The Acquisition and Redevelopment of Surplus Schools in Toronto, Ontario: An Assessment of the City of Toronto’s School Lands Property Acquisition Policy

By

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LIST OF ABBREVIATIONS

ABCDs - (Agencies, Boards, Commissions and Divisions)
"Acquisition Policy" - School Lands Property Acquisition Framework and Funding Strategy
ARC – Accommodation Review Committees
HDSB – Halton District School Board
HWDSB - Hamilton-Wentworth District School Board
LARF – Land Acquisition Reserve Fund
PAWG – Public Assets Working Group
PR&R – Parks, Forestry & Recreation
RES – Real Estate Services
RFP – Request for Proposals
RPAM - Real Property and Asset Management
SDFA – Social Development, Finance & Administration
TDSB – Toronto District School Board
TLC – Toronto Lands Corporation
TPS – Toronto Police Service
TRCA – Toronto & Region Conservation Authority
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EXECUTIVE SUMMARY

The topic of school closures and redevelopment is currently receiving a lot of media attention in Canada and the United States. Due to declining student enrollment and budget constraints, many Ontario school boards are consolidating and disposing of properties to maximize revenue and access provincial funding for new schools, as well as to obtain capital grants to renovate older facilities. The Toronto District School Board, Canada’s largest school board, has accelerated its disposal of properties since 2008 when it created a real estate subsidiary, the Toronto Lands Corporation, to manage its portfolio of surplus sites.

The City of Toronto faces public and political pressure to acquire sites and retain them in public ownership. Partly because the previous surplus school acquisition process was inefficient, it has undertaken a series of policy and procedural changes since 2009 to be more proactive in its response to school closings. This culminated in the adoption by City Council of a surplus school acquisition framework and funding strategy in 2010 to guide staff in the identification, prioritization and acquisition of school sites (City of Toronto, 2010a). The City of Toronto has acquired ten properties from the 40 properties sold by the TDSB from 1998 until December 2011 (see Appendix A), most of which were acquired without the benefit of an acquisition policy to guide decision-making.

The purpose of this report is to understand the development of the City of Toronto’s existing surplus school acquisition policy and provide an interim assessment while reviewing the purpose of the ten acquisitions and their consistency with the corporate acquisition criteria that form a part of this policy. The final section provides a set of recommendations to improve the City of Toronto’s ability to acquire properties of corporate interest.

Methodology

I used a descriptive case study approach with an evaluative component using mostly qualitative methods to answer my research questions. Case studies rely on multiple sources of evidence to reduce research bias and increase the validity of results. In addition to the standard academic literature review, five sources of evidence were used as part of the data collection process: City of Toronto internal and public documents; municipal and provincial policy documents; site
visits; a municipal email survey; and five face-to-face semi-structured interviews with City of Toronto and Toronto Lands Corporation staff (see Figure 3 in this report for a research design protocol flow chart).

**Research Findings**

The municipal email survey and policy document review indicate that, with the exception of the City of Burlington, the City of Toronto is unique in being the only Ontario municipality with a surplus school acquisition framework that includes a set of corporate acquisition criteria. These criteria are accompanied by a matrix to help staff in the decision-making process by ranking considerations. Two other municipalities – the City of Ottawa and the City of Hamilton – are currently developing corporate policies to address the acquisition of school properties. However, in contrast to the City of Toronto, the municipalities of Ottawa, Hamilton and Burlington all have some type of corporate municipal acquisition policy.

The City of Toronto’s policy is not as comprehensive as it first appears since it reflects the interests and concerns of the staff responsible for its development. Although presented as a comprehensive corporate policy that can facilitate the acquisition of school properties to further municipal objectives in an equitable manner, it actually has a social planning focus. The corporate acquisition criteria, for example, are almost entirely focused on facilitating the acquisition of school sites for community service purposes. They are only somewhat consistent with previous school acquisitions by the City of Toronto as they do not account for acquisitions by agencies whose interests are not reflected in the current criteria. In other words, they are focused on soft infrastructure provision, whereas the City of Toronto is a large municipality with a range of interests and priorities. This causes concern among some staff that the policy is not reflective of their programming and operating interests, thereby weakening its impact, especially since inter-divisional collaboration is one of its primary objectives.

Moreover, the three-year funding strategy accompanying the policy is not sufficient for the City of Toronto to acquire entire school properties independently, as the difficulty in acquiring a recent property for redevelopment into a community hub has demonstrated to staff. Although the adoption of the policy has provided benefits, including learning opportunities about the reality of
surplus school acquisition and increased collaboration between municipal and school board staff, it is an ad hoc policy that does not serve city-wide interests.

**Conclusion and Recommendations**

City of Toronto staff is to be commended for attempting to improve Toronto’s ability to acquire school properties by making the series of procedural and policy amendments that culminated in the adoption of the acquisition framework in 2010. An interim assessment of this policy demonstrates that it has achieved mixed results. As the trend of school consolidation and closures is expected to continue, the topic requires more scholarly attention, especially from planning and real estate perspectives. Further research should examine how other North American municipalities are managing school closures and which policies contribute to municipalities retaining greater control over the future use of surplus school properties. Municipal staff would also find it useful to review successful examples of municipalities redeveloping school sites, especially those involving complicated real estate transactions and multi-sector partnerships.

Based on research results, I propose the following four recommendations for the City of Toronto:

**Recommendation #1:** Develop a corporate acquisition policy that incorporates a comprehensive set of acquisition criteria supported by a robust and feasible funding strategy.

**Recommendation #2:** Continue to pursue innovative real estate transactions, including public-private partnerships and public sector-community sector initiatives that leverage municipal funding.

**Recommendation #3:** Continue collaborating with TDSB/TLC staff and formalize this working relationship by creating a Liaison Committee and Memorandum of Understanding like the City of Hamilton.

**Recommendation #4:** Improve internal communication and collaboration among municipal staff.
CHAPTER 1: INTRODUCTION

1.1. Nature of Study

Public school boards in Canada face declining enrolments, budget pressures and often operate in a provincial policy context that encourages school consolidation and closures. Schools that are no longer required for educational purposes become surplus to the needs of school boards and are closed in anticipation of being leased or sold to generate revenue. In 2007, the Toronto District School Board (TDSB) created the Toronto Lands Corporation (TLC), a real estate subsidiary. Its purpose is to increase the efficiency of the TDSB’s operations and maximize its revenue by managing and disposing of properties that are surplus to its educational requirements (TLC, 2009a). School boards and municipalities are separate agencies in Ontario that often make independent decisions. As a result, school closures can be politically charged and have significant social and physical neighbourhood impacts, especially if properties are expected to be sold on the open market (Manley, 2005; Clyne, 2002). Municipalities thus often face public and political pressure to acquire school properties and retain them in public ownership (C of T\(^1\) staff #1, pers. comm., 2012).

The City of Toronto (hereafter called the “City”) recognizes that school properties are often important community assets, an understanding reflected in its Official Plan (“OP”) (Section 3.2.2). Although the City has negotiated ten real estate transactions\(^2\) involving TDSB properties over the last decade to implement its policies and maintain public ownership of some school sites, nine of these transactions were completed on a case-by-case basis without the guidance of a city-wide corporate acquisition framework\(^3\). To address this policy gap, in May 2010 City Council adopted a report entitled “School Lands Property Acquisition Framework and Funding Strategy” (hereafter called “Acquisition Policy”) to guide staff in the identification, prioritization and acquisition of future available school sites. The Acquisition Policy is based on a set of

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\(^1\) The abbreviation “C of T” will be used for “City of Toronto” during in-text citations throughout this report.

\(^2\) Although more cumbersome, the term “real estate transactions” is more accurate than “acquisitions”. While all of the transactions involved the City acquiring all or parts of TDSB property, some of these transactions are more properly called land exchanges rather than outright acquisitions.

\(^3\) The only school property where City staff have used the Acquisition Policy in their decision-making process is the northerly portion of 1251 Bridletowne Circle purchased in 2011. Another property located at 80 Lothian Avenue was acquired in 2010 following the adoption of the aforementioned policy, but the staff report recommending acquisition of the property does not refer to it (see Appendix A).
preliminary corporate acquisition criteria to assist in the identification of acquisition priorities in a constrained municipal fiscal environment (see Figure 2 in Chapter 2). As part of this Acquisition Policy, City Council also authorized a three year funding strategy in the amounts of $7 million, $5 million and $3 million for each year between 2011 and 2013 respectively to help fund future school property acquisitions (C of T, 2010a).

1.2. Research Questions
This report analyzes the City’s existing surplus school Acquisition Policy. The five research questions guiding this study can be stated as follows:
1. How was the City’s existing Acquisition Policy developed?
2. How does the City’s Acquisition Policy compare to the policies of other Ontario municipalities?
3. How consistent were the real estate transactions involving the City and the TDSB/TLC between 1998 and 2011 with the Acquisition’s Policy corporate acquisition criteria?
4. How effective is the current Acquisition Policy in meeting its stated objectives?
5. Can the existing Acquisition Policy be improved specifically and how can the City improve its ability to acquire surplus school sites more generally?

1.3. Scope of Study
The geographic focus of the study is Toronto and the TDSB, respectively Canada’s largest city and English-language public school board. The TDSB was formed in 1998 following the merger of seven local school boards. Although the City’s Acquisition Policy applies to all surplus school lands, only TDSB surplus properties will be studied in this report. Reasons for this include the TDSB’s large real estate portfolio and the greater number of properties acquired by the City from the TDSB in comparison with the other school boards. Specifically, this study focuses on the ten properties disposed of by the TDSB and acquired by the City from 1998, when both entities were created due to amalgamations, until December 2011. An inventory of all TDSB properties sold was created and sites acquired by the City selected for further study. Appendix A lists the 40

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4 The TLC uses August as the last month in its annual reporting period so August 2011 is the last month in 2011 for which sale information is available from the TLC. Therefore Appendix A provides information about properties purchased by other agencies besides the City until August 2011. The City purchased its last property from the TLC in December 2011.
TDSB properties sold between 1998 and August 2011 and highlights the ten properties purchased by the City from 2006 until December 2011.

Municipalities operate under different provincial regulatory environments and have different relationships with local school boards. The policy analysis in this report will focus on Ontario municipalities since they share a similar provincial regulatory context with Toronto. The policy analysis will also respect the current regulatory environment and not recommend that the City lobby the Ontario provincial government to change its policies. Indeed, the City has already suggested provincial changes to *Ontario Regulation 444/98* governing the disposition of surplus properties (see Appendix D). While this makes analysis more challenging, the objective is to assist the City to use its existing municipal authority.

1.4. Report Structure

*Chapter 2: Context*

Following this introductory chapter, the next chapter provides an overview of the surplus school and redevelopment academic literature, and briefly explains the policy context encouraging school closures and disposals in Ontario and Toronto in particular. It also outlines how the TDSB is mandated to dispose of surplus property, as well as the procedural framework the TDSB and TLC follow to dispose of such properties. Finally, it provides more detailed information about the Acquisition Policy and highlights the policy and procedural reforms the City has made since 2009 in an attempt to be more proactive in responding to school board disposals.

*Chapter 3: Methodology*

The chapter explains how data was collected and analyzed to answer the research questions. Specifically, it explains the following: how the inventory of TDSB surplus schools acquired by the City was created; how the municipal surplus school policy review was conducted; how and why interviews were conducted with four City staff and a staff member of the TLC; and how the effectiveness of the City’s Acquisition Policy was evaluated.
Chapter 4: Results
The chapter presents the results of the data collection process. It is divided into three sections. The first section is accompanied by the table in Appendix B which summarizes the results of an email survey sent to Ontario municipalities classified as cities and towns to query whether or not they had surplus school acquisition policies. Three Ontario municipalities, namely the City of Ottawa, the City of Hamilton and the City of Burlington, either have or are actively working on developing school acquisition policies. The second part of this chapter summarizes the current surplus school policy framework of these three municipalities. The final section of the chapter presents background information on each of the ten properties acquired by the City from the TDSB and its real estate agent the TLC between 1998 and 2011.

Chapter 5: Discussion and Analysis
This chapter integrates and discusses all of the information gathered through the various data collection techniques employed to answer four of the five research questions set out in Chapter 1 of this report. It is divided into the following sections: the first section uses information gathered from interviews with City staff to provide background history about the development of the City’s existing Acquisition Policy; the second part analyzes the results of the policy review and specifically discusses differences and similarities between the City’s Acquisition Policy and the policies of other Ontario municipalities, particularly Ottawa, Hamilton and Burlington; the third section assesses the consistency between the City’s previous property acquisitions and the corporate acquisition criteria that form a part of the Acquisition Policy; and the final section evaluates the success of the Acquisition Policy in meeting its stated objectives. The final research question of this report is more appropriately answered in Chapter 6.

Chapter 6: Conclusion and Recommendations
A summary of the results of the report is provided and used to derive a set of recommendations regarding whether or not the existing Acquisition Policy can be improved and how the City can improve its ability to acquire surplus school sites more generally.
CHAPTER 2: CONTEXT

This chapter provides the academic, policy and procedural background necessary to understand the research topic, including the treatment of surplus schools in the academic and professional literatures, the legislative context guiding school closures in Ontario, the disposition process school boards must follow when declaring properties surplus, and the reasons for the series of procedural and policy changes the City has made to improve its ability to respond to surplus school dispositions.

2.1. Surplus Schools

Surplus schools are schools not required for educational purposes and closed by school boards in anticipation of being leased or sold to generate revenue. However, not all surplus school properties are closed schools. School boards have a number of non-school properties, including administrative buildings and vacant lands previously acquired and held as reserves for possible future need.

2.1.1. United States, Canada and Ontario

Many public boards across the United States (U.S.) and Canada have closed schools and declared them surplus in recent years. The school closing trend is particularly strong in the U.S. School district budget pressures as a result of the recent economic downturn and loss of tax revenues, coupled with declining student enrollment and the increasing popularity of alternative schools, has resulted in a significant increase in school closures, especially in major urban centres (McMilin, 2010). The percentage of districts closing schools in the U.S. doubled from 3% in 2008-2009 to 6% in 2009-2010. This trend is expected to continue as 15% of districts expect to close schools during 2011-2012 (Ryman, 2011).

In Canada, school boards are also facing declining enrollments, increasing operating costs, budget pressures and aging facilities. All of these factors contribute to the trend of school consolidation and closure that has been particularly pronounced in the country over the last decade. However, school boards operate in different provincial regulatory environments. Ontario school boards are autonomous agencies created by the province’s Education Act. While boards
and municipalities may cooperate to encourage community use of school facilities, they often make decisions independently because of their different responsibilities. A board’s principal priority is education delivery while municipalities and their constituents often see schools as significant community assets that should remain in public ownership for continuing neighbourhood use (Manley, 2005). Since Ontario boards have the unilateral authority to close schools as long as they comply with provincial school closure guidelines and their own policies, school closures can leave residents concerned about the future of their communities (Fredua-Kwarteng, 2005).

The first significant wave of closures occurred between 1999 and 2002 when almost 200 Ontario schools were closed (Basu, 2007). Critics argue these closures were the result of 1990s neoliberal education reform policies (Basu, 2004). School boards lost former powers, such as the direct ability to levy property taxes, and were left with the responsibility of operating schools in a more restricted budget environment (Basu, 2004; Gidney, 1999). According to data collected by the Ontario advocacy group People for Education, the province is currently undergoing another round of closures as 172 publicly-funded schools have been recommended for closure between 2009 and 2012 (P4E, 2009). The group blames declining student enrolment on decreasing birth rates and a provincial funding formula based on student spaces. Decreasing student enrollment leads to decreasing funding and pressure on school boards to dispose of excess space to generate revenue. For example, enrollment at Ontario elementary schools decreased by 15% between 1997 and 2009, and secondary school enrollment decreased by 14% between 2002 and 2009. Only areas of cities experiencing immigrant-driven population growth have stable or growing school enrolment rates (Throop, 2011).

