



Re: EX9.14

STAFF REPORT
ACTION REQUIRED

Provincial Report on Community Hubs (Pitre Report)

Date:	September 9, 2015
To:	City-School Boards Advisory Committee
From:	Executive Director, Social Development, Finance and Administration
Wards:	All
Reference Number:	

SUMMARY

On August 10, 2015, the Government of Ontario released a report prepared by Karen Pitre, Special Advisor to the Premier on Community Hubs and Chair of the Community Hubs Framework Advisory Group, entitled, *Community Hubs in Ontario: A Strategic Framework and Action Plan* (hereafter, "the Report").

A number of recommendations in the *Report*, if adopted, would enable the City and Toronto school boards to achieve shared and complementary interests in the role of schools in local communities. The recommendations in the *Report* reflect information and advice submitted by City staff, and are consistent with policy goals expressed by City Council over the past number of years, regarding school lands utilization and disposition.

The *Report* has received broad support from stakeholders and has been endorsed by the Premier and the Minister of Education

The main findings and recommendations in the *Report* are summarized below, along with a discussion of implications for the City and for Toronto school boards. The summary and analysis were prepared cooperatively by staff from City of Toronto and the Toronto-based school boards.

RECOMMENDATIONS

The Executive Director of Social Development, Finance and Administration recommends that:

- 1) City Council forward this report to the four School Boards operating in Toronto, and if approved, to the Government of Ontario.
- 2) City Council express its support for the goals and recommendations outlined in the *Community Hubs in Ontario: A Strategic Framework and Action Plan* to the Government of Ontario.
- 3) City Council encourage the Government of Ontario to implement the recommendations in *Community Hubs in Ontario: A Strategic Framework and Action Plan*, with particular reference to the *Short Term Strategy for School Property*, which ensures the consideration of community and provincial interests when sale of public property is contemplated, offers exemptions to the fair market value requirement for the sale of school properties for community use and ensures that school boards are made whole through alternative revenue tools if a property is sold at below fair market value for community use.
- 4) City Council request the Government of Ontario to invite the City of Toronto and the Association of Municipalities of Ontario to participate in the upcoming consultations on amendments to Ontario Regulation 444/98 of the Education Act, in light of recommendations set forth in *Community Hubs in Ontario: A Strategic Framework and Action Plan*.
- 5) City Council request the Government of Ontario to invite the City of Toronto to participate in the implementation of recommendations of *Community Hubs in Ontario: A Strategic Framework and Action Plan*, including the *Short Term Strategy for School Property*.

Financial Impact

There are no financial implications resulting from the adoption of the recommendations included in this report. The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On May 29, 2015, the City-School Boards Advisory Committee directed the Acting Deputy City Manager, Cluster A to prepare a submission to the Province of Ontario on the Community Hub consultation, based on current City policy. <http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getMinutesReport&meetingId=10388>

At its meeting on March 31, April 1, and April 2 2015, City Council directed the City-School Boards Advisory Committee to develop a new multilateral, consultative relationship for the City of Toronto, the School Boards and the Province of Ontario with respect to schools lands utilization and disposition that: takes into consideration the full value of schools as community assets, in addition to their value as educational institutions; provides a viable framework for retaining public ownership of former school properties when there is agreement among the parties that the site should be retained; identifies alternative funding sources beyond municipal funding to keep schools as community assets; recommends changes to the “pupil accommodation” formula and Reg. 444/98 of the Education Act to address issues of common concern related to utilization of school space for education and community use; and develops a new model for more coordinated capital and land-use planning; [http:// app.toronto.ca /tmmis/viewPublishedReport.do?function=getCouncilMinutesReport&meetingId=9690](http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getCouncilMinutesReport&meetingId=9690)

ISSUE BACKGROUND

Administrative, Regulatory, and Financial Barriers to Community Hubs

Since 2006, government and key funders in Ontario have identified community service hubs as a valuable mechanism for delivering services and programs more efficiently and effectively to local communities. However, siloed planning processes and funding cycles across ministries, inconsistent regulatory frameworks, lack of access to affordable facilities, ad hoc community use of schools policies, and limited funding for start-up costs and hub administration all pose significant barriers to launching and sustaining vibrant community service hubs.

