



## STAFF REPORT INFORMATION ONLY

### Constructing a new Parks, Forestry and Recreation Community Facility on the Davisville Junior Public School Site – Supplementary Information

<b>Date:</b>	July 11, 2016
<b>To:</b>	City Council
<b>From:</b>	General Manager, Parks, Forestry and Recreation Division Chief Planner and Executive Director, City Planning Deputy City Manager & Chief Financial Officer
<b>Wards:</b>	<b>Ward 22 – St Paul's</b>
<b>Reference Number:</b>	P:\2016\Cluster A\PFR\CC20-071216-AFS#23378

#### SUMMARY

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This report responds to a request by Executive Committee at its meeting on June 28, 2016 that the General Manager, Parks, Forestry and Recreation; Chief Planner and Executive Director, City Planning; and Deputy City Manager and Chief Financial Officer report directly to City Council on July 12, 2016 on nine questions relating to the staff report entitled *Constructing a New Parks, Forestry and Recreation Community Facility on the Davisville Junior Public School Site*. As Committee forwarded this matter to City Council without recommendation, the information provided through this supplementary report will assist Council in making a decision.

This report provides information on facility use and cost-sharing agreements between Parks, Forestry and Recreation and Toronto school boards; and detail on the project's funding plan, including the application of Section 37 and Section 45 funds and its potential impact on implementation of Midtown in Focus parks, streetscape and community infrastructure priorities. The report clarifies that the project will not impact other identified City priorities; outlines how this project relates to others seeking public resources; describes similar opportunities in other parts of the City; and provides information on the cost to the City, should it choose to buy the land instead. Information is also provided on the number of parking spaces proposed for the project.

## **Financial Impact**

This report responds to questions raised by the Executive Committee at its meeting on June 28<sup>th</sup>, in response to the report requesting authority to enter into an agreement with the Toronto District School Board to invest in its Davisville Junior Public School project to create a new recreation facility as part of the new building. The total cost of \$6.807 million is proposed to be funded from Section 37 and 45 funds arising from developments in Ward 22, not all of which have been received to date.

In addition, the General Manager of Parks Forestry and Recreation is directed to include a new City aquatic and community recreation facility, to be constructed on the same site, in the future Capital Plan (Phase 2). The project cost for this Phase 2 building is estimated at \$17.135 million, also to be funded from Section 37 and 45 funds, as well as other Reserve Funds and Development Charges, with construction starting in 2020. This project would be subject to the future availability of funding from these sources, as debt funding is not available. Ongoing annual operating cost for this new facility is estimated at \$0.626 million starting in 2023.

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

The Executive Committee, at its meeting on June 28, 2016, requested that the staff report entitled "Constructing a New Parks, Forestry and Recreation Community Facility on the Davisville Junior Public School Site" be submitted to Council without recommendation and that the General Manager, Parks, Forestry and Recreation, Chief Planner and Executive Director, City Planning, and Deputy City Manager and Chief Financial Officer report directly to City Council on July 12, 2016 on a series of nine questions relating to the staff report.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.16>

## **ISSUE BACKGROUND**

Ward 22, which includes the Davisville neighbourhood, has experienced significant growth in recent years. Based on the number of residential development applications currently approved and under review, this area will continue to experience significant growth in the coming years. It is anticipated that there will be a corresponding increase in demand for recreational programming. A needs assessment undertaken by Parks, Forestry and Recreation confirms the need for aquatic, general interest and physical activity programming. In parallel, securing additional recreational facilities and community spaces has been identified as an emerging priority through the first phase of the Community Services and Facilities Assessment for the Midtown in Focus planning study in the Yonge-Eglinton Secondary Plan. In order for the City to meet future programming needs in this catchment, additional facilities are required.

In 2015 the Toronto District School Board (TDSB) approached the City with a proposal to jointly redevelop the Davisville Junior Public School site as a community hub, and negotiate an operating agreement that optimizes City capital investments and exclusive use opportunities. This is a time-sensitive opportunity as the Province has approved the funds necessary for the redevelopment. The TDSB plans to commence with a Request for Proposal to initiate design in 2016 and requires the City's commitment in order to consider the three vs. two storey design that would be required to enable the redevelopment to provide expanded and new City of Toronto recreation facility space.