### 2.1.2. Toronto

The TDSB is the fourth largest public school board in North America and the largest in Canada with a real estate portfolio of 600 schools that serves more than 250,000 students each year (TDSB, 2011). The TDSB has recognized that it “will need much less space” as a result of declining enrolment (TDSB, 2008, p.20). Since 1998, the TDSB no longer has access to a tax base to generate funding – most funding is received from the Ministry of Education through an enrollment-based funding formula and through special projects grants. However, it does not
receive sufficient funds to maintain all facilities in an excellent condition. Since the Ministry of Education has requested the TDSB to generate its own revenue to address facility requirements and pay capital debt before spending funds on construction projects, it is going through an ongoing process of generating revenue by selling surplus assets and using the money to reinvest in school buildings and programs (TLC, 2011).

The extensive number of TDSB surplus schools resulted in the creation of the TLC, a subsidiary real estate corporation, to manage its property portfolio (TLC, 2009). In 2007, the TDSB transferred 97 properties, namely non-operating school and administrative sites, to the TLC for oversight and management. Once a property under its management is formally declared surplus by the TDSB, the TLC can commence the disposition process. A total of 58 sites have been declared surplus for sale between September 2008 and August 31st, 2011. Of these 58 properties, 35 have been sold, generating revenue of $149.6 million for the TDSB (TLC, 2011). An inventory of all school properties sold by the TDSB since its amalgamation in 1998 until August 2011 is provided in Appendix A.

2.2. Surplus School Literature
Despite increased media and public attention on the topic of surplus schools, it has received limited scholarly attention over the last decade, with some exceptions (e.g. Basu 2004, 2007). As Vincent (2006) rightly points out, there is a “cities and school disconnect” in planning practice, policy and research (p. 433). This is in contrast to the extensive literature produced during the 1970s and early 1980s in both the U.S. and Canada (Corman, 1979; Moll, 1980), a period that coincided with a dramatic decrease in school enrollment as a result of the end of the baby boom era (McMilin, 2010). Recognizing that consolidation and closure of some schools was necessary, both the academic and professional educational literature attempted to outline best practices and provide recommendations to educators to make the school closure process rational, efficient and sensitive in managing the community response.

The early professional literature also demonstrates a strong interest in the adaptive reuse of school buildings (e.g. AASA, 1981; Amlung, 1980; Savitt, 1977; Giljahn et al., 1981; Snider, 1986). For example, Giljahn et al. (1981) develop a detailed professional manual that provides
recommendations to school board officials regarding the leasing, selling and marketing of school buildings. Not surprisingly given that most surplus schools are located in residential areas, the authors note that many of them were converted to housing, although commercial and office redevelopments were also successful for school buildings located along arterial streets or near commercial areas. They argue that the advantages and disadvantages of each disposal method should be analyzed separately before a final decision is made. Some of the financial advantages are obvious, including that the property is returned to the community as tax rolls and that the school board receives an immediate financial return on surplus space. However, school buildings usually have low market values; zoning of the property is often limited; and the school board may be unable to determine a building's impact on the community after sale. Similarly, Gilbert (1982) outlines some problems facing potential purchasers of surplus school property, including structural problems associated with old, abandoned buildings; zoning limitations; community disapproval; and legal issues depending on which agency holds title to school property.

Community response to school closings and their neighbourhood impacts are prominent themes of the recent literature (e.g. Basu, 2004; Clandfield and Martell, 2010). Early public engagement and proactive partnerships between school boards and local governments are often cited as significant factors in reducing neighbourhood fear about closures and redevelopments (e.g. Manley, 2005). Critics of closures often fear the loss of school properties as public real estate assets. For example, Clandfield and Martell (2010) argue that under the current neoliberal policy regime school sites are "just property, a disposable public asset, and a potential public liability if they do not yield a return on their investment" (p.11). However, though critics of school closures advocate retaining these properties under public ownership by finding adaptive reuse solutions such as community hubs, they do not propose strategies for cash-strapped municipalities to acquire such properties. The academic literature is thus of limited assistance in identifying relevant precedents given my focus on municipal surplus school acquisition policies. Most of the literature relevant to my research study consists of municipal policies whose review and analysis are presented in Chapters 4 and 5 of this report.
2.3. Ontario Policy Context: *Ontario Regulation 444/98*

Ontario school boards operate in a policy context that requires the disposal of surplus properties at market value to access provincial funding for new schools as well as to obtain capital grants to renovate older facilities. In fact, boards must go through a provincially-mandated review of all schools within their jurisdiction to find budget savings (Schliesmann, 2012). Should reviews highlight issues such as underutilized space, boards must follow a process to decide whether or not to declare schools surplus that involves setting up Accommodation Review Committees (ARCs\(^5\)) to conduct public consultations. Once an ARC has completed its assessment and made its recommendation, a school board may decide to close a school and declare it surplus.

The disposition of surplus schools in Ontario is governed by *Regulation 444/98, Disposition of Surplus Real Property* of the *Education Act*. The regulation specifies the timelines for the circulation notice of available properties, the period of time within which offers must be made and how offers should be evaluated. The school board must first issue a surplus declaration circulation notice to ten preferred public agencies, namely the other school boards and educational and government institutions, to determine whether or not there is interest in acquiring and/or leasing a surplus property. Municipalities have 90 days to respond to the board’s proposal with a binding offer to purchase or lease at fair market value. Should multiple offers be received, boards must evaluate them in accordance with the prescribed priority sequence such that first right of acquisition is given to the other local school boards followed by other local educational institutions (e.g. colleges and universities), the provincial government and its agencies, the municipality in which the property is located, and finally the federal government. Municipalities are thus ranked low on this list of preferred agencies. Despite the provision that school boards must dispose of property at fair market value, there is an exception made for coterminous school boards, who have the option of purchasing at the lesser of market value or at an amount calculated according to a school’s capacity or size (TLC staff, pers. comm., 2012). If a feasible offer is not received from the preferred public agents within the 90 day circulation period, school boards have the option of deciding to list the property on the open market upon receiving approval from the Ministry of Education. Likewise, if an offer is received

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\(^5\) As indicated earlier, not all school board properties are schools. ARCs only apply to those properties that are improved with school facilities.
but TLC and the public partner cannot finalize a transaction within a 60 day negotiation period, the TLC also reserves the right to list the property for sale on the open market (TLC, 2011).

2.4. TDSB/TLC Disposition Framework

The TDSB and TLC incorporate the provincial disposition parameters outlined in *Ontario Regulation 444/98* into their procedural framework. To clarify how this framework operates, Figure 1 below provides a flow chart summary illustrating the different responsibilities of the TDSB and TLC starting when a board property improved with a school facility is recommended for a surplus declaration by an ARC.

**Figure 1 - TDSB/TLC Disposition Framework**

6 Adapted from a TDSB/TLC flow chart (TDSB, 2011b).

7 “Discovery Sessions” are opportunities for public agency staff to hear about surplus properties prior to the official commencement of the 90 day circulation period. Some City staff participates in these sessions. In the same vein, the TLC has recently established a high-level group called the Public Asset Working Committee whose objective is to “develop a coordinated approach to dealing with school lands”. In addition to the TLC, membership includes Toronto’s four school boards, the Ministry of Education and the City (C of T, 2010b).
2.5. City of Toronto Policy Context

2.5.1. Official Plan

The City and its local school boards have a history of shared use of school facilities for community uses, particularly recreation and child care (C of T, 2010a). City planning staff emphasizes retaining school facilities and lands for community use. The existing Toronto OP (2006) gives policy direction regarding the preferred use of surplus schools. Section 3.2.2 in the OP states the following:

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, alternative 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.

Council recognizes that schools are an integral community resource that serves not only as learning institutions but also as socio-cultural centres and a source of valuable community open space. The City will consider acquiring publicly owned sites...for parks and open space purposes should they no longer be needed as learning institutions.

2.5.2. City of Toronto Surplus School Policy and Procedural Reforms Summary

Like the TDSB and TLC, the City has a framework to manage surplus schools. However, as outlined in Appendix C, prior to 2009, the City was not able to easily acquire surplus schools of interest. The procedural steps required to be followed prior to the submission of a binding offer required a timeframe that surpassed the 90 day circulation period. In the past school boards negotiated with interested public partners on a case by case basis. However, in 2009 the TLC informed public agencies that this informal practice would no longer be followed - it would no longer consider any expression of interest in an available property that was not accompanied by a binding offer submitted prior to the end of the 90 day circulation period (C of T, 2009a). This prompted staff to review and make a series of changes to the City’s surplus school procedural framework that resulted in the existing Acquisition Policy. It was hoped that these changes would allow the City to be more proactive instead of reactive when it receives school disposal notices.
As Appendix C indicates, prior to 2009, the Committee and City Council approval process to purchase surplus properties was very time-consuming. To reduce this timeframe, staff first proposed that City Council delegate to senior staff the authority to approve and submit bona fide offers to purchase or lease school properties provided that a number of conditions are satisfied, including that funding is available in an approved budget, and that the total cost to the City does not exceed $10 million (C of T, 2009a).

Later in 2009 City staff were requested to review and report back on a “funding strategy to address both foreseeable and unforeseen pressures that may arise from the proposed sale of a number of surplus school board properties” and a “strategy to acquire surplus school board properties to address the needs of local communities and neighbourhoods” (C of T, 2009a, p.1). This resulted in the Acquisition Policy adopted by City Council in May 2010.

2.5.3. City of Toronto Acquisition Policy

In explaining the rationale for the development of the Acquisition Policy, City staff criticized the rigid provincially-mandated disposition process school boards must follow, stating that it “impedes integrated strategic planning, partnership development and collaborative efforts to retain school board lands as vital public assets. It also undermines the objectives of the Official Plan, local service delivery and place-based planning” (C of T, 2010a, p.4). The Acquisition Policy’s purpose is to assist with the evaluation and prioritization of school properties:

The Acquisition Policy employs the following three-step approach:
1. Compile a school property database and forecast potential properties that may be made available for sale by coordinating and working collaboratively with the school boards. In the case of the TDSB, this involves reviewing the real estate portfolio released by the TLC in its yearly annual plan report and monitoring the ARC processes as they occur.
2. Use the aforementioned property database to summarize divisional acquisition needs in order to create a list of school properties in which there is potential City interest.
3. Determine corporate acquisition priorities based on a set of preliminary corporate criteria (see Figure 2). I will use these criteria later in this report as benchmarks to evaluate TDSB properties acquired by the City.
**Figure 2: City of Toronto Corporate Acquisition Criteria**

<table>
<thead>
<tr>
<th>CRITERIA</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Child Care Centres</strong></td>
<td>Is the child care centre City operated?</td>
</tr>
<tr>
<td></td>
<td>Does the child care centre have a contract for fee subsidy with the City?</td>
</tr>
<tr>
<td></td>
<td>Could the loss of this child care centre make the area “very deficient in terms of ward equity targets”?</td>
</tr>
<tr>
<td></td>
<td>If there is no child care centre in the school, is the area “very deficient”?</td>
</tr>
<tr>
<td><strong>Parks, Forestry &amp; Recreation (PF&amp;R) Services</strong></td>
<td>Is the site located in an area of lower parkland provision with associated funds in the ten-year Capital Plan?</td>
</tr>
<tr>
<td></td>
<td>Other PF&amp;R considerations:</td>
</tr>
<tr>
<td></td>
<td>Is the school property adjacent to an existing city park or recreational facility?</td>
</tr>
<tr>
<td></td>
<td>Is there an existing parks or recreational use of the site?</td>
</tr>
<tr>
<td></td>
<td>Is there a significant open space component to the site? (i.e. half of the site is open space, 2/3 is open space etc.)</td>
</tr>
<tr>
<td><strong>Affordable Housing</strong></td>
<td>Does the site meet the objectives of the HOT (Housing Opportunities Toronto) Plan?</td>
</tr>
<tr>
<td><strong>Community Hubs</strong></td>
<td>Has this site been used/planned/discussed as a community hub?</td>
</tr>
<tr>
<td></td>
<td>Will the loss of this existing or planned public asset undermine the financial investment made by other orders of government or agencies?</td>
</tr>
<tr>
<td><strong>Official Plan</strong></td>
<td>Would the anticipated(s) uses of the property be consistent with the goals, objectives and policies of the City of Toronto Official Plan?</td>
</tr>
<tr>
<td><strong>Partnership Opportunities</strong></td>
<td>This site will serve the goals of many Divisions</td>
</tr>
<tr>
<td></td>
<td>Is this the best available site to meet multiple objectives?</td>
</tr>
<tr>
<td></td>
<td>Are there partnership opportunities for the capital investment?</td>
</tr>
<tr>
<td></td>
<td>Are there partnership opportunities for the operating costs?</td>
</tr>
</tbody>
</table>

As part of the Acquisition Policy, City staff also proposed a three-year funding strategy for the purchase of specific properties that are identified as corporate priorities (Ibid.). City divisions are normally expected to allocate funds in their ten-year Capital Plans to accommodate any interest in acquiring school properties. However, if capital funds are not available, staff recommended that a total of $15 million be allocated from the City’s Land Acquisition Reserve Fund (“LARF”) towards the possible acquisition of school properties commencing in 2011 - $7 million, $5 million and $3 million in each of the years 2011, 2012 and 2013 respectively (Ibid.)
CHAPTER 3: METHODOLOGY

This chapter is divided into three main sections: the research method, the procedural framework and research design protocol, and limitations. The research method section describes the case study method, which is the overall research method used in this study. The procedural framework and research design protocol section provides details about the steps taken as part of the research process and summarizes these steps using a flow chart. Finally, the limitations section discusses the challenges associated with developing evaluation criteria for a single case study and conducting a limited number of interviews.

3.1. Research Method

As previously indicated, the purpose of this report is to provide an assessment of the City's existing Acquisition Policy and improve public decision-making. It is an example of applied policy research, a type of social research requested for and provided to assist decision-makers (i.e. politicians) to improve policies and programs (Haas and Springer, 1998). Since universally acknowledged guidelines or rules of conducting policy research do not exist, the discretion of the policy researcher often determines which research methods to use (Haas and Springer, 1998).

An in-depth evaluation of the existing Acquisition Policy is required to answer my research questions. As such, the case study research method is appropriate for this type of analysis because “the essence of a case study…is that it tries to illuminate a decision or set of decisions: why they were taken, how they were implemented, and with what result (Schramm, 1971 cited in Yin 2009; emphasis added by Yin, p.17). Case studies are particularly appropriate when “how” or “why” questions are being asked (Yin, 2009, p.27). There are different types of case studies. I am conducting a descriptive case study with an evaluative component using mostly qualitative research methods to answer my research questions. Case studies usually rely on multiple sources of evidence about the same phenomenon to reduce researcher bias and increase the validity of the results. The term “data triangulation” refers to a technique used to validate the information collected through cross checking from multiple sources (Yin, 2009). For example, in this report, information about the development of the existing Acquisition Policy was gathered by conducting interviews with municipal staff responsible for its development, as well as through
document review of the staff reports submitted to City Council recommending its approval. In addition to the standard academic literature review, five sources of evidence were used as part of the data collection process for this report: City internal and public documents; municipal and provincial policy documents; site visits; a short municipal email survey; and focused, face-to-face interviews. The section below provides more detailed information about each research design component as well as a flow chart summarizing the steps undertaken as part of the process (see Figure 3).