Premier's Community Hub Framework Advisory Group

In September 2014, Premier Kathleen Wynne expressed renewed interest in community hubs by assigning responsibility for community hubs in the 2014-15 mandate letters to six different Government of Ontario ministries (each ministry was assigned a different responsibility). Although community hubs were assigned to the ministries, no central place in provincial government was established to coordinate the work.

In March 2015, the Premier appointed Karen Pitre as Special Advisor on Community Hubs and Chair of the Premier's Community Hub Framework Advisory Group. The Advisory Group was given ninety days to review provincial policies, research best practices, and develop a framework for adapting existing public assets to become community hubs. The Advisory Group was established as a responsibility of Cabinet Office, rather than a line Ministry, indicating the broad cross-ministerial reach intended for the Community Hub initiative.

City of Toronto Contributions to the *Report*

Staff Report for Action on Provincial Report on Community Hubs

Hundreds of stakeholders provided input for the *Report*, including school boards and the City of Toronto. Toronto stakeholders have considerable experience and knowledge of the benefits of community hubs, as well as the regulatory and administrative barriers that currently inhibit hub creation. The City of Toronto is the largest deliverer community services in the Ontario, responsible for the management of the province's largest social housing, Ontario Works, and child care and early learning services programs. Between May and June 2015, the City provided input to the Special Advisor on Community Hubs, via a large information submission and during in-person meetings with senior management from Children's Services; Social Development, Finance and Administration; City Planning; Parks, Forestry and Recreation; and the City Manager's Office.

The City also hosted an in-person meeting for the Special Advisor with executive management from Toronto District School Board, Toronto Catholic District School Board, Conseil Scolaire de District Catholique Centre-Sud and Conseil Scolaire Viamonde, as part of the work of the Interagency Staff Team for the City-School Boards Advisory Committee. The Special Advisor also presented on her work at the inaugural meeting of the City-School Boards Advisory Committee on May 29, 2015, to discuss the issues with School Boards Trustees and City Councillors.

What is a Community Hub?

A Community Hub is a central access point (a "one stop shop") for a range of needed health, education and social services, along with cultural, recreational, and green spaces to nourish community life. Each community hub will be physically and organizationally unique, to reflect local conditions and local community needs. There is a wide range of models for community hubs. Hubs can provide co-located services that are managed and delivered separately to a diversity of residents, or hub services may be strategically coordinated and administratively integrated to address specific needs, populations, or sectors. Hubs can be multi-service centres, offering a breadth of programming (e.g. health care, education, childcare, recreation, employment services) for a wide range of residents in the community. Alternatively, hubs may be sector-specific, e.g. focusing on arts and cultural programs, or on community agriculture and food access, or on promoting physical activity and well-being. Hubs may also focus their programs and services to a particular population, such as a youth hub offering a range of youth activities, or a hub providing services for newcomers, or seniors.

City Investments in Community Hubs

Over the years, Toronto has developed a mature, shared human service system, combining municipal service delivery with community-based service provision. The City depends on the community-based sector to achieve its service and strategic goals. Consequently, the City has a significant interest in providing a range of supports, including leasing City space, to community service organizations to ensure their viability. Community hubs are advantageous in Toronto for many reasons, including potential cost-savings, service alignments and integration, the ability to target priority populations, bringing services to residents, providing better customer service, and repurposing public property to respond to changing community needs and to population growth.

The City of Toronto creates affordable space for community agencies within City-owned facilities using the Provision of City Space at Below Market Rent Policy. The City also helps its partner agencies and institutions navigate regulatory systems, works with other orders of government to maximize funding and programs opportunities, and uses its own resources (capital funding, space) to support the creation of multi-service hubs. Periodically, the City acquires surplus school properties and parkland to increase the supply of available facilities in which to deliver community services. Two key funding tools have positioned the City of Toronto as an important leader in supporting community service hubs: (1) the Partnership Opportunities Legacy (POL) Fund, and (2) the School Lands Acquisition Reserve Fund.

