sell the density rights to that property.

These rights would be sold through the normal planning process, and be available for use by developers in City designated “intensification zones”. The scale of redevelopment would have to be consistent with the existing community and would be governed by City-approved urban design guidelines.

In return if the property is not required for school purposes, we would lease our property, for a nominal fee, to the City until such time, if ever, that the property is required for educational purposes.

For example, where a school is contiguous to a City park the school property would become part of that park and remain so until such time as it is needed.

Everyone wins – the school board, the City, and the developer who needs the density rights for a previously approved project, and of course, the community who will have a park or public facility.

## **Where does the province fit in?**

What we need from the province is an overarching policy framework that municipalities can rely on to then make their own commitment to support this approach.

Interestingly enough, the province already has such a policy framework – we just want you to be a little more vocal about it so that municipalities can endorse the concept in general and not just on a case-by-case basis.

Thus planning for schools becomes part of the bigger community planning picture, rather than piecemeal.

The Provincial Policy Statement issued almost two years ago under the Planning Act focuses on “*Building Strong Communities*” and provides the policy framework needed to support this concept.

It says:

*“Healthy, liveable and safe communities are sustained by ensuring that necessary infrastructure and public service facilities are or will be available to meet current and projected needs.”*

It goes on to say that “*projected needs*” include a “*time horizon of up to 20 years*” and that public service facilities include “*structures for the provision of educational programs*” – in other words, schools.

The Policy Statement also gives the province the means by which to support a commitment to the density transfer concept by all three parties – the province, municipalities and school boards.

It says:

*“A coordinated, integrated and comprehensive approach should be used when dealing with planning matters within municipalities ...including: ... public service facilities.”* – i.e. schools.

## **What do we want?**

We’re asking the province to recognize its interest in education in the budget and specify that there should be an integrated approach to capital planning for schools where municipalities, school boards and the province work together to ensure school boards receive the best and highest value for their surplus properties while keeping school property in public hands for future educational purposes.

Our preference would be for the province to also endorse the density transfer concept as an overarching approach.

## **Other issues**

There are a number of additional issues related to funding that the TCDSB would like to bring to your attention and I’ll refer you to our full submission to consider these. In a nutshell they relate to:

First, the current one-year program for **growth-related capital funding** – we applaud the government for implementing this program for the 06-07 fiscal year, and recommend that it be

continued beyond a one-year time horizon. This program recognizes that a school board may have population growth in one area while there is static or declining enrollment elsewhere in its area of jurisdiction.

Second, the TCDSB is in a unique situation when it comes to **leased properties**. We have the highest number of leased schools in the province accommodating more than 14,000 students in facilities that the Board does not own. And we pay in excess of 50% of all lease costs in the Province.

We recommend that the government provide a funding mechanism that covers the future capital costs associated with purchasing and upgrading all leased schools.

Third, we would like to comment on the method by which the Ministry of Education is dealing with the issue of stranded debt. We feel the proposal to **claw-back** 50% of the proceeds from the sale of capital property is punitive. The Board's inability to service its debt is directly related to a fundamental shift in government policy in February 2005. That is, had the government not changed the funding model to allow the school board to adjust its capacity through school consolidation, the Board could have met all of its debt obligations.

The clawback simply takes capital dollars from TCDSB and limits our ability to address the \$300m of deferred maintenance affecting our school facilities.

Fourth, in regard to the use of **Education Development Charges** – at the moment, we can only use them to acquire property, but not to build the schools needed on that property. We know there has been a review of EDCs initiated, and we will bring this issue forward through that process.

And last, we would also like the Province to encourage the building of **joint-use facilities** – schools, municipal and provincial – for example, community centres, health facilities, libraries, etc.

## **Summary**

To summarize, my objectives today were:

1. that the province should endorse, in the budget, the concept of ensuring that public property remains in public hands and is available for use in the future to educate our children;
2. that the way to do this is by endorsing the concept of using density transfers in a coordinated fashion by school boards and municipalities; and
3. that all levels of government and school boards should work together to build and operate joint-use facilities on each others' property.

I hope I have succeeded and I look forward to seeing these endorsements in the budget. The quality of education offered today is much improved over that of a couple of years ago. There is still work to be done.

Thank you for your time today.