3.2. Procedural Framework and Research Design Protocol
The following section describes the key steps of the research process, starting from topic and research question formulation and ending with conclusions/recommendations. Figure 3 below is a flow chart summarizing the steps of the design protocol.

3.2.1. Topic and Research Question Formulation
The topic and research questions were informed by my work with the City’s Real Estate Services (RES) division where I was employed as a summer student between 2008 and 2011. As Appendix C indicates, RES acts as a facilitator between the City and the school boards. Specifically, it receives disposal circulation notices, forwards the information to internal staff for comment and to determine if there is corporate interest in acquiring surplus properties, and advises the school boards accordingly. Should there be an acquisition interest, staff from the Acquisitions and Expropriations unit of RES will negotiate to acquire property on behalf of the City. As a result of my work I became aware of the issues the City faced in attempting to acquire surplus school properties and the policy changes summarized in the previous chapter that have been made since 2009 to address these issues.

3.2.2. Literature Review
A literature review is often used to find more information about a topic and further narrow the research focus to formulate one or more specific questions. In the case of this research study, as indicated in Chapter 2, the academic literature review helped to provide an understanding of the context surrounding the topic of surplus school closures and redevelopment. However, given the specific scope of my research, it could not be used to find specific precedents to inform the
research design, and the evaluation component in particular. As such, most of the relevant literature used in this study is policy-oriented.

3.2.3. Data Collection: TDSB Properties acquired by the City of Toronto
Appendix A presents the inventory of TDSB surplus properties that have been sold from 1998 until 2011 and highlights those properties acquired by the City. The next chapter presents additional information about the real estate transactions that have occurred between the City and the TDSB over this time period. The information used to compile the inventory was collected in the summer of 2011 while I was working as an intern for RES, as noted above, with permission provided by the divisional unit manager. In addition to using the internal RES database to review all of the TDSB surplus property circulations, I also accessed the websites of the Municipal Property Assessment Corporation (MPAC) and GeoWarehouse to determine the purchaser of those surplus properties sold by the TDSB/TLC. The former organization is the Ontario property assessment corporation while the latter provides land registry information. While both of these sites provide information about the registered title holder of a property, the information available through MPAC is not always up-to-date, thereby necessitating the use of both websites for validation purposes.

3.2.4. Data Collection: City of Toronto Internal Property Documents
In addition to being able to review property circulation information that was used to compile the inventory described above, I was given permission to review the internal municipal property files associated with TDSB surplus properties acquired by the City. Information in these files included appraisal reports, surveys, and internal staff communication that provided more information about the acquisition process than is publicly available. I also collected and reviewed the reports RES staff wrote to City Council recommending approval of the proposed real estate transactions. Once adopted by Council, the latter become publicly available and can be accessed online on the City’s website.

3.2.5. Data Collection: Policy Documents and Ontario Municipal Survey
One of my research tasks involved comparing the City’s policy against the policies of other Ontario municipalities whose school boards are governed by the same provincial regulatory
framework as Toronto’s boards. This required the collection and review of publicly available municipal policy documents. Although the documents of some larger Ontario municipalities, namely Ottawa, Hamilton and Burlington, were found by inputting relevant keywords into the Internet search engine Google, a more systematic method was required to ensure that the variety of possible policies, such as those incorporated into official plans, would be captured. To address this issue, I sent a municipal survey\(^8\) question via email to the staff of all Ontario municipalities classified as cities and towns whose policies were not found online. I used a list of all Ontario municipalities available on the Ministry of Municipal Affairs and Housing website as a guide.\(^9\) The email was sent to staff in the municipality’s planning department, whenever possible. As some small municipalities lack planning staff, the email was sent to the clerk normally tasked with the management of municipal documents. In total, 130 initial emails were sent in early February 2012 and one follow-up email was sent after a week to those municipalities whose staff did not respond to the initial request. Following a short explanation about the purpose of the enquiry, the email message stated that a preliminary review of the municipality’s documents indicated that the aforementioned does not have municipal surplus school policies. Respondents were requested to confirm whether or not this information was correct. The results of this survey are discussed in the following chapter.

3.2.6. Data Collection: Site Visits

I conducted site visits as part of the data collection process in January and February 2012 of all ten former TDSB surplus school sites acquired by the City. The sites are located throughout Toronto (see Figure 4). The primary purpose of these visits was to take photographs of the current state of the properties to confirm information about their redevelopment since acquisition. The secondary objective was to develop a general impression of the area by walking around the property and immediate neighbourhood. The information collected and a selection of the photos taken is incorporated into Chapter 4 of this report.

\(^8\) The word “survey” is used loosely in reference to an investigation, not in the strict sense employed in academic research.

\(^9\) The website can be accessed through this link: http://www.mah.gov.on.ca/Page1591.aspx
3.2.7. Data Collection: Interviews

In-depth interviews are frequently used in case study research, often acting as one of the most important sources of evidence for a research study (Yin, 2009). Interviews in this context are often guided conversations, allowing interviewees, frequently referred to as respondents, to talk openly about the subject topic.

Interviews were used in this study to learn new information that could not have been collected through other means as well as to corroborate evidence gathered through other sources. Five face-to-face, semi-structured and focused interviews were conducted between January 20, 2012 and February 6, 2012. Four of the interviewees were City employees and one was an employee of the TLC. The interviews were conducted at the workplace of the respective informants and lasted between thirty minutes and one hour.

The City participants were selected for their membership in the School Lands Staff Team (hereafter known as the “Team”) responsible for the development of the Acquisition Policy. They were selected for their ability to provide insight into its creation and/or had experience acquiring properties from the TDSB/TLC for the City. The four participants represented the following City divisions: Parks, Forestry and Recreation (PF&R); City Planning; Social Development, Finance and Administration (SDFA); and RES. One key informant was the SDFA representative who took the lead in policy development – she coordinated meetings and collected information from the other members to write the report recommending the existing Acquisition Policy to City Council. The PF&R informant had extensive experience negotiating with the TDSB and TLC to acquire school properties for parks purposes. The TLC employee was selected to corroborate information about TDSB/TLC disposition processes, as well as to provide insight into the working relationship between the TLC and the City. Although a separate interview protocol with a list of questions was developed for each participant and used to guide the conversation, additional questions were asked in response to comments made by the participants.

Queen’s University granted ethics approval in December 2011 to conduct interviews. In accordance with the conditions associated with this approval, I provided interviewees with a Letter of Information and requested them to sign a complimentary Letter of Consent prior to the
interview. The Letter of Consent asked interview participants whether or not they agreed to be audio recorded, to be contacted about a follow-up interview, to grant permission to the researcher to attribute their name to any direct quotes and to keep their identity confidential. One participant requested that the interview not be audio recorded and another requested that her identity be kept confidential and her name not associated with any direct quotes. The audio recorded interviews were transcribed and analyzed as discussed in the next section.

As noted above, while only one interviewee requested that her identity be kept confidential, the identity of all interview participants is maintained confidential since revealing their names is not necessary for the purposes of this report. The staff members are only identified in their professional capacity as a staff or employee of either the City or the TLC. Since the four City interviewees were associated with four different City divisions, the specific division will also be identified. As such, when referencing interview participants in this report, the SDFA participant is identified as “C of T staff #1”; the PF&R participant is “C of T staff #2”; the City Planning participant is “C of T staff #3; and the RES participant is “C of T staff #4. The TLC interviewee will be identified as simply “TLC staff” since she is the only TLC representative interviewed.

Finally, in addition to conducting formal, face-to-face interviews with the five participants mentioned above, I also emailed Ontario municipal administrative employees to enquire about particular aspects of surplus school policies as part of my policy review of municipal documents. This communication is explicitly referenced and associated with the first initial and full last name of those respondents.

3.2.8. Data Evaluation and Analysis

The final major step of the research process is data evaluation and analysis. The data collected from the sources previously outlined are analyzed to answer the five research questions set out at the beginning of this report. An iterative strategy similar to the approach suggested by Yin (2009) is used whereby relevant evidence is identified and extracted from the body of information collected. This information is then used to address each research question. The first question regarding the development of the existing Acquisition Policy is answered using information collected from publicly available reports submitted to City Council as well as
from interviews conducted with City employees who are members of the Team. The second question regarding how the City's policy compares to that of other Ontario municipalities is answered using information collected through the municipal email survey of Ontario cities and towns, as well as from an Internet search of publicly available municipal policy documents. Information collected through site visits and a review of City internal property files is used to provide details about the ten real estate transactions that occurred between the City and the TDSB/TLC between 1998 and 2011. The effectiveness of the corporate acquisition criteria included in the existing Acquisition Policy is evaluated by comparing the extent to which the criteria are consistent with the real estate transactions that have been finalized between the TDSB/TLC and the City. Question four is a type of policy impact evaluation question that takes a broader view of the entire policy and compares the outcomes achieved thus far with proposed goals and objectives. This question is answered using information collected from the interviews in addition to my own assessment of the Acquisition Policy. Finally, the last question is answered using the set of recommendations provided in Chapter 6 of this report. The recommendations and conclusions are based upon all of the data collected and reviewed as part of this research study. They can be used to improve the City’s ability to acquire surplus school properties of interest.
3.3. Limitations

The analysis of case study evidence is one of the most challenging aspects of using the case study research method (Yin, 2009). One of the problems of this research is that the City’s Acquisition Policy was recently adopted in 2010 and the three-year funding strategy expires in 2013. I am doing an interim assessment midway through the funding strategy, but the relatively short time period between policy adoption and assessment makes it difficult to fairly evaluate its effectiveness. Second, the lack of scholarly interest\textsuperscript{10} in the specific topic means that there is no obvious theoretical framework to assist with the evaluation of the study evidence. For example,

\textsuperscript{10} I reviewed two surplus school redevelopment Master’s studies – a 2009 report by a Queen’s University urban and regional planning student and a 2002 thesis by a Dalhousie University planning student. However, the studies are focused on public participation and how planners can be more active participants in the process. Therefore the studies are not directly relevant to my research focus.
no standard evaluation guide or matrix exists that can be used to compare different municipal surplus school policies and create a set of best practices against which to compare Toronto’s policy. This means that the case study needs to be more descriptive rather than explanatory. Finally, doing a single case study rather than a comparative study makes evaluation and analysis even more challenging. A single case study makes it difficult to generalize the results to other settings, thereby decreasing the external validity of the study. However, given the time constraints associated with this report, one of the main reasons for choosing Toronto’s policy as the focus was my familiarity with internal City procedures due to my employment with the City, as well as the ability to access internal property files. A fair comparative study would have required similar types of data for both cases.

Case study research relies on data from multiple sources. To address this requirement, I incorporated data from a number of sources, including site visits, policy documents, City staff reports and interviews. The primary purpose of the interviews with City participants, all members of the Team responsible for the development of the Acquisition Policy, was to gain insights into its development, current status and future expectations, as well as to discuss the broader challenges the City faces acquiring school properties. The Team had 15 members and I only interviewed four of them. Indeed, this report cites two of these participants more extensively than the others since their comments were particularly relevant and helpful in answering the research questions. This reliance on two key participants is a limitation because it can bias my analysis and subsequent recommendations. However, while the main reason for not conducting more interviews was time limitations, another reason is that additional interviews would not necessarily have been useful. Although the Team was comprised of 15 members, four of the staff members were from the SDFA division and another three were from PF&R. I interviewed the SDFA representative who took the lead in developing the Acquisition Policy as well as a senior PF&R staff who has extensive experience acquiring school properties. These interviewees can be viewed as spokespersons for their respective divisions. Therefore, although it would have been interesting to interview all members of the Team, most of them are not involved in policy development, and this report has a policy focus. The TLC participant was also a senior staff member with extensive real estate experience with both the TDSB and the TLC. Given my research questions, she was the most appropriate person to interview.
CHAPTER 4: RESULTS

This chapter presents the results of the data collection process and is divided into three parts. The first part is accompanied by the chart in Appendix B indicating the results of an email survey sent to all Ontario municipalities classified as cities and towns to query whether or not they had surplus school acquisition policies. Preliminary online research indicated that in addition to the City, three Ontario municipalities, namely the City of Ottawa, the City of Hamilton and the City of Burlington, either have or are actively working on developing school acquisition policies. The second part of this chapter summarizes the current policy framework of these three municipalities. The final section of this chapter presents background information on each of the ten properties acquired by the City from the TDSB and its real estate agent the TLC between 1998 and 2011. Depending on the availability of information, it indicates the location of the property, the type of property being discussed, when it was declared surplus by the TDSB, which City division expressed interest in its acquisition and why, how the acquisition of the property was funded (including the appraised value), and the current status of the property. Information sources for this section of the chapter include publicly available City staff reports approved by City Council, surplus property circulations from the TDSB/TLC sent to the City, internal appraisal reports, interviews with City employees, and site visits to the ten subject properties. Information regarding the appraised assessment value and acquisition funding source is provided since the City’s Acquisition Policy is accompanied by a funding strategy that is also the subject of this study. As budget constraints are one of the key municipal challenges in acquiring surplus school properties, it is important to understand the funding mechanisms that have been used to acquire properties in the past. Two photos will accompany this section – a parcel map showing property boundaries and a photograph taken by the author during site visits in January and February 2012 to illustrate the current state of each property.

4.1. Ontario Municipal Survey

Ontario municipalities classified as cities and towns by the Ministry of Municipal Affairs and Housing whose surplus school policies were not found during the preliminary online research process were surveyed via email to determine whether or not they had policies. The purpose of this was to increase confidence in the outcomes of the policy review. Emails were sent to 130 municipalities and 116 responses were received, representing a response rate of 89%. Most of the
respondents – 87% - confirmed that they did not have any municipal policies respecting surplus school sites. Appendix B summarizes the responses of those municipalities with some type of policy, usually as part of the municipal official plan and sometimes within secondary plans dealing with specific areas of the municipality. Many of these policy directions concern the preferred redevelopment of surplus school lands (e.g. Town of Aurora) and discuss land use and zoning designations (e.g. dual zoning) that facilitate conversions to allowed and/or preferred uses. Some of the respondents mentioned that municipalities use the site plan control process to incorporate a first right of refusal clause with respect to sites (e.g. City of North Bay, City of London). Significantly, however, none of the respondents indicated the existence of a municipal-wide surplus school acquisition policy similar to that adopted by the City. Staff from only three municipalities mentioned policies respecting the possible municipal acquisition of surplus sites – the Town of Aurora, the City of North Bay and the City of Orillia (see Appendix B for details). Therefore, results obtained through the municipal survey confirmed the preliminary indication that the overwhelming majority of Ontario municipalities do not have municipal surplus school acquisition policies. Internet research also indicated that in addition to the City, the Ontario municipality of Burlington has a specific surplus school acquisition policy, while the municipalities of Ottawa and Hamilton are actively working on developing a policy. The existing policies of these three municipalities are reviewed below.

4.2. Municipal Policy Document Review

4.2.1. City of Ottawa

The City of Ottawa’s existing surplus school review process is similar to that of the City. Ottawa municipal staff has delegated authority to review and respond to school board disposal circulations. Once it receives a school circulation notice, the Real Property and Asset Management (RPAM) department undertakes an internal circulation to the ward Councillor and all departments. Interested departments must respond to RPAM within 30 days and include an indication of what funds are available. If more than one department expresses interest, RPAM will facilitate a joint offer or determine which department should have priority. Occasionally a department may invite community partners or private partners to finance a joint offer for a property. If a department expresses interest, RPAM obtains an appraisal to estimate market value, prepares an offer and responds to the school board. If there is no interest from any
department, or where an interest does not have approved funding, RPAM advises the board accordingly (City of Ottawa, 2007).