Since City Council allocated \$13M to establish the POL Fund in 2007 under the Toronto Strong Neighbourhoods Strategy, City staff have been working with United Way Toronto, community agencies and residents to create community hubs in Neighbourhood Improvement Areas (NIAs). Out of 26 community infrastructure projects, 4 multi-service community hubs were developed. In 2014, City Council allocated an additional \$12M to support community infrastructure in the second generation of NIAs. Community hubs may be part of the capital investment in Toronto neighbourhoods for 2015 to 2018.

City Council approved a School Lands Acquisition Framework (SLAF) in May 2010, setting aside a total of \$15.0 million funded from the Land Acquisition Reserve Fund (LARF) as a way for the City to help retain surplus school lands as a public asset. In 2013, City Council approved \$6M of the LARF to use to purchase a portion of the former Timothy Eaton Business and Technical Institute, a surplus Toronto District School Board school, to create the Bridletowne Neighbourhood Centre. This year, Council approved use of \$2.2M from the LARF to acquire a minimum of 2.0 acres from the surplus David and Mary Thomson Collegiate Institute site in Scarborough for the purpose of a new child care centre that maybe extended to create a small community hub focused on child and family services should additional external capital funding be fund.

Given the high cost of land across the city, opportunities to re-use school facilities can be a cost-efficient and effective option to address existing and future community infrastructure, parks and open space needs. The re-use of school sites is supported in the City's Official Plan policies namely:

Section 3.2.2 Community Services and Facilities:

3.2.2(2) Keeping surplus schools for community service purposes will be pursued where the need for such facilities has been identified as a priority.

Where this is not feasible, alternate uses of closed schools must be compatible with the surrounding neighbourhood and should provide City residents with continued access to school playgrounds and playing fields.

School Board Interests in Community Hubs

The concept of "Schools as Community Assets" is not new for school boards in Toronto. The TDSB and TCDSB prepared a joint proposal for integrating schools within the community as "hubs for learning" in their 2006 Joint Proposal, entitled "*The Made in Toronto Solution*". The recommendations in that 2006 proposal remain valid to this day.

In May 2015, TDSB Trustees' Report, entitled "*Positive Change That's Working*," continues to build on many of these themes.

The Conseil scolaire Viamonde (CSV) supports the community hub initiative because new and existing schools can offer significant opportunities to address the needs of their respective communities, both local and regional. The CSV adds that it supports the use of schools as community hubs where an underutilized property is not otherwise needed by a coterminous board. There is a need for more public French language schools in Toronto and across the province. Underutilized school properties must be first be made available to coterminous boards where there is a need.

COMMENTS

Recommendations from the Report

Community Hubs in Ontario: A Strategic Framework and Action Plan was released by the Government of Ontario on August 10, 2015. The *Report* identified three categories of barriers that the Government of Ontario should address in order to become an "enabler" of community hub development and sustainability: (i) barriers to coordinated planning; (ii) barriers to integrated service delivery; and (iii) barriers to community use of community infrastructure and publicly owned facilities, such as schools.

The *Report* offered the following seven broad recommendations for overcoming these barriers and proposed concrete actions to implement these recommendations (see Table 1 for examples of concrete actions):

- Establish a Provincial Secretariat for Community Hubs
- Support Integrated and Longer-Term Local Planning
- Remove Barriers and Create Incentives for Integrated Service Delivery
- Ensure Financially Sustainable Community Hubs
- Increase Local Capacity
- Evaluate and Monitor Outcomes; and
- Develop a Provincial Strategy for Public Properties

Proposed Amendments to O. Reg 444/98

Importantly, the *Report* also recommended that the Province, "on an expedited basis," amend O. Reg 444/98 of the Education Act, governing the disposition of surplus schools. Two changes were proposed, under the title "*Short Term Strategy for School Property*":

- (i) extending the 90 day circulation period of surplus property to 180 days and
- (ii) creating an exemption to the requirement that properties be sold at Fair Market Value.

