

Board Meeting

November 27, 2012

A regular meeting was convened at 6:00 pm, Tuesday, November 27, 2012, at 5050 Yonge Street, Executive Meeting Room, 5th floor, Toronto, Ontario, with David Crombie, Chair of the Board, presiding.

The following Directors were present: Harold Brathwaite, Chris Glover, Hugh Heron, Jane Marshall, Jane Pepino, Sheila Ward.

Regrets were received from: Sheila Cary-Meagher, Jerry Chadwick and Dino Chiesa.

1. Call to Order

The meeting was called to order by David Crombie, Chair of the Board.

2. Approval of the Agenda

H. Heron, seconded by S. Ward moved: **That the agenda be approved.**

The motion was carried.

3. Declarations of Possible Conflict of Interest

The Chair noted that H. Heron declared a conflict with regard to the Heron Park site.

4. Approval of Minutes (September 11, 2012)

H. Brathwaite, seconded by H. Heron moved:

That the minutes of September 11, 2012 be approved as distributed.

The motion was carried.

5. Report No. 4 from the Swim Toronto Committee

David Crombie, Chair, Swim Toronto Committee, presented Report No. 4 from the Swim Toronto Committee, August 28, 2012. S. Hoy reviewed the highlights of the recommendations approved at the Swim Toronto Committee meeting. She also noted the following:

- On November 5th, at an AWG meeting, some concerns were tabled regarding the implementation of the recommended permit fee increases for groups that may be newer to permitting school pools (less than 5 years). These newer groups may be at risk of losing participants/registrants in an effort to sustain these increased permit rates. TLC staff recommends that these concerns, if raised, be addressed on a case by case basis rather than deviating from the standard approach for all. This will be further discussed with an AWG representative and TDSB staff prior to the final report being presented to the TDSB.
- The fee increase will take effect September 2013, providing a minimum of 10 months notice for all permit holders to make necessary adjustments.

H. Brathwaite, seconded by J. Pepino moved:

That Report No. 4, Swim Toronto Committee, August 28, 2012, be adopted.

The motion was carried.

6. Report No. 3 from the Nominating and Governance Committee

David Crombie, Chair, presented Report No. 3 from the Nominating & Governance Committee, November 6, 2012. S. Hoy reviewed the highlights of the recommendations approved at the Nominating & Governance Committee meeting.

H. Brathwaite, seconded by J. Pepino, moved:

That Report No. 3, Nominating and Governance Committee, November 6, 2012, be adopted.

The motion was carried.

7. Report No. 11 from the Finance Committee

H. Heron, Chair of the Finance Committee, presented Report No. 11, November 20, 2012.

The following highlights were presented:

- The TLC's net contribution to the TDSB for 2011-12 was \$97.2M; almost \$20M above projected revenues for this period.
- From this past year's operating budget:
 - ✓ A total of 11 properties were sold during 2011-12.
 - ✓ Lease revenues were higher than projected due to the delay in the sale of one site; unanticipated utility recoverables and better than projected rental revenues from a large secondary school site.

- ✓ Property management expenditures were lower than planned due to the 10% contingency budget, under-spending in the areas of maintenance and utilities and some additional areas of savings.
- ✓ TLC administrative expenses were higher than anticipated and can be linked to higher professional fees associated with complex sales transactions during the 2011-12 fiscal year – resulting in higher sales overall, along with the addition of the Chief Architect position to the TLC starting in February 2012.

J. Pepino noted that the successes achieved by the Toronto Lands Corporation should potentially be highlighted by the TDSB, in response to negative press associated with how the TDSB is dealing with its capital deficit. After discussions relating to this item, it was agreed that the Chair and CEO of the TLC will arrange to meet with the Chair and Director of the TDSB, along with TDSB's Manager of Communications, to speak to the usage of this information to better support TDSB's journey to a balanced capital plan.

H. Heron also noted that a clarification of the role of the TLC within the TDSB is necessary at this time, to ensure a full understanding of the TLC and its mandate by all Trustees of the TDSB.

J. Pepino, seconded by S. Ward moved:

That the Finance Committee Report No. 11, November 20, 2012, be adopted.

The motion was carried.

8. Report No. 8 from the Audit Committee

J. Marshall, Chair, Audit Committee, provided an overview on the audit results for 2011-12. She noted the Auditor had no concerns relating to the audit of the TLC for 2011-12. The Chair thanked TLC staff for its success associated with sales of properties, especially given the TLC exists within a 'push-pull' environment at this time.

H. Heron, seconded by J. Marshall moved:

That the Audit Committee Report No. 8, November 20, 2012, be adopted; and

In conjunction with the above noted motion,

That the draft audited financial statements of the Toronto Lands Corporation, for its fiscal year ending August 31, 2012, be approved.

The motion was carried.