The City of Ottawa also has a Real Property Acquisition Policy adopted by its City Council in April 2007. This policy essentially requires that departments conduct a needs assessment prior to initiating any acquisition that outlines the justification and rationale for the proposed acquisition, and that funding for the proposed acquisition is available. The City of Ottawa does not have a separate surplus school acquisition framework. However, in a May 2007 report, the city’s Planning and Environment Committee recommended that: 1) “Council direct staff to undertake an evaluation and prioritization of school sites for the purpose of identifying sites that would meet City needs should they be declared surplus; and 2) These priorities be reviewed on an annual basis” (City of Ottawa, 2007b, p.1).

City of Ottawa staff highlighted existing strengths and weaknesses associated with the existing school policy. Strengths included that acquisition is related to an identified municipal policy or program; acquisition is supported by departmental funding; and that all departments are included in the internal circulation review. However, weaknesses included that adopting a proactive strategy to the assessment of surplus schools is challenging because there are few community-based assessments that identify and prioritize the potential role of school properties in the community; the response time is often not sufficient to create partnerships, especially those that integrate community or private partners; and departments may not have sufficient funds identified and approved to purchase surplus properties of interest. Specifically, staff suggested that consistency in the way school sites are evaluated can be achieved by adopting “universally agreed-upon criteria” (City of Ottawa, 2007a, p.4).

Therefore City of Ottawa staff identified some of the same problems in acquiring school properties as City staff. To address these problems, staff recommended that process-related changes be made regarding how these school properties are evaluated and acquired. Although these recommended changes, including acquisition criteria, were supposed to have been brought forward to Council in 2010, they have not yet been finalized, meaning that they cannot be used in this report as comparisons to the City’s policy (G.MacNair, pers. comm., 2012).
4.2.2. City of Hamilton

The City of Hamilton’s existing Urban Hamilton Official Plan sets out the following two policies regarding surplus school sites in sections 3.5.5.2 and 3.5.5.3 respectively:

Where existing schools are deemed surplus by school boards the City shall endeavour to collaborate with school boards regarding disposition of the land, in a manner that meets both school board and City requirements, needs, and objectives.

The City shall consider purchase and adaptive reuse or redevelopment of surplus school sites for public purposes where other community facilities/services do not meet established standards and resources are available (City of Hamilton, 2009, p.40; italics original).

The City of Hamilton adopted a city-wide Real Estate Portfolio Management Strategy in 2004 to guide the management of municipal property owned, leased, sold and acquired. Therefore available school properties are evaluated according to the acquisition principles in this Strategy, including that funding is identified before a property is recommended for acquisition and that transactions are based on fair market value (City of Hamilton, 2004). Currently the City of Hamilton does not have a separate surplus school acquisition policy. When local school boards issue notices of surplus properties, City of Hamilton staff undertakes an internal departmental review and makes a recommendation to Council regarding whether or not to acquire them.

Significantly, the City of Hamilton and the public board - the Hamilton-Wentworth District School Board (HWDSB) - developed a Memorandum of Understanding (MOU) in 2009 to improve communication and collaboration between the two organizations through a joint Liaison Committee. One of the accomplishments of this Committee was the development of a new three-phase Property Disposition Protocol by the HWDSB that provides the City of Hamilton and the community with a pre-consultation opportunity prior to the provincially-mandated 90 day property disposal circulation (City of Hamilton, 2010).

The Liaison Committee is also working on creating a “school lands acquisition protocol” to help the City of Hamilton prioritize the acquisition of school properties as they become available. Staff identified a need for this internal process because the closure of schools can have important community impacts, especially if it involves properties that are jointly operated by the City of
Hamilton and the HWDSB. Furthermore, the City of Hamilton is exploring financial options to assist with the acquisition of properties that include additional partnerships with the HWDSB and/or the provincial government (City of Hamilton, 2010, p.2-3). This protocol has not yet been finalized (S. Donald, pers. comm., 2012).

4.2.3. City of Burlington

With the exception of the City, the City of Burlington appears to be the only existing Ontario municipality with a surplus school policy that includes an acquisition framework based on a set of criteria. Therefore it can be used as a basis of comparison with the City’s Acquisition Policy. Before the adoption of this acquisition framework in 2011, the city’s approved Surplus School Strategy was based on a strong working relationship with the local public board, the Halton District School Board (HDSB), and was focused on acquiring the green space component of school properties at minimal cost. Essentially, the policy emphasized acquiring all surplus school properties in which there was corporate interest to preserve green space and disposing of the remaining property to an interested development partner. The strategy is summarized below:

- City of Burlington makes a formal Offer of Purchase on the site within the required 90 day timeframe. The Offer is conditional upon the City seeking interested partners through a confidential Request for Expressions of Interest method.

- City staff evaluates RFEI submissions to ensure they satisfy municipal objectives and tests them through a public open house.

- Staff makes a recommendation to Council to seek a partner for the purchase of the land through a Request for Proposals (RFP) process

- Sale and purchase occurs between the HDSB and simultaneously with the successful partner

Under this strategy, boards receive market value for a school site and the City of Burlington retains green space beyond what could be acquired through the normal planning process (City of Burlington, 2011a).

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11 Although the City of Burlington, like the City, has a policy that includes acquisition criteria, one reason why it was not chosen as the focus of this research study is because its framework emphasizes parkland acquisitions and therefore is not as comprehensive as the City’s, as the subsequent analysis in this report will indicate.
While the above strategy to acquire school lands was successful in retaining additional green space for recreational purposes at no cost to the city, there was increased public pressure to purchase more land than could be financially achieved by the strategy. As such, staff proposed the creation of a set of consistent corporate acquisition criteria to guide the decision-making process when properties become available. The criteria are meant to help determine whether or not there is a need to acquire further park and open space through the purchase of school properties. The five acquisition criteria are as follows:

1. Historical dependence on existing school lands for park or open space purposes (play structures, passive use, sports fields). The following should be further considered:
   - Proximity to other opportunities that may include amenities in the surplus lands (e.g. play structures, play field and open space)
   - Need to cross major arterial for reasonable access

2. Adjacency to existing park. The following should be further considered:
   - Impact to existing use of City owned park through loss of supporting amenities/facilities on the adjacent school site (e.g. parking)
   - Requirement of the supporting amenity/facility to maintain or support the use of the municipally-owned park

3. Sports inventory impact. The following should be further considered:
   - Impact of the loss on the allocation requirements
   - Opportunities to re-locate user needs elsewhere through existing inventory or capital improvements without an additional land acquisition
   - Requirement of any supporting amenities located on the school site to maintain or support the uses of municipally-owned sport fields (e.g. parking)

4. Environmental Considerations. The following should be further considered:
   - Impact of the loss on any regionally identified Environmentally Sensitive Areas (ESA)
   - Opportunity to acquire creek blocks and woodlots through dedication

5. Service a growing or emerging need
   - Ability to accommodate a growing or emerging need

These assessment criteria are incorporated into a decision-making matrix to help analyze school lands as they become available. Potential properties will be subjected to the matrix to “proactively determine the level of need” if the site becomes available (City of Burlington,
2011a, p.4). If the matrix determines that a property meets a potential need for open space or parkland, a detailed review will be completed that includes analyzing amenities or features required and how much land it entails; mechanisms for acquisition; consideration of the impact of a school acquisition on other strategic land requirements, as well as the city’s capital and operating budgets. In association with these assessment criteria, staff recommended funding options to acquire surplus sites, including the provincially legislated parkland dedication reserve fund, the strategic land acquisition reserve fund, and dedications and easements received through the development process to protect environmentally sensitive lands.

Finally, staff recommended that the criteria be incorporated into the draft City of Burlington Strategic Land Acquisition Policy, a comprehensive corporate acquisition framework to guide Council decision-making (City of Burlington, 2011b). This draft policy was developed in May 2011 and is currently in the public consultation phase. City of Burlington staff expects the policy to be finalized and brought forward to Council in June 2012 (R. Steiginga, pers. comm., 2012).

4.3. TDSB Properties Acquired by the City of Toronto

The following section will provide background information on each of the ten properties acquired by the City from the TDSB/TLC between 1998 and 2011. Figure 4 below is a map of Toronto showing the locations of all the properties.
4.3.1. 49 Wanita Road

The Wanita Road School site, municipally known as 49 Wanita Road, is 3.3 ha in size and located at the headwaters of Centennial Creek near Lawrence Avenue East and Port Union Road in Scarborough (see Figure 5). Acquired in 1956 as a reserve for future school purposes, the property was declared surplus by the TDSB in December 2002 and circulated for potential sale in April 2003. The PF&R division and the Toronto and Region Conservation Authority (TRCA) expressed interest in the site for open space purposes, including increasing Toronto’s tree canopy coverage and the number of sports fields, as well as protecting access to the existing publicly accessible open space (C of T, 2006b).

Note that 350 Dovercourt Road is the municipal address of the property referred to in this report as 11 St. Annes Road. The latter name was used in the City staff report when the property was acquired and hence is used in this report.
An appraisal analysis concluded that the market value of the site in December 2005 was $5.3 million. After months of negotiation, the City acquired the land for $5.3 million, plus $80,000 in applicable taxes and registration fees, in September 2006. Most of the funding for the purchase - $4.917 million - came from the 2006 Capital Budget of PF&R, while the remaining $463,000 came from the 2005 Approved Capital Budget of the TRCA (Ibid.).

As Figure 6 below illustrates, the site is currently vacant and surrounded by a residential area. It was initially planned to be used as sports fields, in keeping with the desire of the local residents who supported the purchase of the property. However, residents are now opposed against any type of park development and want the site to remain in its current ‘natural’ state. Although park development is not a pressing issue, staff wants to create a park plan for the site within the next few years (C of T staff #2, pers. comm., 2012).

**Figure 5: 49 Wanita Rd**

**Figure 6: Vacant land at 49 Wanita Rd**

Image courtesy of City of Toronto

February 2012 (Author’s photo)

### 4.3.2. 11 St. Annes Road

The property is municipally known as 350 Dovercourt Road (see Figure 4) and is the former Heydon Park Secondary School located southwest of College Street and Dovercourt Road (see Figure 7). In 2003, the 0.7 ha site, which was improved with a 7,475 m² three-storey building, was circulated by the TDSB under a proposal for sale. The Toronto Police Service (TPS) expressed interest in the property to relocate one of its aging facilities located at 150 Harrison Street a few hundred metres away.
CHAPTER 4: RESULTS

An appraisal conducted in 2007 concluded that the property had a value of $5.94 million. Negotiations between the City and the TDSB resulted in a purchase price of $5.94 million, plus $87,675 in applicable taxes and registration fees, which was funded from the 2007 Capital Budget of the TPS (C of T, 2007).

As Figure 8 shows, the TPS started construction on the new facility in 2010, which involved demolishing the old Heydon Park Secondary School. Construction of the 4,645 m² police station is expected to be completed in the fall of 2012 at an estimated cost of $35 million (TPS, 2012).

4.3.3. 2054 Davenport Road

The property is the former Carleton Village Junior Public School South Building located at 2054 Davenport Road east of the Davenport Road and Old Weston Road intersection near Toronto’s downtown (see Figure 9). The TDSB closed the elementary school and childcare centre in 2001 and declared the southern 1.27 ha portion of the property surplus in 2006. The TPS expressed interest in the site as its existing 11th Division facility was inadequate and staff had been searching for a replacement facility since 1998.

The property was appraised at $8.7 million in August 2007 and the TDSB and the City finalized the Agreement of Purchase and Sale in October 2008. The City agreed to pay $8.7 million, plus applicable taxes and registration fees of approximately $129,075, funded from the TPS 2007 Capital Budget (C of T, 2007).
CHAPTER 4: RESULTS

The site has been redeveloped into a 5,760 m² environmentally-friendly police facility (see Figure 10). The site’s former school building was originally built in 1912 and is a designated heritage property. Therefore, while transforming the building to suit a modern police station, the TPS ensured the preservation of the building’s significant heritage features. The building is also expected to receive a Leadership in Energy and Environmental Design rating (Carter, 2011).

Figure 9: 2054 Davenport Rd

Figure 10: Police Station Redevelopment

Image courtesy of City of Toronto

January 2012 (Author’s photo)

4.3.4. Part of 7 Edithvale Drive

This real estate transaction is different from the previously mentioned acquisitions since it involved a land exchange between the City and the TDSB. Edithvale Elementary School, known municipally as 7 Edithvale Drive and located in the North York area of Toronto, was closed in June 1980 due to declining enrollment and leased to the City for use as a community centre. In 2005, PPF&R and the TDSB each received approvals to begin designing a new community centre and elementary school project for the school and park site. These proposals required a land exchange between the two parties. The City conveyed lands shown as Parts 1 and 2 on Sketch No. PS-2008-107a (see Figure 11), containing an approximate area of 0.4 ha, and the TDSB conveyed to the City lands shown as Part 3 on the aforementioned sketch, containing an area of 1.2 ha. The land exchange cost the City a total of $2,911,625, funded from PF&R reserve funds (C of T, 2008).

Once the land exchange was completed, the City demolished the former school building and constructed a 4,645 m² recreation centre in 2010 that is well used by the community (see Figure
12). PF&R is also currently reviewing the possibility of purchasing additional lands for sports fields, depending on the outcome of a public consultation process (C of T staff #2, pers. com., 2012). While the original purpose of the land exchange was to facilitate the construction of the community centre for the City and a new school for the TDSB, the TDSB has conducted area reviews of the site and has no plans to build a new school in the near future (C of T, 2008).

**Figure 11: Edithvale Dr. Lands**

**Figure 12: Edithvale Community Centre**

![Image courtesy of City of Toronto](January 2012 (Author’s photo))

4.3.5. **Part of 201 Chester Le Boulevard**

This transaction is another land exchange between the City and the TDSB. Chester Le Junior Public School is an elementary school located at 201 Chester Le Boulevard in Scarborough’s Victoria Park and Finch Avenue East area. It is also located in the Steeles-L’Amoreaux priority neighbourhood, one of 13 such Toronto neighbourhoods identified as lacking in services and facilities. In 2007, Toronto City Council authorized constructing a child care centre attached to the existing Chester Le elementary school. This would be a joint project between the City and the TDSB, whereby the City would be responsible for all construction costs and the TDSB would be responsible for maintaining the building upon completion and providing the land for this new facility. The City proposed a land exchange whereby the City would convey to the TDSB City-owned lands shown as Part 1 on Sketch No. PS-2009-065, containing an approximate area of 343 $m^2$, and TDSB would convey to the City lands shown as Part 2 on the same sketch, containing
the same approximate area of 343 m$^2$ (C of T, 2009b) (see Figure 13). Since the TDSB and the City agreed that the lands exchanged are of equal value, estimated at $70,100, the City only incurred land exchange costs of $12,963. All costs associated with the construction of the child care facility were funded from the 2009 Approved Capital Budget for the City’s Children’s Services division (C of T, 2009b).

The child care centre is located on the ground floor of the Chester Le school and has been operational since early 2012 (see Figure 14). It is accompanied by 1,161 m$^2$ of community space on the second floor of the building leased by the City from the TDSB on behalf of the Agincourt Community Services Association Inc., a community non-profit group that entered into a below-market lease agreement with the City (C of T, 2011a).