The proposed amendments would build on recent Ministry *Guidelines for Community Planning and Partnerships* and Pupil Accommodation Reviews to reduce barriers to the formation of community hubs while school boards are right-sizing their portfolios of school properties. Although the Report does not address open spaces around school

buildings, it is assumed that the amendments apply to open space as well as to school buildings. The proposed amendments would appear to operate as follows:

1. Community Interests in School Spaces Will be Defined at an Earlier Stage in the Disposition Process, Prior to and During Pupil Accommodation Review, Per New Ministry of Education Guidelines:

Municipalities, Local Health Integration Networks (LHINs), and other community and government stakeholders to determine their local space needs to feed into the decision-making process related to school buildings or land, before and during Pupil Accommodate Review processes. Should the School Board determine that a school is not needed for educational purposes, the community planning process will have identified if there is a community interest in the property. (This step is already outlined in the Ministry of Education's new *Guidelines for Community Planning and Partnerships*).

2. Option to Exempt from Fair Market Value Requirement:

If there is a viable community plan supported by a strong business case for the purchase of the property for a community hub to serve a public purpose/not for resale for profit, then the School Board and community partner(s) can apply to the Province to pay a more affordable purchase price. If approved, the offset for the partial variance on the fair market price would be found either by a revenue tool or provincial funding mechanism, to be defined, and the school board would be made "whole".

3. Proactive Search for a Public Use/Repurpose for the Property, as Part of the Circulation Process and Prior to Fair Market Sale:

Stronger effort to assess how the property could meet public sector needs (e.g. use for provincial purposes or sell to a municipality for affordable housing).

4. Absent a Provincial Interest or Viable Community Plan, a School Board Would Proceed to Sell at Fair Market Value.

City of Toronto Influence on the Report

The City of Toronto can be satisfied that advice and information submitted to the Special Advisor on Community Hubs has been heard and is reflected in the final *Report*. City staff provided written and verbal input to the Special Advisor on many of the issues that appear in the *Report*, including the following recommended actions for the Government of Ontario:

- To change the disposition process for surplus public properties to review public needs and explore the feasibility of potential partnerships before a final decision is made;
- To review the government mandate to require disposition of public properties at fair market value, including those owned by the broader public sector, and develop methodologies for conducting cost-benefit analysis of surplus properties that consider broader social and economic benefits to the communities;
- To develop measures to analyze the community use of provincially supported properties to better inform decision-making on surplus space;

- To work with municipalities and local stakeholders to explore levers and legislation to strengthen community hubs;
- To review the experiences of child care delivery in schools to generate best practice for community hub development and management;
- To review the liability, security, access, and property management issues for various sectors to maximize the use of school space by community partners; and
- To explore how public buildings can be designed for multiple, long-term uses.

Implications for the City and for School Boards Operating in Toronto

A number of recommendations in the *Report*, if adopted by the Province, would enable the City and Toronto school boards to achieve shared and complementary interests in the role of schools in local communities. The recommendations in the *Report* are consistent with the policy goals outlined in City Council's April 2015 direction to the City-School Boards Advisory Committee, to generate a new, multilateral relationship with the School Boards, the Province with respect to school lands utilization and disposition.

The recommendations would strengthen the City's capacity to (i) promote human service integration; (ii) form partnerships with provincial and community agencies to more effectively and efficiently meet local needs; and (iii) participate meaningfully in decisions related to the sale or repurposing of publicly-owned lands and buildings in Toronto communities, such as schools.

Of particular strategic importance to the City are the proposed amendments to O. Reg 444/98, under the "*Short Term Strategy for School Property*". These amendments will allow for a longer circulation period to review school properties, greater and earlier consultations regarding community need for space in surplus schools, and the opportunity to pay less than Fair Market Value to purchase a school property for viable community purposes, while ensuring that costs to school boards are offset and that school boards are made "whole" through alternative funding tools. The City has been seeking this type of comprehensive solution to the challenge of school lands dispositions (where no other coterminous Board has expressed a need for the property) for many years and welcomes the change proposed in the *Report*. The City, working with its school board partners, recognizes and respects the need for keeping Toronto school boards "whole" through the sale of surplus properties.