The proposed development would result in the school occupying a smaller footprint on the site with the addition of a third storey to facilitate community hub components, including the retention of the child care facility, an expanded gymnasium and underground parking in the TDSB portion of the new building. This would make land available for construction of a new, stand-alone City-owned aquatic and community recreation facility with a roof-top garden adjacent to the school.

## **COMMENTS**

The following section provides responses to the nine questions posed by the Committee:

### **1. Issues in other shared use facilities where there is conflict between the school board and the community centre:**

City use of school board facilities is governed by agreements that set out the parameters of the relationship, including use of space, hours of access, maintenance and capital investment and any associated fees. The agreements outlined below capture the primary types of use by the City in TDSB facilities:

1. Pool Agreement (Term: June 1, 2012 – June 30, 2017)
  - Separate and distinct agreement that covers 33 TDSB locations with pools.
  - There is a fixed annual cost based on square footage of the pool and surrounding area.
  
2. Exclusive Use Agreement (Expired, currently being negotiated)
  - Single and distinct agreements for 26 locations.
  - PFR has dedicated space either within or attached to the TDSB location. Fixed annual cost based on square footage paid annually.
  - The City has contributed capital funding to 10 of the 26 facilities.

Parks, Forestry and Recreation (PFR) also permits space at approximately 25 TDSB schools, for programming in community rooms, gymnasiums, pools, and ball diamonds.

Many of the current standalone agreements to be contemplated under the new Exclusive Use Agreement for the 26 locations that the City uses on TDSB property have expired

and are in over holding (month-to-month). Parks, Forestry and Recreation is actively negotiating a consolidated Exclusive Use Agreement to govern the 26 sites where PFR uses space within a TDSB property. In some locations, there have been issues when TDSB has reclaimed historical PFR space as a result of increased enrollment or the implementation of full day kindergarten. It is anticipated a new agreement will be before City Council in December 2016.

The School Pool Agreement between the TDSB and PFR for access to 33 TDSB owned pools for programming expires June 30, 2017. Negotiations with the Toronto Lands Corporation who administers the pools on behalf of the TDSB have begun and it is anticipated that a new agreement will be completed upon expiry of the current agreement.

Any agreement contemplated at the Davisville Junior Public School site would differ significantly from other agreements that the City has had with the TDSB in the past; specifically, the City would work to negotiate a leasehold interest in the property that deals directly with the issues outlined above along with ensuring the City's reasonable right of renewal.

## **2. The number, and examples of similar cost-sharing agreements with the Toronto District School Board and other school boards in the area:**

There are similar cost-sharing agreements with four TDSB schools in the area for which the City has contributed capital funds to build a facility:

1. Maurice Cody Community Centre (Ward 22)
2. Brown Community Centre (Ward 22)
3. Bedford Park Community Centre (Ward 25)
4. Hillcrest Community Centre (Ward 21)

There are no existing agreements for stand-alone facilities exclusively used and operated by PFR on TDSB property, as proposed for the Davisville Aquatic and Community Centre.

## **3. Comparison of the number of parking spaces for this project to the number at similar facilities:**

Underground parking is proposed for the Davisville Aquatic and Community Centre (estimated 32,400 square feet over 1.5 storeys). Parking will be shared between the community facility and the school. The community facility will have 20 parking spaces during the day and exclusive use of all 60 spaces during non-school hours.

This represents a parking supply rate of 0.7 parking spaces during the day and 2.0 parking spaces during non-school hours. This is less than the 3.0 spaces required by the Zoning By-law, although it is comparable to similar facilities that provide shared, underground parking, specifically North Toronto Memorial Community Centre (parking supply rate 2.6 spaces) and the planned Bessarion Community Centre (parking supply

rate 2.3 spaces). In addition, the Davisville area is also well served by public transit and is near a subway station.