**Figure 13: Chester Le Blvd Lands**

**Figure 14: Chester Le Blvd Child Care Centre**

Image courtesy of City of Toronto

February 2012 (Author’s photo)

4.3.6. 819 Sheppard Avenue West

The property is the site of the former Dublic Public School located at Faywood Boulevard, east of Allen Road (see Figure 15). The TDSB declared the property surplus in June 2008 and circulated the entire 2.5 ha site for sale, subject to an existing lease in favour of the private Heschel School. The PF&R division wanted to purchase the open space component of the property, identifying the neighbourhood as an area of low parkland provision and noting that loss of the green space would have a negative effect on the community. Since the TDSB would not
sever the property, the City had to purchase it in its entirety to secure the open space component it desired (C of T, 2009c).

The entire property was appraised at $8 million in 2009. The City also completed a real estate analysis demonstrating that the return on the acquisition of the school portion of the property is favourable if it is sold for redevelopment in the future, thereby justifying the purchase of the entire site. The Heschel School expressed interest in entering into a long term lease with the City with an option to purchase the building (see Figure 16). The City’s PF&R currently operates the south open space component of the property and will study programming options in the future (Ibid.).

The City’s land acquisition costs can be categorized as follows: payment to vendor of $7,572,500; combined land transfer tax and registration costs of $148,100; immediate capital repairs of $855,000; and environmental testing of $100,000, resulting in total acquisition costs of approximately $8,675,600 funded jointly from the 2010 Capital Budgets of PF&R and RES since PF&R did not have sufficient funds to acquire the entire property (Ibid.).
CHAPTER 4: RESULTS

4.3.7. 432 Horner Avenue
The property is the former Franklin Horner Public School located west of Kipling Avenue in the former Toronto suburb of Etobicoke (see Figure 17). The TDSB originally declared the property surplus in June 2008 and proposed to sell the open space component of the site, excluding the portion with the former school building that was leased to the City since 1997 for use as the Franklin Horner Community Centre. In response to the circulation, the City’s PF&R division expressed interest in acquiring the entire 1.2 ha property. Staff noted that the community centre is a successful facility well used by the area’s residents, especially its senior population, and that the loss of the site would require relocation within the area (see Figure 18 below). Since PF&R determined that the building would require significant amounts of capital investment between 2010 and 2013, it would be more cost-efficient to purchase the site rather than have to relocate and hence acquire another site within the community (C of T, 2009d). The property was appraised at $4.3 million in 2009 and the City purchased it for the same amount of money, plus $63,075 in closing costs, resulting in total acquisition costs of $4,463,075.

4.3.8. Part of 3495 Lake Shore Boulevard West
The property is part of a larger site that includes James S. Bell Public School located in the former suburb of Etobicoke, west of Kipling Avenue (see Figure 19). The TDSB declared the portion of the property fronting Lake Shore Boulevard West surplus in 2008, including a building constructed in 1914 that was leased to the City and operating as the Thomas Berry Child Care
Centre (see Figure 20). After the construction of a new James S. Bell Public School on the same property in the early 1970s, the old building was converted to a municipally operated child care centre. Concern was expressed by the City’s Children’s Services division that it would lose the centre if it did not purchase it, which would have a significant impact on service provision for the area. Moreover, the City had already invested significant amounts of money into the facility. Remaining at the site was deemed to be more cost-effective than relocating (C of T, 2009d).

The property was appraised at $2,062,556 in 2009 and the City paid a total cost of approximately $2,091,320, including all taxes and charges, funded by the Children’s Services 2009 Approved Capital Budget (C of T, 2009d). The TLC was initially concerned that the potential redevelopment value of the property was much higher than the actual appraised value and wanted assurance that if the City were to sell or redevelop the property, the TLC would share in the potential profit. To address these concerns, it was agreed that if the City were to sell the property within ten years of assuming title, the City would divide any profits with the TLC on a 50/50 basis if the sale price of the property exceeds the acquisition cost. The City agreed to this condition because the child care facility is required and will likely not be sold (Ibid.).

**Figure 19: 3495 Lake Shore Blvd W**

**Figure 20: T. Berry Childcare Centre**

*Image courtesy of City of Toronto*

*January 2012 (Author’s photo)*

### 4.3.9. 80 Lothian Avenue

The property at 80 Lothian Avenue is vacant and a portion of it contains a parking lot. The City owns two properties abutting the TDSB lands. Located to the south is Fairfield Park and to the east is Fairfield Seniors’ Centre, formerly known as the Fairfield Public School. When the TDSB
declared its entire 1.6 ha site consisting of 1.2 ha of open space lands and 0.41 ha of parking space surplus in 2009, PF&R wanted to purchase the parking lot portion of the property for the continuing use of Fairfield Seniors’ Centre clients (C of T, 2010c) (see Figures 21 and 22).

PF&R was not initially interested in acquiring the open space component of the TDSB site, citing financial limitations and adequate parkland provision levels in the area. However, the ward Councillor, supported by the local community, wanted to purchase the entire site and suggested a number of financial arrangements to facilitate the acquisition. As a result, staff decided to present City Council with two acquisition options: one involved purchasing only the parking lot lands while the other recommended the purchase of the entire site. In June 2010, City Council decided to pursue the acquisition of the entire site to be funded with an increase to the PF&R 2010 Approved Capital Budget from the City-wide LARF. Council also approved two staff recommendations whose objective was to reimburse the LARF used to acquire the open space lands using development-related charges from the ward in which the property is located. The RES division is also supposed to report back to Council no later than three years after the City acquires the property to recommend a final disposition of the open space portion of the property. The parking lot portion of the site was appraised at $1,735,733 while the open space component was appraised at $4,564,267. The City paid those respective amounts plus total closing costs of $202,530 resulting in total acquisition costs of $6,502,530 (C of T, 2010c).

Figure 21: 80 Lothian Ave
Image courtesy of City of Toronto

Figure 22: Fairfield Seniors’ Centre with Acquired Parking Lands in the Background
January 2012 (Author’s photo)
4.3.10. Northerly Portion of 1251 Bridletowne Circle

The property acquired by the City is the vacant, open space component of the former Timothy Eaton Business and Technical Institute located at 1251 Bridletowne Circle (see Figure 23). The facility was previously used as a secondary school for students in trades and skills and closed in April 2009 as a result of an ARC undertaken earlier that year. The entire 5 ha property, including the former school building, was declared surplus in June 2010 and circulated to the City under a proposal for sale. Although the TLC preferred selling the entire property, it would also consider offers for a portion of the site.

Staff from the City Manager’s Office and the SDFA division expressed interest in purchasing the entire site to explore the possibility of converting the facility into a community service hub that could include services for seniors, youth and children, as well as providing community space. The site would be a suitable location for a community hub because it is located in the underserved Scarborough priority neighbourhood of Steeles-L’Amoureaux. Significantly, in an August 2010 report to City Council, staff also noted that the acquisition of the property met several of the corporate acquisition criteria that are the subject of this report. Municipal staff suggested funding the acquisition of the property with the $7 million set aside in the LARF for the year 2011 as part of the funding strategy accompanying the Acquisition Policy (C of T, 2010b).

However, in June 2011, upon further staff review, the City withdrew its interest in the site because of the prohibitive cost of repurposing the former school facility. The purchase and re-use of the entire property would cost the City approximately $32 million, a figure almost four times the amount allocated in the LARF for the purchase of school properties in 2011 (C of T, 2011b).

In late 2011, City elected to pursue a Public Sector-Community Sector Initiative with the YMCA of Greater Toronto (YMCA), the United Way Toronto and The Scarborough Hospital for the purpose of creating the Steeles-L’Amoreaux Community Hub whereby the City would only acquire the northerly 2.1 ha vacant land portion of the property. The proposed real estate transaction would involve the following essential characteristics, as outlined in a staff report adopted by City Council in September 2011:
1. The City would acquire the northerly portion of the property for $5,742,000\textsuperscript{13}.

2. The City would declare the property surplus and transfer the land to the YMCA as a grant to construct an approximate 9,290 m\textsuperscript{2} community hub facility that would house the (a) the YMCA, (b) Agency Rental Space for community-based agencies that provide social services, and c) rental space to The Scarborough Hospital for health services.

3. The YMCA will construct, own and operate the facility. In exchange for the land, as property owner and project manager for the community hub, the YMCA will contribute $2 million towards construction of the Agency Rental Space. The YMCA will recover this amount in rent from The Scarborough Hospital for the portion of the land the hospital will occupy.

4. The United Way Toronto would contribute an additional $3 million towards the construction of the Agency Rental Space.

This complicated and time-consuming transaction was possible because the TLC was flexible and allowed the City to continue negotiations with potential partners beyond the normal 90 day disposition notice timeline. Since community partners contributed a lot of resources to this project, the City had the opportunity to use its acquisition funding to leverage the money from its partners, thereby eliminating any construction and operating cost risks (C of T staff #1, pers. comm., 2012). The northerly portion is now vacant and waiting development (see Figure 24).

\textbf{Figure 23: Northerly portion of 1251 Bridletowne Circle} \hspace{1cm} \textbf{Figure 24: Vacant portion of property}

\textsuperscript{13} The appraised value was also $5,742 million. The final recommended acquisition price included an estimated $200,000 in closing costs resulting in a $5.942 million total purchase price for the City, funded from the LARF through the 2011 RES Approved Capital Budget.
CHAPTER 5: DISCUSSION AND ANALYSIS

Following up on the preceding chapter, this chapter integrates and discusses all of the information gathered through the various data collection techniques employed to answer four of the five research questions set out in Chapter 1 of this report. It is divided into the following sections: the first section uses information gathered from interviews with City staff to provide background history about the development of the City’s existing Acquisition Policy; the second part analyzes the results of the policy review and specifically discusses differences and similarities between the City’s policy and the policies of other Ontario municipalities, particularly Ottawa, Hamilton and Burlington; the third section assesses the consistency between the real estate transactions involving the City and TDSB/TLC and the Acquisition Policy’s corporate acquisition criteria; and the final section evaluates the success of the Acquisition Policy in meeting its stated objectives. The final research question of this report is more appropriately addressed in the last chapter.

5.1. Development of City of Toronto Acquisition Policy

In addition to the official rationale about the development of the Acquisition Policy identified from the publicly available staff report recommending its approval by City Council in May 2010\(^\text{14}\), the interview with the City SDFA representative who took the lead in writing it provided further insights about its development. She noted that the policy was created in association with the formation of a staff group in 2010, previously identified as the Team, because the TDSB was accelerating its school disposal process. Rather than having a simple internal administrative circulation process whereby City divisions only have a few weeks to determine whether or not they are interested and have the financial resources to purchase school properties, the Team wanted the City to take a more proactive approach and consider the greater collective impact of these surplus school lands (C of T staff #1, pers. comm., 2012).

Team leadership was originally envisioned to be a joint undertaking between the City Manager’s Office and the RES division. However, since RES is primarily transaction-oriented, focusing on completing real estate transactions on behalf of the City, it was difficult to find appropriate staff

\(^{14}\) Recall that this rationale is discussed in section 2.5.2. of this report.
who would take the lead on broader corporate policy issues. As a result, SDFA staff replaced RES in a leadership role and worked in conjunction with the City Manager’s Office to select the membership of the Team (Ibid.). This transition in group leadership from RES to SDFA is important because it changed the policy focus of the team from real estate issues, with an emphasis on financial value, towards social planning issues, especially inter-divisional and community partnerships to facilitate the development of community hubs in underserved neighbourhoods. Team membership was selected based on operational divisions that would have an interest in creating programming for community hubs, including those involved in community development and service delivery. In addition to representatives from the City Manager’s Office and the SDFA, the Team is comprised of staff from the following City divisions: RES, City Planning, Children’s Services, Affordable Housing Office and PF&R (Ibid.).

The Acquisition Policy created in 2010 was accompanied by a funding strategy for the potential purchase of specific properties identified as corporate priorities. Funding from the LARF was set aside in the amount of $7 million, $5 million and $3 million in each of the years 2011, 2012 and 2013 respectively. However, this allotment is not guaranteed and is contingent on money being available in the LARF. The total of $15 million over three years was selected somewhat arbitrarily for political reasons (Ibid.). In other words, the funding strategy was envisioned to function like a pilot strategy – to determine the level of political support this type of policy could receive. At the time staff was at a learning stage regarding the costs required to acquire and redevelop school properties and the $15 million requested from Council seemed like a reasonable amount. It seemed sufficient to leverage money from other sources, but small enough that City Council understood that cooperation would be required to prioritize corporate priorities as not every available school property could be acquired (Ibid.)

5.2. Comparison of City of Toronto’s Acquisition Policy with Ontario Municipalities

The SDFA participant noted that neither she nor the Team reviewed the surplus school policies of other Ontario municipalities during the process of developing Toronto’s policy. In other words, the Acquisition Policy is ‘made in Toronto’. While the Team became aware of how other municipalities have redeveloped and used school lands through case studies (e.g. former school sites redeveloped into affordable housing), reviewing the policies of other municipalities was not a priority because other cities do not have to contend with Toronto’s expensive real estate market
and therefore do not face the same financial challenges in acquiring school lands (C of T staff #1, pers. comm., 2012). Similarly, the PF&R representative noted that every municipality has different concerns and interests and therefore the policies of other municipalities were not explicitly consulted during the development of the City’s policy. However, he also indicated that he is aware of what other Ontario municipalities, particularly Hamilton and Burlington, are doing to acquire school lands for park purposes (C of T staff #2, pers. comm., 2012).

As outlined in Chapter 4, the results of the Ontario municipal email survey indicate that most Ontario municipalities do not have surplus school acquisition policies. In fact, none of the 116 survey respondents, representing a response rate of 89%, indicated that their municipality possessed a specific city-wide surplus school acquisition policy similar to the City’s. The only municipalities that specifically mentioned acquiring school lands as part of their official plan policies were the Town of Aurora, the City of North Bay and the City of Orillia. As Appendix B indicates, the Town of Aurora’s OP states that Council shall consider the acquisition of school lands when they become available to meet the needs of the community (M. Rokos, pers. comm., 2012). The City of North Bay OP recognizes the role school properties play in the provision of parks and open space in the community. Should a school site be offered for sale, staff will review relevant plans to determine if the property or a portion thereof can be purchased depending on available municipal resources for purchase and ongoing maintenance (B. Hillier, pers. comm., 2012). The City of Orillia has a policy in its OP stating that should school properties become available, the city would attempt to acquire them and prepare comprehensive development plans in consultation with the public (A. Woodrow, pers. comm., 2012). Recall that the City’s OP emphasizes retaining and redeveloping surplus schools for community infrastructure. It specifically mentions acquisition in the context of acquiring school sites for parks and open space purposes (Section 3.2.2). Toronto’s emphasis on retaining and redeveloping school sites for community uses is thus similar to the policies of these municipalities.

The cities of Ottawa, Hamilton and Burlington are in an ongoing process of actively developing corporate policies to address the acquisition of school properties. In other words, they are going beyond their official plan policies and thinking about the impact of school dispositions in a comprehensive manner. Chapter 4 summarized the policy status of each of these municipalities.
Although the City of Ottawa does not have a separate surplus school acquisition framework, unlike Toronto it has a municipal acquisition policy. As noted, City of Ottawa staff is currently working on developing a set of universal criteria to evaluate school properties as they become available, mainly because of the same challenges the City experiences acquiring these properties.

Like the City of Ottawa, the City of Hamilton adopted a corporate Portfolio Real Estate Strategy Plan to guide the management of municipally-owned property, including corporate acquisitions. Similarly, it does not have a separate surplus school acquisition policy. However, the City of Hamilton has developed a close working relationship with its public board that has been formalized into a MOU. One of the advantages of this MOU is that it provides municipal staff with additional time to evaluate whether or not school properties should be acquired. Staff can take up to 180 days to decide whether or not to acquire instead of the usual 90 days allotted to the City, which lacks this type of MOU. Since the rigid 90 day timeline poses a significant challenge for the City, this time flexibility is an important difference between the two cities. This close relationship between the City of Hamilton and its local public board has also led to the creation of the Liaison Committee; the parties are currently working together to develop an acquisition protocol so the City of Hamilton can evaluate and prioritize the acquisition of schools as they become available. Although the City and local school board staff have strong individual working relationships, this has not been formalized into a legal agreement that encourages the two agencies to work together.