However, the *Report* remains largely silent on how to operationalize the "*Short Term Strategy*". For example, it does not expressly include the community use of open space surrounding school facilities as a viable community use of school property, although open space and school fields are often extremely important for to the quality of life and environmental health of the surrounding neighbourhood. This is a gap that should be addressed. The *Report* also does not address the source or type of revenue tool that could be leveraged by the Province to offset the costs to school boards should properties be sold for less than Fair Market Value. Identifying an appropriate capital funding source to ensure school boards can meet current and future student needs is an essential next step. The City-School Boards Advisory Committee has been tasked by City Council to review relevant capital financing tools used by school boards in other jurisdictions. This research

can help to inform the process of identifying promising revenue tools and funding mechanisms.

The *Report* also does not address eligibility criteria for exemption from Fair Market Value pricing nor the process for assessing the viability of "community plans" for the use of surplus schools. These details will be important to get right, and outcomes will be improved considerably if the Province consults carefully with stakeholders on how to implement the *Report* recommendations. The City of Toronto has extensive experience with community partnerships and hubs, was influential in crafting the *Report* recommendations, and should be continue to be closely involved during the implementation phase.

School Boards Perspectives

The school boards look forward to the Province's response to the Pitre Report and to working with all partners as the Province develops a community hubs policy for Ontario. In the meantime staff recommend support for the work of the Premier's Community Hubs Advisory Group, provided that the next steps serve to strengthen our publicly-funded school system and reduce the massive community infrastructure burden already shouldered by school boards. From the experience of school boards, the promise of community hubs will require significant change in provincial funding to support community services and activities in schools. The report is also a reminder to all community partners that where and when it makes sense to close or sell a school, school boards must receive fair compensation, given the pressing needs to repair schools, and in some cases build more school space where enrolment is booming.

Community hubs are vibrant centres of community life. School boards have been advocating for all levels of government to work together to create a community hub model for our schools. School boards remain committed to strong and positive relationships with community-based agencies and are proven leaders in operating community hubs in many of our operating schools. For example, the TDSB Model Schools program has made health care more accessible for children and youth, by placing it within the one location where communities gather each day and trust - their local school.

As an Ontario Community Hubs Strategy becomes more defined for school properties, these principles should be included:

- 1) The first function of a school building or school lands is for education, and as such a need from another Board should be satisfied before any other use for the property;
- 2) Community use of functioning public buildings, including schools, has associated human resource and wear and tear costs that must be fully recovered through a funding strategy that is fair and equitable;
- 3) All public entities, including municipalities, school boards and others, must work together to share information and opportunities for community hubs, and to remove barriers for their creation.

Provincial Response to the *Report*

Premier Wynne has endorsed the report. In a letter to Chairs of Boards of Education, Staff Report for Action on Provincial Report on Community Hubs

Minister of Education Liz Sandals expressed support for the report's recommendations and committed to working with Ministry of Education partners and stakeholders to implement them. In a memo to School Board Directors, Deputy Minister George Zegarac wrote that the Ministry of Education is accepting the Short Term Strategy for School Property recommendations and would begin consultations on O. Reg 444/98, beginning September 2015. The memo expressed support for schools as community hubs and a commitment to engaging with "education partners, community partners, municipalities and other government ministries to improve community access to schools".

In June 2015, when the City of Toronto contacted the Ministry of Education to participate in the upcoming review of O. Reg 44/98; the response was that the review process would include only school boards and Ministry of Education staff. Now a new opportunity for municipal involvement in the O.Reg 444/98 review may be pursued.

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SIGNATURE

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ATTACHMENTS

Appendix A: Table 1: Barriers/Solutions for Community Hubs, Summarized From "Community Hubs in Ontario: A Strategic Framework and Action Plan"
 Appendix B: Community Hubs in Ontario: A Strategic Framework and Action Plan
 Appendix C: Ministry of Education Response to: Community Hubs in Ontario: A Strategic Framework and Action Plan