There will be an agreement between the City and the TDSB that will detail clear enforcement and resolution criteria in order to minimize the occurrences where PFR facility users or TDSB staff encounter levels of parking below that specified in the agreement.

**4. Other funding mechanisms which may be required to complete Phase 2 of the project, in the event that Section 37 and Section 45 funds are not sufficient to cover the City's costs:**

Ward 22 has experienced significant growth in recent years and currently has the highest number of new residential units under development in wards outside the Downtown. Approved and proposed development applications and area studies suggest that this Ward will continue to benefit from development funding opportunities for the next several years. Given the rapid pace of growth, staff is confident that the Section 37 and Section 45 funds to be allocated to this project will be available as required.

In the unlikely event that the proposed funding will not be secured in time to be applied to this capital project, the City may be required to identify other sources of funding, in particular from other appropriate Section 37, Section 45 and Section 42 Alternate Rate Cash In Lieu Agreements planned for and currently being generated in Ward 22. This may also include a re-assessment by City Council of other current City-funded priorities and needs.

**5. Impact on other City priorities, in the event that Section 37 and Section 45 funds are not sufficient to cover the City's costs:**

It is anticipated that there will be no impact to other City priorities and no capital project will be deferred as a result of moving forward with the proposed Davisville Aquatic and Community Centre. Due to the rapid and increasing growth this area is experiencing, reserve funds and development charges, yet to be received, are expected to continue to grow.

**6. Impact on Midtown in Focus, should Section 37 and Section 45 funds be allocated to cover the City's costs:**

The Midtown in Focus planning study is an inter-divisional response to the growth and change underway in parts of the Yonge-Eglinton Secondary Plan area. It addresses a large geographic study area that encompasses parts of three City wards (Wards 16, 22 and 25) and two City districts. The first phase of Midtown in Focus produced a Parks, Open Space and Streetscape Plan for Yonge-Eglinton, adopted by City Council in 2014. The present phase of work includes a Community Services and Facilities (CS&F) study. This study identified significant CS&F capacity pressures in Midtown and confirms that

few publicly-owned lands and/or large sites are available for new and expanded facilities.

The rapid pace of population growth in the area is expected to continue given the number of applications under review. If all proposed developments are approved and constructed, the population of the Yonge-Eglinton Secondary Plan area could potentially increase by approximately 24,000 to 29,000 new residents.

The Midtown in Focus Status Report of June 7, 2016 identifies that existing public lands and facilities should be maximized for community benefit, and supports co-location and community hub opportunities as a model for securing new and expanded community infrastructure. The Status Report also identifies "exploring alternatives for the renewal of Davisville Public School and integration of expanded community recreation uses on-site" as an emerging community infrastructure priority to be addressed in the next phase of work. This priority and others were endorsed in principle by Planning and Growth Management Committee at its June 15, 2016 meeting (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.PG13.1>).

City staff conducted a review of the potential funding that would be available to support streetscape improvements, park and open space improvements and community facilities, should the \$6.807 million in Section 37 and Section 45 funding in Ward 22 identified in the previous report be directed towards the Phase 1 construction of the Davisville School. This analysis is based on approved development applications where financial contributions have been secured through development agreements to date, although not fully received. A summary is provided in the table below.

<b>Ward</b>	<b>16</b>	<b>22</b>	<b>25</b>
Streetscape improvements	\$221,305	\$5,122,541	\$2,155,766
Parks/ open space	\$76,681	\$1,817,763	\$900,000
Community facilities	\$0	\$86,974	\$0
Multiple purposes including streetscape improvements; parks/open space; and/or community facilities	\$776,048	\$3,678,058	\$0

These funds are currently available to support the achievement of Midtown in Focus objectives and do not reflect any future funds that may be secured through the approval of additional development applications in the study area.

## 7. Cost to the City, should it choose to buy the land:

Based on the land value at this location and redevelopment potential, the estimated cost to the City should it choose to buy the land is \$15.660 million or \$300.00 per square foot.