The City of Burlington also has a strong partnership with its local public board, which led to the creation of a Surplus School Strategy focused on acquiring properties of municipal interest for their open space component. Portions of properties not required for parks and recreational purposes would subsequently be developed in conjunction with an interested development partner. This real estate strategy has been successful, allowing the HDSB to achieve market value for their surplus sites while also allowing the City to maintain desired green space and incur minimal financial cost. City of Burlington staff added formal acquisition criteria to their previous Surplus School Strategy in 2011, noting that “the establishment of consistent criteria will guide the decision making process to determine the need for acquiring any further park and
open space through the acquisition opportunities of surplus school site lands” (City of Burlington, 2011a, p.2).

Significantly, the City of Burlington seems to be the only municipality in Ontario besides Toronto to have approved surplus school site acquisition criteria. These criteria are accompanied by a matrix to help staff in the decision-making process by ranking considerations. This is a tool that the City’s Acquisition Policy does not possess. However, while the City’s acquisition criteria are ostensibly comprehensive, including, for example, child care centres, affordable housing and community hubs, the City of Burlington’s acquisition criteria are primarily focused on park uses. Therefore the acquisition criteria reflect the City of Burlington’s view that former school sites are essentially potential municipal parks and open space areas. This focus on the open space component of school properties is rather confusing since in the same report recommending approval of these criteria, staff noted that the “Parks, Recreation and Cultural Assets Master Plan identifies that the City is adequately supplied in parks and open space” (City of Burlington, 2011a, p.2). Given this statement it is not clear why acquiring school sites for primarily recreational purposes is necessary.

Finally, in contrast to the City, all three municipalities – Ottawa, Hamilton and Burlington - have either approved or are working on approving a comprehensive municipal acquisition strategy. The City of Ottawa has approved a Real Property Acquisition Policy; the City of Hamilton has a Real Estate Portfolio Management Strategy, which includes acquisition principles; and the City of Burlington is working on finalizing its Strategic Land Acquisition Policy that would include the incorporation of the above-discussed school acquisition criteria. While the City has policies and procedures for managing different real estate transactions, it does not have a city-wide acquisitions policy or comprehensive portfolio management strategy to guide staff in making real estate decisions.

5.3. Consistency between City of Toronto Acquisition Criteria and Previous Acquisitions

Outlined in Figure 2, the City’s corporate acquisition criteria are a key component of its Acquisition Policy. The set of initial criteria were developed in 2010 to “support cross-divisional objectives and responsible fiscal planning. Properties that meet multiple needs and have multiple
partnership opportunities for programming, capital funding and on-going operations will be identified as corporate priorities.” (C of T, 2010a, p.8). The criteria form part of step three of the Acquisition Policy’s three-step decision-making approach. They are to be used to score each identified property on the divisional acquisition needs list. Therefore the use of the criteria is only triggered if there are multiple divisions interested in a property and/or there is no identified capital funding.

As the criteria have been approved recently in 2010, they have been used to acquire only one property thus far – the northerly portion of 1251 Bridletowne Circle in 2011. The remaining nine properties were acquired by the City before the development of the Acquisition Policy in response to divisional interest. To summarize the information about each of the ten acquisitions provided in Chapter 4, two of the properties (i.e. 11 St. Annes Road and 2054 Davenport Road) were acquired by the TPS for the construction of two new police stations; five properties or portions thereof were acquired for parks and open space purposes (i.e. 49 Wanita Road, part of 7 Edithvale Drive, 819 Sheppard Avenue West, 432 Hornor Avenue and 80 Lothian Avenue); two of the properties were acquired for child care centres (i.e. part of 201 Chester Le Boulevard and part of 3495 Lake Shore Boulevard West); and the remaining property, the northerly portion of 1251 Bridletowne Circle, was acquired for a multi-service community hub.

Therefore, with the exception of the two properties acquired for the construction of police stations, the real estate transactions are somewhat consistent with the criteria in the sense that two of the criteria included in the Acquisition Policy, namely child care centres and parks and recreation services, could have been used to acquire these properties. This indicates that these two criteria reflect corporate interest in using school sites for particular purposes. In other words, in the past school sites have been most frequently acquired for parklands, followed by the need to retain and provide child care services. The current criteria reflect a corporate interest in using surplus school sites for the provision of soft infrastructure and the City in the past has mostly acquired school sites for these purposes. This focus on community service provision implements the OP’s vision of redeveloping surplus school sites for parks and community service delivery, as discussed earlier in this report.

15 See section 2.5.3. for a review of the three-step approach.
5.4. Effectiveness of Acquisition Policy in Meeting its Objectives

As the Acquisition Policy has only been used to acquire the property located at 1251 Bridletowne Circle, therefore this was the policy’s only real ‘test’, which is a limitation of this policy evaluation. The Acquisition Policy can be evaluated in its entirety as well as with respect to its two major components: the acquisition framework comprised of the corporate acquisition criteria and the funding strategy.

First, a cursory review of the Acquisition Policy suggests that it is a city-wide, corporate acquisition framework that applies to potentially all City divisions. Although some social service divisions may be more likely purchase school sites in comparison to others, the policy is ostensibly about making it easier for all divisions to prioritize acquisitions. However, the policy focus is somewhat misleading and has the potential to cause internal tension among staff. As indicated earlier in this report, interviews with staff involved in the development of the policy revealed that it is reflective of the staff involved in its creation. Recall that a representative from the City’s SDFA division took the lead in writing the report recommending the policy’s approval once RES withdrew its interest in writing it in conjunction with the City Manager’s Office. As a result, the focus shifted to social planning issues, particularly to encouraging the creation of community hubs, which are one of the corporate acquisition criteria. This focus has garnered both praise and criticism from City staff representing other divisions. For example, while the RES informant praised the policy’s focus on social services as innovative and interesting (C of T staff #4, pers. comm., 2012), the PF&R representative stated that the policy is a “separate track” that is not really applicable to his division (C of T staff #2, pers. comm., 2012). This is an interesting comment given that evaluating school sites for potential park purposes is one of the key criteria in the framework, and since most school sites bought by the City thus far have been for parks purposes. However, the comment is also understandable given the way City operating divisions are structured - PF&R has reserve funds to pay for acquisitions, unlike many other City divisions who lack a capital budget and must rely on LARF.\(^\text{16}\) As indicated in Chapter 4, PF&R used these reserves to pay for previous school site acquisitions. Along with reserve funds, PF&R has a Parkland Acquisitions Strategic Directions Report with its own acquisitions criteria to

\(^{16}\) Recall that LARF is the funding source for the $15 million amount allotted over three years for the potential acquisition of surplus schools as part of the funding strategy associated with Acquisition Policy.
guide staff in making decisions (C of T staff #2, pers. comm., 2012). This is why the PF&R representative stated that although his division is an active part of the Team and, where appropriate, would collaborate with other divisions on community hub initiatives, it would deal directly with the TLC or the relevant school board if there was interest in simply purchasing the land portion of a school site for parks purposes. Indeed, this perception among some City staff that the policy is narrowly focused on social services was indirectly highlighted by the SDFA interviewee who said that it is difficult to get divisional representatives to discuss and collaborate regarding potential corporate acquisitions during Team meetings. Therefore one criticism of the overall policy is its unclear policy focus - while it implements the OP policy direction encouraging the community use of former school sites and was essentially written by staff from a social planning division, it is presented as a corporate-wide acquisition framework.

Nevertheless, the adoption of the policy seems to have made both administrative and political staff more aware of issues arising from surplus school dispositions. In fact, one of the greatest outcomes of having surplus schools on the administrative agenda is increased formal collaboration between the City and the TDSB/TLC. In addition to City staff members who are part of the internal Team and of the Discovery Session meetings the TLC conveyed with public partners, some are also members of the Public Assets Working Group (PAWG). The PAWG, also established by the TLC, includes representatives from all four Toronto school boards and the Ministry of Education. The PAWG is a high-level policy group whose objective is to develop a coordinated approach to dealing with school properties, given the restrained fiscal resources and a rigid regulatory regime governing the disposition of these properties (C of T, 2010b). One of the City’s objectives as part of the PAWG is to lobby the provincial government to make changes to Ontario Regulation 444/98. To this end, City Council has approved the changes to the regulation it would like to see (see Appendix D). Although the TLC representative said that the Ministry of Education is undertaking a review of this regulation, it is not clear when changes, if any, will be announced (TLC staff, pers. comm., 2012).

As noted earlier, the acquisition framework is a three-step approach that involves compiling a database of potential school properties that may become available for sale, having divisional representatives periodically review the database and identify properties of interest, and, if
necessary because of competing interests and/or lack of identified funding, using the corporate
acquisition criteria to make a decision regarding properties of corporate interest. This work is
supposed to occur at the divisional level as well as when divisional representatives who are part
of the Team meet. Although it is not clear how many divisions undertake this review process
individually, PF&R staff have completed this review and keep abreast of potential properties as
soon as they are made known because they experience constant public and political pressure to
acquire surplus sites (C of T staff #2, pers. comm., 2012). The City Planning representative on
the Team, who works for the division’s policy section, indicated that she frequently
communicates with her community planning colleagues to discuss individual surplus board
properties as they may become available. Although the City Planning division, unlike PF&R, for
example, does not have an operational interest in acquiring school properties, staff wants to be
aware of school board intentions respecting institutional lands since any change in use would
have obvious community impacts (C of T staff #3, pers. comm., 2012).

As previously discussed, the corporate acquisition criteria forms the third step in the acquisition
framework decision-making process. They are supposed to be preliminary criteria to help guide
decision-making and promote partnerships among divisions. The SDFA participant indicated that
staff wanted to “quantify prioritization” or somehow rank the criteria during the development
process such that as more properties became available, the criteria would be tested against them
and subsequently refined. However, quantifying criteria is challenging and no additional
opportunity to test them presented itself besides the 1251 Bridletowne Circle property. While the
acquisition of this property was eventually successful, though not as originally envisioned, and
all City interviewees spoke highly of the social value of developing community hubs, it is not
clear to what extent having the criteria in place actually facilitated the completion of this
particular transaction. For instance, the SDFA interviewee specifically mentioned that money
was the limiting factor, and that the City was able to leverage the limited funding allotted by the
school lands funding strategy for that year primarily because it had community partners willing
to provide sufficient funding for the transaction to occur. Indeed, she noted that the significance
of this acquisition was not because the property was most valuable to the City, but because
partners provided tremendous amounts of money. Hence the City could not pass up the
opportunity to finalize the transaction.
Therefore it is difficult to assess the effectiveness of the corporate acquisition criteria except to say that they are not as comprehensive as they could be. Reflecting the social focus of the policy, the criteria are primarily geared towards capturing social service delivery functions and therefore are not really city-wide. There is no reference to other divisions or City agencies that might need large school sites for their operational requirements, such as the TPS who have previously bought two school properties.

Significantly, the corporate acquisition criteria do not explicitly reference real estate or financial value. This omission is likely the result of the change in leadership of the Team from RES to SDFA. The SDFA representative noted that she interpreted the definition of value more broadly than simply equating value with financial cost or fair market value (C of T staff #1, pers. comm., 2012). Nevertheless, not including real estate criteria such as market value as part of the acquisition framework is reasonable since school boards are mandated to dispose of property to any agency except other school boards at market value. The City also has separate policies to ensure that it is financially protected. In fact, Chapter 4 indicated that the City paid the approximate appraised market value for the properties or portions thereof it acquired over the years.

The final and most important component of the Acquisition Policy given the City’s fiscal challenges is the funding strategy. One of the reasons for proposing the strategy was to bypass the time constraints it would take City divisions without identified capital funding to receive approval from Council to acquire sites. Although divisions are supposed to budget for proposed acquisitions as part of their ten-year Capital Plan, school sites have presented challenges to this process, including that they were not anticipated; they are not part of the normal operations of certain divisions; and there is no capital budget for such activities (C of T, 2010a). Therefore staff recommended this strategy in response to these challenges (C of T, 2010). Recall that Council authorized funding from LARF in the amount of $15 million over three years - $7 million, $5 million and $3 million in each of the years 2011, 2012 and 2013 respectively to help fund school property acquisitions that have been identified as a priority for the City. To date, approximately $5.942 of this funding has been spent on acquiring the northerly portion of 1251 Bridletowne Circle in 2011. As I indicated earlier, the SDFA representative and the Team
envisioned the $15 million acquisition amount to function like a pilot strategy, as a way of determining the level of political support this type of policy could receive. However, the difficult negotiations process to acquire the Bridletowne property was an important learning experience for staff about the tremendous cost of acquiring and, in particular, repurposing former school buildings that are often older and in poor condition. Indeed, a key barrier associated with repurposing such buildings is the cost of restoring them to a state of good repair since retrofitting can be more expensive than constructing new facilities (C of T, 2011c).

Moreover, the funding strategy only covers acquisition costs – it does not include an operating budget. While this constraint can be seen as an opportunity to encourage collaboration and leveraging of resources, the operating cost implications of repurposing buildings can have a significant impact on the City’s ability to acquire properties. In summary, as a result of the challenges experienced so far, the money allocated as part of the funding strategy is now viewed as insufficient to promote a project (C of T staff #1, pers. comm., 2012).

Overall, the Acquisition Policy has achieved mixed results since its approval by Council in 2010. The focus of the policy is misleading – it presents itself as a city-wide, corporate framework that can theoretically benefit all City divisions and agencies that may be interested in acquiring sites. However, upon closer inspection, it actually has a social planning policy focus whose corporate acquisition criteria reflect the interests of divisions primarily occupied with community service programming and delivery. Indeed, even divisions whose interests are reflected in the criteria, namely PF&R, have separate processes, acquisitions criteria and funding sources, and therefore are not fully invested in the Acquisition Policy. Furthermore, although the corporate acquisition criteria were supposed to be preliminary and have been ostensibly tested against only one property, I have suggested that it is not clear to what extent the criteria actually assisted with the completion of the 1251 Bridletowne Circle property – it seems that negotiations with community partners and their willingness to provide significant amounts of money allowed the transaction to occur. However, the $7 million 2011 LARF allocation as part of the funding strategy, although limited and not sufficient to acquire the entire property, allowed the City to contribute towards the construction of the community hub. Though the acquisition of 1251 Bridletowne Circle was an eventual success, the money allocated as part of the funding strategy is too insignificant to
allow the City on its own to acquire and redevelop a school property for a new use. As the funding strategy was envisioned as a pilot strategy, it proved to be a great learning experience for City staff. Finally, one of the greatest results of the adoption, not just of the Acquisition Policy, but of the series of reports advocating for changes in the City’s response to surplus school circulations, is the increased formal collaboration between the City and the local school boards through various staff working groups.
CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

This report analyzed the development and provided an interim evaluation of the City’s existing surplus school Acquisition Policy, which was created in 2010 to improve its ability to respond to school dispositions. The TDSB created a real estate subsidiary corporation in 2008 to manage real estate revenues from its extensive property portfolio. Since most of the City’s surplus school sites have been acquired from the TDSB/TLC, this report selected an inventory of all sites acquired by the City from 1998 until December 2011 as the basis for further study. The Acquisition Policy was evaluated with respect to the following: comparison with the surplus school policies of other Ontario municipalities; consistency between the corporate acquisition criteria and the real estate transactions that occurred between the City and the TDSB/TLC; and its effectiveness in meeting objectives. Based on the findings and analysis presented in preceding chapters, summarized below, several recommendations can be made to improve the existing Acquisition Policy specifically as well as the City’s ability to acquire surplus school sites more generally.