9. CEO Report to the Board, November 2012

The Board had for its consideration a report titled *CEO Report to the Board, November 2012*. D. Jondreau provided a verbal overview of the report.

J. Pepino, seconded by S. Ward moved:

That the *report from the CEO, November 2012* be received.

The motion was carried.

10. Redevelopment Project Update

The Board had for its consideration a report titled *Redevelopment Project Update*. S. Penny provided an overview of the report.

S. Ward noted her objections to the TDSB being held to undertake capital construction to a Ministry benchmark that has proven too low for a number of school boards in the Province. She noted the need to take this debate to the public. Although TDSB will strive to build to benchmark, it must be outlined to the government that the benchmark must be changed. The Chair noted that S. Ward's comments would be taken under advisement.

J. Marshall noted that this challenge spans all businesses, including her work, each and every day. The only way that her corporation has been able to deal with this challenge is to build to an improved design plan, to help manoeuvre towards success in each situation.

J. Pepino spoke to some experience by other public entities in this area. She suggested the TLC look to moving to 'some type of equivalent design, build, finance and manage model', where TLC would go to the private sector in the open market and, as part of an overall development proposal, would state 'here are the specifications of what is required (clear set of specifications: number of classrooms, light, temperature and maintenance requirements, etc.)'; then ask the private sector to bring the best ideas/solutions they have to the table. Although this is not a short-term solution, it offers an option to partner with the private sector to outsource some risk and especially avoid budget over-runs.

J. Pepino noted that to start this discussion, an invitation to Infrastructure Ontario to meet with TLC and TDSB representatives, on this issue, would be helpful. A model that could be looked to would be the work that the Ministry of Health has done with Infrastructure Ontario (i.e. Women's College Hospital, Bridgepoint, etc.).

C. Glover noted that establishing partnerships that could lead to a 'stream of revenue' for the Board would be of interest as well.

S. Penny completed her presentation regarding the redevelopment projects. C. Glover requested that the following information be provided to Directors at a later date:

- The cost per square foot to build a green roof in Toronto (on a school site); and
- The cost per square foot for complex development in Toronto (i.e. Underground parking, connected mechanical system – as would be needed at the new Davisville site.)

The CEO noted that the above will be provided as information to the Toronto District School Board at a future date.

J. Pepino, seconded by S. Ward moved

That the report Redevelopment Projects Update be received.

The motion was carried.

11. Draft 2013 TLC Meeting Dates

The 2013 Draft meeting schedule was included in the agenda package for information purposes. Directors were reminded that a final schedule will be emailed immediately following the TDSB's approval of its meeting schedule for 2013.

12. For Information

- **Briefing Note: Child Care Agreement with City of Toronto**

The Briefing Note: Child Care Agreement with the City of Toronto was included in the agenda for information purposes. C. Glover noted that this information suggests the TDSB should approach the City, very soon, in relation to an increased occupancy rate for Child Care facilities in schools.

13. Resolution into Committee of the Whole, In-Camera

At 7:36 pm, on a motion by S. Ward, seconded by H. Heron, the regular meeting resolved into Committee of the Whole (Private Session) to consider matters on the private agenda of the Committee of the Whole.

At 7:54 pm, the regular meeting reconvened.

14. Committee of the Whole rises and reports and reconvenes in Public

J. Pepino, seconded by H. Heron, moved: **That Report No. 21 of the Committee of the Whole (Private) be adopted.**

The motion was carried.

In relation to several discussions that occurred during today's TLC Board meeting, the following motion was tabled:

J. Pepino, seconded by S. Ward moved:

Whereas TDSB's experience with variations in enrolment for many years has resulted in the Board needing to consolidate and/or declare schools in a number of neighbourhoods to be surplus to its needs, while needing to repair or rebuild schools to better accommodate students, and

Whereas the Education Act requires a very prescriptive approach in the disposition of surplus properties (under Ontario Regulation 444/98) and while the method of funding does not reflect real costs of repair or construction; and

Whereas this Regulation constrains and thwarts collaboration amongst school boards and other public partners (named under the Regulation) to enhance community amenities and to maximize value of important public assets, such as surplus school sites and the funding formulas has led to an unsustainable circumstance;

Therefore, IT IS RECOMMENDED that the TDSB and the TLC consider alternative ways in which the Board could deal with surplus properties, including creative partnerships with the city and other private or public bodies, where cooperation and partnerships would allow the creative use of land and redevelopment opportunities, including innovative financing, to enhance and preserve the public good, and that the Board ultimately approach the Minister of Education to consider amendments to inter alia Reg. 444/98 that would reflect these deliverables.

The motion was carried.

This motion will be forwarded to the TDSB for future consideration.

15. Adjournment

At 8:00 p.m., on a motion of H. Heron seconded by H. Brathwaite, the meeting adjourned.

David Crombie, Chair

Marlene Riley, Secretary