The following chart shows the formulation for the estimated land acquisition cost, based on the currently proposed amenities at the Davisville Aquatic and Community Centre.

Facility Amenity	Estimated Size	Total Cost at \$300/square foot
Aquatic centre	22,000 square feet	\$ 6,600,000.00
Gymnasium (including hallways)	7,500 square feet	\$ 2,250,000.00
Parking lot	14,000 square feet	\$ 4,200,000.00
Recommended 20% required for setbacks, fire access and other site requirements	8,700 square feet	\$ 2,610,000.00
	52,200 square feet	\$ 15,660,000.00

The opportunity to partner with the TDSB will provide a net positive financial benefit to the City of approximately \$8.853 million. The Phase 1 contribution amount of \$6.807 million to invest in the school is significantly less than the estimated investment of \$15.660 million that would be required to purchase a comparable piece of land in the area.

## 8. Assessment of the project relative to those other areas seeking public resources:

The City encourages and is open to evaluating and acting upon opportunities as they arise to develop community facilities and amenities as appropriate, including with other city divisions as well as external partners such as the TDSB.

The proposed opportunity to jointly redevelop the Davisville school site results from an announcement from the Province on October 27, 2015 that Davisville Junior Public School was selected as one of two TDSB schools to receive funding as part of a new province-wide initiative to help build and improve schools. In the context of high growth and community infrastructure capacity pressures, this creates a unique opportunity to leverage an existing public asset to both meet identified recreation needs and develop a multi-purpose community hub. The priority of redeveloping the Davisville site aligns with the "Eight Principles for Redeveloping School Properties for Strong Communities" adopted by Executive Committee at its June 28, 2016 meeting regarding Schools as Community Assets.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX16.21>

Parks, Forestry and Recreation has initiated the development of a 20-year *Facilities Master Plan* as directed through the Council-approved *2013–2017 Recreation Service Plan* and the *2013–2017 Parks Service Plan*.

The *Facilities Master Plan* will update the *Recreation Facilities Report (2004)* and will prioritize future investment and opportunities for parks and recreation facility provision over 20 years with a review every 5 years. The Plan is scheduled to be completed in early 2017 and, pending Council approval, will influence subsequent PFR Capital Plans.

### **9. Similar opportunities in other parts of the City:**

Parks, Forestry and Recreation engages in opportunities with other partners and stakeholders as they arise to develop large-scale facilities to provide new and improved recreation services that benefit residents. Recent examples include Warden Hilltop Community Centre (Ward 35), Parkway Forest Community Centre (Ward 33), and both Regent Park Aquatic Centre and Regent Park Community Centre (Ward 28).

It is important to note that moving forward with the aforementioned facilities did not impact or defer projects that were already accommodated in the PFR Capital Plan, including the Council-approved *Recreation Facilities Report (2004)* priorities.

Such opportunities have enabled PFR to move forward with projects not anticipated in emerging growth areas that would not have been included in the priority list of locations for new recreation facilities in the Council-approved *Recreation Facilities Report (2004)*.

Parks, Forestry and Recreation is currently developing a joint facility in Ward 20 with the TDSB and the TCDSB known as Canoe Landing Community Recreation Centre (formerly known as Block 31). This area of Ward 20 is the fastest growing area in the city. As in the case of the rapidly growing Davisville area, existing community infrastructure is not sufficient to meet the recreational needs of residents. Canoe Landing Community Recreation Centre is located in an area known as the Railway Lands, which was identified as a priority area for a new community centre in the *Recreation Facilities Report (2004)*. This collaboration enables PFR to meet Council-approved direction by leveraging an opportunity to increase recreation services through a shared development.

## **CONCLUSION**

This report responds to nine questions posed by Executive Committee at its meeting on June 28, 2016 relating to the staff report entitled *Constructing a New Parks, Forestry and Recreation Community Facility on the Davisville Junior Public School Site*.

The information provided through this supplementary report will assist Council in making a decision on the construction of a new Parks, Forestry and Recreation community facility on the Davisville Junior Public School site.

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## **SIGNATURE**

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