6.1. Summary of Findings

Due to provincial pressures to dispose of surplus properties to access funding for new schools and obtain capital grants to renovate older facilities, the TDSB/TLC have sold 40 school sites since 1998 until August 2011 (see Appendix A). Ten of these sites, or portions thereof, have been acquired by the City starting in 2006 until its latest acquisition was finalized in December 2011. As Appendix C indicates, in the past the City used a time-consuming internal process to acquire school sites for municipal purposes. Staff found it challenging to acquire sites and wanted to be more proactive in responding to school board disposals. As a result, beginning in 2009, City Council approved a series of amendments to the City’s procedural framework that culminated in the adoption in 2010 of the Acquisition Policy that is the subject of this report. In fact, a policy review of the surplus school policies of the Ontario municipalities of Ottawa, Hamilton and Burlington, in addition to a municipal email survey sent to all cities and towns in the province, indicate that the City is the only Ontario municipality with a surplus school corporate acquisition framework. Therefore, although a comparison was made between the City’s policy and those of other municipalities to show differences and similarities, it was
impossible to derive a set of best practices that could be used as benchmarks to improve Toronto’s policy since it is unique in the province. Furthermore, time constraints and the different regulatory context of other provinces precluded analyzing the policies of municipalities outside Ontario. As such, this single case study of the City’s existing Acquisition Policy relied on in-depth interviews with City staff and a TLC representative, and provided extensive information about all of the City’s school acquisitions to better understand the development of the policy and evaluate its effectiveness with respect to two measures: ability of its corporate acquisition criteria to be consistent with previous acquisitions and the ability of the overall Acquisition Policy to meet its stated objectives.

I found that the criteria were somewhat successful in explaining the acquisitions – five of the ten acquisitions were for parks purposes, while two were for child care purposes. However, two of the properties were bought for the construction of police stations and therefore are not accounted for by the acquisition criteria that focus mainly on the provision of soft infrastructure. Therefore, as my assessment in Chapter 5 indicated, the acquisition criteria, like the rest of the Acquisition Policy, are not corporate-wide and do not treat all divisions who may have an interest in school sites equally. Rather, the policy is reflective of the concerns of the group of City staff in the SDFA division who took the lead in its development, and focuses on social planning issues, particularly the encouragement of community and inter-divisional partnerships and the construction of community hubs. Not all City staff perceives their divisional interests reflected in what is supposed to be a city-wide policy. In particular, PF&R staff still follows divisional acquisition criteria as decision-making tools and use their own reserve funding to buy school sites of interest. Since one of the Acquisition Policy’s objectives was to promote inter-divisional collaboration, the view by some City staff that it does not apply to them weakens its impact. Furthermore, the ‘testing’ of the policy during the negotiations process to purchase the 1251 Bridletowne Circle property provided staff with a learning experience about the tremendous cost of acquiring and repurposing aging school facilities. Staff found that the funding strategy was insufficient to acquire more than one school property per year, and that successful acquisitions cannot occur if opportunities to leverage the City’s limited funding do not arise.
City interviewees were consulted about the current status of the Acquisition Policy and the work of the Team. Both the SDFA and RES participants advised that the existing fiscally conservative administration under Mayor Rob Ford does not facilitate the acquisition of school properties, particularly for community initiatives such as community hubs. Indeed, the City was recently subject to a Core Services Review to determine which services it should be delivering; this initiative was approved by City Council in 2011 to address a 2012 budget gap of $774 million. As part of this review, SDFA was advised that the facilitation of community hubs is not part of its core mandate and that it should cease encouraging their development in underserved neighbourhoods (C of T staff #1, pers. comm., 2012). Although staff members want the opportunity to refine the existing Acquisition Policy, there are no imminent plans to change it because of the perceived lack of political support from the current administration. This political support is necessary even if there is an approved funding strategy because Council approval is required to access this funding. Likewise, the Team has not accomplished much since the acquisition of the 1251 Bridletowne Circle property in 2011. However, interview participants were hopeful that a change in administration will have a positive impact on the ability of staff to refine the Acquisition Policy.

6.2. Recommendations

Based on the findings and analysis presented in this report, I propose the following recommendations for the City:

Recommendation #1: Develop a corporate acquisition policy that incorporates a comprehensive set of acquisition criteria supported by a robust and feasible funding strategy.

A review of the policies of the municipalities of Ottawa, Hamilton and Burlington indicated that although not all three have a surplus school acquisition policy, they all adopted some type of corporate municipal acquisition policy – the City of Ottawa has a corporate policy for Acquisition of Real Property; the City of Hamilton has a corporate Real Estate Portfolio Management Strategy that includes acquisitions; and the City of Burlington is currently working on finalizing its Strategic Land Acquisition Policy. The City lacks this type of corporate policy and would benefit from a comprehensive and strategic approach to the acquisition of real property which would enable it to proactively respond to all acquisition opportunities as a way of
achieving its goals and objectives, including those outlined in the OP and other statutory
documents. In other words, the City does not require a separate acquisition policy for school
sites. Although school properties may have specific features given their location in usually
residential areas and a history of community use, this does not mean that these sites necessarily
need to be redeveloped for the provision of other community services, such a community hubs,
parks and daycare centres. School sites should thus be made available for other municipal
priorities besides soft infrastructure, where appropriate, and subject to planning and development
regulations such as OP and zoning bylaws. This suggestion stems from the perception among
some City staff that the Acquisition Policy is in fact a social planning policy masquerading as a
corporate policy applicable to all divisions. Moreover, having a truly city-wide acquisition policy
will likely garner more political support among conservative politicians who may be wary of the
narrow social planning focus of the existing policy. As noted above, municipal employees who
support the focus of the Acquisition Policy are disheartened about the lack of political support,
and therefore the adoption of a corporate acquisition framework may help to solve this problem.

The corporate acquisition policy should include acquisition criteria to facilitate staff decision-
making. If it is deemed appropriate to have separate acquisition criteria for surplus school sites,
the acquisition criteria that form part of the existing Acquisition Policy can be refined and
incorporated into the corporate acquisition policy, just as the City of Burlington has proposed
incorporating criteria to purchase surplus school sites into its Strategic Land Acquisition Policy.

The corporate acquisition policy can be a key aspect of the real estate strategy the City is
currently developing to implement Council’s direction to rationalize and monetize corporate
assets. This process began in 2009 with the adoption of a set of principles to guide the
development of a strategy that incorporates long term plans for all City real estate holdings.
Under this framework, City real estate is defined as a corporate asset that is aligned with
Council’s Strategic Plan; supports municipal functions and purposes of the City’s Agencies,
Boards, Commissions and Divisions (ABCDs); and is subject to corporate review of the ABCD’s
continuing requirement for the asset (C of T, 2009e). Therefore the primary purpose of corporate
acquisition criteria is to acquire properties that meet municipal policy and operational objectives
in a fiscally responsible manner; any City acquisition would necessarily become a corporate
asset and must conform to this definition. This suggests that the current criteria’s focus on soft infrastructure provision needs broadening to include additional municipal priorities and revenue-generating opportunities. For example, given Council’s recent focus on asset rationalization and monetization, the existing soft infrastructure focus of the existing criteria can be refined by incorporating real estate development through Build Toronto, the City’s real estate development corporation with a mandate to “unlock” the value of City real estate and generate revenue. As such, one criterion can be whether or not Build Toronto determines that a disposed school property has development potential. Just as the TDSB is undertaking redevelopment projects on its sites by working with private partners, the City can work with Build Toronto and any interested partners to acquire and redevelop surplus school sites to meet municipal objectives and generate revenue.

Finally, all City interview participants agreed that the funding strategy associated with the Acquisition Policy is not sufficient for the City to independently buy entire school properties, let alone repurpose them into appropriate facilities, as the City’s difficulty in purchasing the 1251 Bridletowne Circle property demonstrated. Therefore any corporate acquisition policy would have to be supported by a robust and realistic budget that takes into account not only the acquisition costs associated with completing real estate transactions in Toronto’s expensive real estate market, but also the impact of operating costs on the feasibility of acquiring properties.

**Recommendation #2: Continue to pursue innovative real estate transactions, including public-private partnerships and public sector-community sector initiatives that leverage municipal funding.**

While City Council should provide direct funding from a dedicated reserve fund such as LARF for the acquisition of properties identified as corporate priorities, staff should also work to leverage and maximize the impact of this funding by pursuing creative real estate transactions that create beneficial results for the City, its partners and the wider public. Although challenging to accomplish, the acquisition of the 1251 Bridletowne Circle property proved that such a task is possible.
The City needs to actively engage and manage its relationships with partners to facilitate complex real estate transactions. Through its SDFA division, the City already has strong working relationships with community and non-profit agencies, as well as existing policies and funding programs that support the work of these agencies. Therefore a new formal process, such as a RFP protocol, is unnecessary for engaging community and other public sector organizations. Where appropriate, a more formalized RFP process for attracting private partners to complete the redevelopment of larger, more complicated acquired sites is recommended, just as the TDSB has adopted an RFP process for the redevelopment of some of its properties. Build Toronto can assist the City in pursuing real estate transactions that involve private partners as the agency routinely uses the RFP process to engage the private development sector.

In addition to pursuing external partnership opportunities, City staff should also review strategies to reduce divisional operating costs and create revenue internally. For example, the PF&R representative interviewed for this report indicated that his division spends significant amounts of money operating park areas – operating costs are the single biggest divisional cost item. As a result, divisional staff are reviewing options to reduce immediate operational costs, such as long-term (e.g. 50 years) leasing of park lands (C of T staff #1, pers. comm., 2012).

*Recommendation #3: Continue collaborating with TDSB/TLC staff and formalize this working relationship by creating a Liaison Committee and Memorandum of Understanding like the City of Hamilton.*

As previously indicated, one of the benefits of the adoption of the existing Acquisition Policy is the increased collaboration between City staff and the TDSB/TLC, as demonstrated by the number of working groups that have been created since the adoption of the policy (i.e. the Team, PAWG, Discovery Sessions). These groups have given City staff the opportunity to consult with their school board counterparts regarding the potential disposal of school sites. The PAWG also allows the City to initiate discussion with the province regarding potential changes to *Ontario Regulation 444/98*. However, more needs to be done. These working groups, while a good start, are essentially informal and could be disbanded at any time. The City should strive towards a mutually collaborative, legally formalized relationship. This can be achieved through a Liaison
CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

Committee and a Memorandum of Understanding, similar to the way the City of Hamilton has structured its relationship with the local public board. This formal agreement would strengthen the relationship between these two important public entities by fostering a collaborative and timely approach in areas of mutual interest; encouraging greater understanding and respect regarding the unique contribution each organization makes to the community; and increasing public confidence through the implementation of joint initiatives and outcomes.

*Recommendation #4: Improve internal communication and collaboration among municipal staff.*

While the City needs to better collaborate with the TDSB/TLC, it also needs to improve its own internal communication and collaboration. In fact, the existing Acquisition Policy was supposed to promote this collaboration and encourage divisions to partner when developing a business case for a school site that could serve multiple corporate interests. However, interviews with City staff suggested that this is not occurring as well as it should be. A lack of resolution to this internal organizational problem makes it difficult for the City to proactively respond to surplus school disposals.

For example, both the SDFA and PF&R informants revealed that they are not invited to PAWG and Discovery Session meetings with the TLC, making it difficult for them to keep abreast of upcoming potential school disposals. RES staff often represents the City at these meetings, but they have little interest in policy issues and usually get involved in school acquisitions upon receiving a request to purchase a property on behalf of the City. Arguably, then, RES employees are not the appropriate people to attend these meetings. If they do attend, any information should be forwarded to the Team and its leadership, including the SDFA representative who is currently co-managing the Team. Therefore Team leaders should be attending PAWG and Discovery Session meetings and promptly relaying this information to the Team membership. This is important because these high-level meetings provide City staff with an early opportunity to learn of upcoming potentially surplus TDSB properties before the commencement of the official 90 day circulation period associated with *Ontario Regulation 444/98.*
One strategy for improving inter-divisional communication is to increase the visibility and effectiveness of the Team by regularizing meetings instead of having them occur on an ad hoc basis; ensuring that all of the City’s interested ABCDs have representatives on the Team (i.e. not just certain divisions); and rotating Team leadership members so that no ABCD is perceived as more important than others. Upon learning of potentially surplus school board properties before the commencement of the official circulation period, ABCD staff should complete individual program reviews, identify potential properties of interest and subsequently meet with fellow Team representatives to discuss and collaborate to identify properties of corporate interest that can be acquired when they become available.

6.3. Conclusion and Recommendations for Future Research
Since 2009, City staff has strived to be more proactive in responding to the increasing pace of school disposals being undertaken by the TDSB/TLC. However, an interim evaluation of the Acquisition Policy indicates mixed results. Although the policy itself is not comprehensive and therefore not very useful at the corporate level, its adoption has increased collaboration between the City and the TDSB/TLC as some City employees are now members of school board working groups. The above recommendations are meant to encourage City staff to continue to improve collaborations, both internally within the City, as well as externally between the City, school boards and the Province. They are also meant to encourage staff to think about the City’s real estate portfolio in a more comprehensive manner and develop an actual city-wide acquisition policy that will evade the problems associated with the existing Acquisition Policy. Staff should start thinking about next steps before the current funding strategy expires in 2013.

Barring sweeping changes to Ontario Regulation 444/98, the trend of school consolidation and closures is expected to continue to impact communities across the province. As noted earlier, the topic of surplus schools is currently receiving a lot of media attention but limited scholarly attention, particularly from planning and real estate perspectives. Critics of school closures who advocate retaining these facilities in public ownership should recommend financially feasible strategies of acquiring and redeveloping them. Further scholarly research should examine how other Canadian and U.S. municipalities are dealing with school closures and which policies contribute to a municipality having greater control over the use of surplus school properties.
Municipal planning and real estate staff would also find it helpful to review successful examples of municipalities redeveloping school sites, especially those involving complicated real estate financial arrangements and multi-sector partnerships. Municipalities will likely continue to operate within a fiscally constrained environment and will need to become more proactive about leveraging municipal funding with governmental, private and non-profit funding sources.
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__________Staff #3. (2012, February 6). Interview with S. Rasanu.


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Hillier, B. (2012, February 12). E-mail message to S. Rasanu.

MacNair, G. (2012, June 19). E-mail message to S. Rasanu.


