



## TRANSMITTAL FROM CITY COUNCIL

### Request to explore new partnerships through revision of Ontario Regulation 444/98

<b>Date:</b>	May 13, 2014
<b>To:</b>	Toronto School Boards Task Force
<b>From:</b>	City Council
<b>Wards:</b>	All Wards

### City Council Decision

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City Council on May 6, 7 and 8, 2014, requested the Toronto School Boards Task Force to consider the issues raised in Motion MM51.38 as it identifies recommendations to Council on ways of achieving greater coordination and cooperation between the City and the Toronto School Boards.

### Summary

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City Council adopted the following Recommendations in Motion MM51.38:

1. City Council request the Toronto School Boards Task Force to consider the issues raised in this Motion as it identifies recommendations to Council on ways of achieving greater coordination and cooperation between the City and the Toronto School Boards.
2. In anticipation of an impending review of Ontario Regulation 444/98 of the Education Act, City Council authorize the City Manager to initiate discussions with the Ministry of Education regarding Ontario Regulation 444/98 of the Education Act with a view to implementing changes that will permit greater flexibility in the process and support more creative solutions for retaining important community assets.

Pursuant to the provisions of Ontario Regulation 444/98 made under the Education Act, R.S.O. 1990, properties declared surplus by school boards such as the Toronto District School Board (TDSB) and the Toronto Catholic District School Board (TCDSB) are circulated to other school boards, educational and government institutions before they can be listed on the open market. The regulation specifies that any of these parties, if interested in acquiring the circulated property, must present the school board with an offer at fair

market value within 90 days of the property being circulated.

Under the current framework, the prescribed response time is insufficient for the City to respond in cases where funding is not already identified in the current Capital Budget. From the time the City receives notice of surplus properties circulated by the school boards, several steps must be taken before a firm offer to purchase or lease can be presented back to the board. Detailed steps and associated time lines are outlined in Appendix "C" to the 2009 staff report headed "Issues Arising from the Purchase or Lease of Surplus School Board Properties".

In the specific case of the recent surplus designation of Bloor Collegiate lands, transfer of this property and future uses of the site will have a tremendous impact on this community for generations. Despite interest from numerous City divisions for portions of the site, Toronto Lands Corporation (acting on behalf of the Toronto District School Board) would not entertain any bid that was not for the entire site. Unfortunately, it was impossible for the City of Toronto to obtain the necessary funding approval to submit an offer for the entire property prior to the deadline, as such a bid could not progress through the appropriate reporting schedule within the 90 day bidding window.

The Regulation requires TDSB and the Toronto Lands Corporation to maximize value from the sale of its properties but this prevents the investigation of other possible solutions, including partnerships and long-term leases. As it exists currently, Ontario Regulation 444/98 remains overly prescriptive and inflexible to the exploration of such possibilities, which offer significant potential to both community and City benefit.

The TDSB faces immense capital pressures. A re-examination of the existing funding formula for school boards must be a fundamental component of any solution to the issues. In the meantime, this motion requests the Province improve flexibility in Ontario Regulation 444/98 to allow for greater opportunities within the surplus property bidding process.

This Motion is urgent in order to allow for the specific lessons raised to be formally considered by Council's School Board Task in advance of their final meeting and report to Council. This motion is also urgent as it relates the repeated indication by the Province of an "imminent" review of Regulation 444/98 and impacts any advocacy the City is planning on this issue.