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<td>Part of 180 Shaw St</td>
<td>Shaw Public School</td>
<td>2010</td>
<td>Toronto Artscape Inc.</td>
</tr>
<tr>
<td>15 Saranac Blvd</td>
<td>Saranac Public School</td>
<td>2010</td>
<td>Bys Educational Centre</td>
</tr>
<tr>
<td>819 Sheppard Ave W</td>
<td>Dublin Public School</td>
<td>2010</td>
<td>City of Toronto</td>
</tr>
<tr>
<td>432 Horner Ave</td>
<td>Franklin Horner Public School</td>
<td>2010</td>
<td>City of Toronto</td>
</tr>
<tr>
<td>Part of 44 Champlain Blvd</td>
<td>Champlain Public School</td>
<td>2010</td>
<td>BBV-BZ Acquisition Corp.</td>
</tr>
<tr>
<td>Part of 3495 Lake Shore Blvd W</td>
<td>James S. Bell Public School</td>
<td>2010</td>
<td>City of Toronto</td>
</tr>
<tr>
<td>Part of 24 Strathburn Blvd</td>
<td>Melody Public School</td>
<td>2010</td>
<td>Toronto Catholic District School Board</td>
</tr>
<tr>
<td>Part of 123 Whitfield Ave</td>
<td>Whitfield Public School</td>
<td>2010</td>
<td>Toronto Catholic District School Board</td>
</tr>
<tr>
<td>Storey Crescent Site - no municipal address</td>
<td>Vacant land</td>
<td>2010</td>
<td>Toronto and Region Conservation Authority</td>
</tr>
<tr>
<td>50 Page Ave</td>
<td>Page Public School</td>
<td>2010</td>
<td>Orchard Ridge (Heathview) G.P. Inc.</td>
</tr>
<tr>
<td>80 Lothian Ave</td>
<td>Vacant land</td>
<td>2010</td>
<td>City of Toronto</td>
</tr>
<tr>
<td>Antibes Drive Site – no municipal address</td>
<td>Vacant land</td>
<td>2010</td>
<td>Menkes Antibes Holdings Inc.</td>
</tr>
<tr>
<td>1465 Birchmount Rd</td>
<td>House</td>
<td>2011</td>
<td>1639216 Ontario Limited</td>
</tr>
<tr>
<td>Northerly portion of 1251 Bridletowne Circle</td>
<td>Timothy Eaton Business and Technical Institute</td>
<td>2011</td>
<td>City of Toronto</td>
</tr>
<tr>
<td>85 Forty First St</td>
<td>Parkview Public School</td>
<td>2011</td>
<td>French Public School Board (Conseil scolaire Viamonde)</td>
</tr>
<tr>
<td>98 Essex St</td>
<td>Essex West Building (multi-tenanted building)</td>
<td>2011</td>
<td>French Catholic School Board</td>
</tr>
<tr>
<td>44 Appian Dr</td>
<td>Appian Centre (multi-tenanted building)</td>
<td>2011</td>
<td>Toronto Catholic District School Board</td>
</tr>
<tr>
<td>501 Arlington Ave</td>
<td>Arlington Middle School</td>
<td>2011</td>
<td>The Leo Baeck Day School</td>
</tr>
</tbody>
</table>
APPENDIX B: ONTARIO MUNICIPAL SURVEY – SURPLUS SCHOOL POLICIES

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ajax</td>
<td>Section 2.7.6 c) of the Official Plan (OP) indicates that if a planned school site is not required, it may be developed for uses consistent with the underlying land use designation without an amendment to the OP. These sites are often dual-zoned (i.e. for schools and low density residential uses) when a plan of subdivision is approved by the municipality in order to respond to the potential eventuality that these sites may not actually be required by the school board.</td>
</tr>
</tbody>
</table>
| Aurora       | Surplus schools are addressed in Section 7.4 j), k), and l) of the OP, as follows:  

  j) *Existing* school *sites* represent important community focal points throughout the Town. This Plan recognizes that some of the *existing* Secondary and/or Elementary school *sites* may be deemed surplus by their respective School Boards, and may, therefore, offer opportunities for *redevelopment*.

  k) *Any redevelopment* of an *existing* school *site* shall be supported by a comprehensive development plan that encompasses the entire landholding and that shall address the following:

  i. the potential for ongoing public use of *existing* buildings, or their replacement with appropriate community facilities, and/or other *institutional uses*;

  ii. the need for, and protection of public parkland;

  iii. replacement of the *site’s* employment function;

  iv. urban and architectural design guidelines;

  v. the protection and preservation of *cultural heritage resources*;

  vi. traffic impact assessment; and,

  vii. an assessment of the impact of the proposed use on the adjacent community.

  l) Should surplus school *site* lands become available, Council shall consider the acquisition of the lands in order to meet the needs of the Community. |

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As indicated in Section 4.1 of this report, an email survey was sent to all 130 Ontario municipalities classified as towns and cities. Most of the respondents – 87% - confirmed that they did not have any municipal policies respecting surplus school sites. This appendix provides the verbatim comments of the 13% of respondents who have some type of surplus school municipal policy, though not necessarily an acquisition policy.
### Brampton

Some of the secondary plans contain policies which state that “If any Public Junior Elementary, Public Middle School and Separate Secondary School site or part thereof is not required by any of the school boards, it shall revert to the adjacent land use which is compatible and suitable for integration with abutting development without further amendment to this Chapter.” or “School or church sites, if not needed in the measure or location indicated on Plate 2 can be redistributed or relocated in line with neighbourhood design principles or may be allocated for compatible residential use without an Official Plan Amendment, providing the social need for church and school sites is met.”

### Caledon

The Town of Caledon has the following secondary plan policies within its OP:

7.12.8.7.5 In the event that all or part of a school site is not required by a School Board, the Town shall have first right of refusal to acquire all or part of a surplus school site for appropriate park or community facilities uses, following a review of the impact that the loss of the school site would have on community structure and pattern of land use. The subdivision or other agreements will establish the conditions for the acquisition of such sites.

7.12.8.7.6 Elementary school sites not required by the School Boards or which are not acquired by the Town may be developed for residential uses subject to an amendment to this Secondary Plan for allocation of additional population.

### Cambridge

The existing Cambridge OP includes the following policy regarding school sites:

6.1.6.6 It is recognized that school sites often provide an important open space resource within the community. Therefore, the City will continue to co-operate with School Boards in obtaining new school sites and integrating such sites with municipal parkland. More specifically, the City will pursue the following:

a) where feasible, municipal parkland will be developed in conjunction with elementary or secondary school sites;

b) where there is a shortage of *neighbourhood or community parks* and there are undeveloped school sites within the neighbourhood, the City may enter into an agreement with the respective School Board regarding the *development* of the land for parks purposes; and

c) where municipal parkland is obtained adjacent to a new school site, such parkland shall be of a size, configuration, condition and location and have appropriate access so that it can function properly as a *neighbourhood or community park* in the event that the school property is not developed.

### Cobourg

There is some language in various secondary plans on school sites being converted to low-medium density housing if the school boards do not acquire them. This is for new areas and vacant land, but nothing for existing sites.
<table>
<thead>
<tr>
<th>Region</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Essex</td>
<td>Generally local schools have a Residential classification in the OP. So closing of a school would open the door for rezoning to permit a rest home for example in the existing building or its demolition and redevelopment for new residential uses. In situations where the school is under capacity, it also provides for reuse of the school or portion of it for non-profit and charitable organizations, a public authority or a professional studio provided that the property is still under the ownership of the school board or other public authority. This is set out in the institutional zoning that applies to school sites.</td>
</tr>
<tr>
<td>Georgina</td>
<td>There is a policy within the Keswick Secondary Plan which reads as follows:</td>
</tr>
<tr>
<td></td>
<td>“Where an identified school site is not required by either School Board, the land which has been identified for school purposes may be used for other uses permitted within the underlying designation, without Amendment to this Secondary Plan.”</td>
</tr>
<tr>
<td></td>
<td>…and within the Sutton/Jackson’s Point Secondary Plan which reads as follows:</td>
</tr>
<tr>
<td></td>
<td>“Where an identified school site is not required by either Board, the land which has been identified for school purposes may be used for other uses permitted within the Institutional/Community Area designation, without Amendment to the Secondary Plan.”</td>
</tr>
<tr>
<td>Halton Hills</td>
<td>The Town completed a School Site Land Use Planning Study last year, resulting in Official Plan Amendment No. 14 - “Policies Related to School Sites”. These policies:</td>
</tr>
<tr>
<td></td>
<td>• Reinforce the importance of elementary school properties as community hubs and neighbourhood gathering places.</td>
</tr>
<tr>
<td></td>
<td>• Encourage the retention of schools in existing neighbourhoods in consideration of the role they play as a focus for community activity and neighbourhood interaction.</td>
</tr>
<tr>
<td></td>
<td>• Require that once a school site has been identified in a newly developing area, a sign be placed on the property advising residents that a school is planned for the site but that the need for the site and timing of construction is at the sole discretion of the school board.</td>
</tr>
<tr>
<td></td>
<td>• Prioritize consideration of alternative uses of elementary and secondary school sites, with other public institutional uses and parks and open spaces as the first priority, private institutional uses as the second priority, and commercial and residential uses subject to applicable Official Plan criteria as the third priority.</td>
</tr>
</tbody>
</table>
## Innisfil

The Town Official Plan has two policies respecting surplus school sites:

**Section 3.9.6:** Where lands have been designated for a specific institutional use in the Official Plan or a secondary plan, the lands shall be reserved for that use for a specific period of time unless an alternative site is designated. The time period of reservation shall not be less than five years and shall be set out in the secondary plan and implementing subdivision agreement. The time period will not begin until the first building permit within the plan of subdivision is obtained. *In the case of school sites, this reservation will be established in consultation with the applicable school board and such reservation shall expire if the site were declared surplus or not required by the school board* (italics added).

**Section 13.3.10j:** Where any site designated for a school on Schedule B3 – Land Use is declared surplus or where a school designation is relocated, the site may be utilized for residential uses of the adjacent residential designation subject to the policies of that designation.

## London

Chapter 19(34) and Appendix 19(34a) of the City of London Policy Manual deal with the disposition of school sites. This policy basically deals with areas set aside for school sites, for example, in registered plans of subdivision for which there is a subdivision agreement. Provisions in the subdivision agreement would spell out the school board’s right to exercise their option to purchase the site for school purposes, or waive their right if they so choose, within a prescribed period of time. It has been a practice at the City of London to apply a “dual” zoning to these sites to permit schools and/or residential uses in the event that the school does not go ahead, the zoning is in place to permit development of an alternative use for which the site is suitable.

## North Bay

The new OP has the following policy:

4.1.1.7 Undeveloped and developed school board properties are recognized for the role they play in the provision of parks and open space in the community. Should a school board property be offered for sale, the City of North Bay will review the Trails and Active Transportation Strategy 2008 and the Parks Plan Update 2009 to determine if the property or a portion of the property is required for park, open space or other municipal purposes. A decision by Council will be dependent on municipal resources available for purchase and ongoing maintenance.

The Municipality also has first right of refusal when school sites are declared surplus.

## Oakville

No policy: “The Town has no written policy on how to handle surplus school sites after being declared by the respective Board. Each case is considered on its own merits.”
Section 3.3.3.13 of the OP, (f) through (h) inclusive, states the following:

f) Existing school sites represent important community focal points throughout Orillia. This Plan recognizes that some of the existing secondary and/or elementary school sites may be deemed surplus by their respective School Boards, and may, therefore, offer opportunities for development based on the policies of the ‘Living Area’ designation.

g) Any development of an existing school site shall be supported by a comprehensive development plan that encompasses the entire landholding and that will consider the following:

i) the potential for ongoing public use of existing buildings, or their replacement with appropriate community facilities, other institutional uses and/or affordable housing;

ii) the need for, and protection of public parkland;

iii) replacement of the site’s employment function;

iv) the preparation of a detailed site plan that identifies the distribution of land uses;

v) urban and architectural design guidelines;

vi) traffic impact assessment; and,

vii) an assessment of the impact of the proposed use on the adjacent community.

h) Should the surplus school site lands become available, the City shall endeavor to acquire the lands and shall prepare a comprehensive development plan in consultation with the public. The comprehensive development plan shall be implemented through an Official Plan Amendment and/or Zoning By-law Amendment.

| Orillia | There is one policy in the County’s OP with regard to the use of surplus schools. It is in Part 111 - General Development Strategies under Section 4.8 Educational Facilities and Programs as follows:

4.88 It is not anticipated that any schools will be closed within the planning period of this Plan. However, if a school is to be studied to be closed for closure, it is encouraged that the schools be converted to a use, which is needed within the community and is compatible with adjacent uses. |

| City of Prince Edward County | OP policy 6.6.2.12 “Reuse of Institutional Sites” in Volume 1, Chapter 6 – “Land Use” states that “Council shall encourage the reuse, development or redevelopment of institutional lands or buildings for other uses:

(a) When the lands and/or buildings are considered by the appropriate authority to be surplus to the needs of the authority;

(b) Provided the proposed reuse, development or redevelopment is compatible with the surrounding uses; and

(c) Subject to the appropriate policies for the proposed land use designation and/or use.” |
APPENDIX C:
PREVIOUS CITY OF TORONTO SURPLUS SCHOOL COUNCIL APPROVAL PROCESS

1. Surplus properties sent out by school board, received by City and circulated internally by RES (10 days).
2. Interested divisions advise RES and identify Council authority for purchase or leasing and source of approved capital budget funding (21 days). If no approved capital funding exists for the purchase or lease, then a funding source must be identified but will require approval by Budget Committee and Executive Committee.
3. RES advises the school board of interest in subject property.
4. RES commissions an external appraisal to determine the market value of the property – this takes approximately 3-4 weeks to complete (21 days).
5. Once the appraisal is received, RES can begin negotiations with the school board (10 days).
6. Once a negotiated price is agreed to by both parties along with all other terms and conditions, a staff report is prepared by RES recommending the purchase or lease (20 days).
7. The staff report is reviewed and provided input by the client division, Finance and Legal Services before being finalized for signature.
8. The staff report seeks Council authority to purchase or lease the subject property substantially on the terms outlined in the report. The CCO and Director of Real Estate are authorized to executive on behalf of the City the Agreement or Purchase and Sale or Lease.
9. The report goes to Government Management Committee (GMC) for consideration.
10. If approved capital funds already existed for the purchase or lease (which is usually the exception vs. the norm) the report goes directly from GMC to Council for consideration (14 days).
11. However, if no approved capital funding exists for the purchase or lease, then once the report has been considered by GMC, it goes to Budget Committee for consideration and then to Executive Committee prior to going to Council. Depending on scheduling of meetings, these extra two steps can add almost two months to the process (40 days).
12. Once the report is approved by Council, the school boards have generally accepted this as being a firm Offer to Purchase or Lease.

* GMC directly to Council used to take approximately 96 days
* GMC to Budget to Executive Committee to Council used to take approximately 142 days

Adapted from Appendix C of City staff report (C of T, 2009a).
APPENDIX D: CITY OF TORONTO PROPOSED AMENDMENTS TO ONTARIO REGULATION 444/9

1. Public entities listed under Reg. 444/98 of the Education Act should be provided with a period of 180 days to respond to notices of surplus property circulated by school board, rather than the current 90 day period.

2. The notice provided by a school board under Reg. 444/98 should include the asking price or rental rate proposed by the board, as well as other relevant terms and conditions that may impact on the value or use of the property.

3. The value of the property for the purpose of any sale or lease transaction with a listed public entity under Regulation 444/98 should be determined with reference to the current institutional use of the site, rather than its potential value as developable land.

4. In the event of a dispute between the school board and a listed public entity regarding the value of the surplus land, the parties should have a period of 60 days to resolve their dispute, rather than the 30 day period currently provided in the legislation.

5. In the event that the dispute is not resolved within such 60 day period the listed public entity should be permitted to trigger binding arbitration, which arbitration would determine a value for the land which does not exceed the value identified in the surplus notice circulated by the school board plus 10%.

6. The total value of all surplus properties for which notice has been circulated by a school board at any point in time should not exceed Twenty Five Million Dollars.

7. Where a listed public entity owns land adjoining the parcel that has been declared surplus by the school board, other than a public road, leases the subject parcel that has been declared surplus or has had a historical arrangement for use of the subject parcel, such listed entity should be ranked first in priority to submit an offer to purchase or lease the surplus property from the school board.

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19 Adapted from Appendix A of City staff report (C of T, 2009a).