

TORONTO LANDS CORPORATION

Management Report to the Board, April 2020

To: Chair and Members of the Toronto Lands Corporation

Date: 27 April 2020

Recommendation:

That the *Management Report to the Board, April 2020*, be accepted and forwarded to TDSB for information.

Rationale

This report serves to inform the Shareholder on matters of interest and work in progress on specific project files within the TLC portfolio as directed by TDSB. This report serves as the quarterly communication link between TLC and Trustees in compliance with the Shareholder's Direction.

Context

TLC Real Estate Portfolio:

Real Estate projects may be categorized into a number of different areas, such as, acquisitions, dispositions, land exchange, temporary lands uses, redevelopment, joint ventures or long term ground leases. Real Estate activity in any of these areas may be undertaken due to a TDSB, City, or Provincial project that results in a property impact on TDSB real estate. TLC may also create an opportunity for the benefit of TDSB that will have an effect on a TDSB asset. Any real estate project encompasses a number of steps including Board approvals, analysis, potential third party reports, etc. prior to bringing a project to completion.

Specific project updates are detailed below that provide a current overview of the status or recent completion of a real estate matter.

Disposition:

Greenwood Secondary School

24 Mount Joy Avenue (Danforth Avenue and Greenwood Avenue)

This disposition was under conditional agreement of sale with the Conseil Scolaire Viamonds (CSV). On February 28, 2020, the transaction was completed and the property transferred to CSV. With the Provincial government funding the acquisition for CSV, the property now remains in public ownership with the continuation of a school use in this area.

Lawrence-Midland Lands:

1555 Midland Avenue & 2740 Lawrence Avenue East

The sale of lands associated with both Bendale Technical School ("BTI") and David Mary Thompson SS are being sold to a single buyer, Madison Communities. The sale of David Mary Thompson occurred on March 27, 2020. No date is currently available for closing for the Bendale site which includes a number of conditions to be satisfied related to the overall redevelopment for the Purchaser.

1515 Bloor Street West

Former TDSB School, Bishop Marrocco Catholic School

TDSB and the Toronto District Catholic School Board (TDCSB) have received a non-binding proposal from CHOICE Reits for the acquisition of the TDSB property at 1515 Bloor Street West that is under a 99 year lease agreement in perpetuity with the TDCSB. The TDCSB would be required to relinquish its interest in the school site and CHOICE Reits would provide an alternative school location. TLC has had preliminary discussions with TDCSB on this property matter. TLC has advised CHOICE Reits that due to the current scenario which results in pressing school matters with both boards further meetings are postponed to a later date. Any conditional terms and conditions for a proposed transaction would be brought forward for approval to both Boards and the Ministry of Education as this project is on a Bill 30 school site.

Expropriation:

68 Davisville Avenue abutting TDSB Property at 43 Millwood Road (one block east of Yonge Street)

While construction of the new Davisville school progresses, the Expropriation Plan has been registered and the appropriate expropriation documents required at this stage have been served to the property owners. Exercising the next steps in accordance with the Act will proceed to ensure protection of the use of the property. In the interim, in conjunction with legal counsel, TLC continues to work towards a full and final settlement of this matter.

Bill 171: An Act to enact the Building Transit Faster Act, 2020

The Ontario Provincial Government has now received 2nd Reading on Bill 171, which on March 3, 2020, by Order was referred to the Standing Committee on Social Policy. On March 10, 2020, there was consideration of this Bill by the Committee but no further update is currently available. This Act, if Royal Assent is passed, will impact the existing Expropriations Act.

The purpose of this proposed Act is to expedite delivery of four priority transit projects by removing barriers and streamlining the process that can currently result in delays. The projects include: The Ontario Line, The Scarborough Subway Extension, The Yonge North Subway Extension and The Eglinton Crosstown West Extension. While TLC is in communications with Metrolinx (Provincial Government) on these projects, there is no current definitive information if any of these projects will impact an individual TDSB school.

TLC has previously collaboratively worked with Metrolinx on TDSB property requirements for transit projects and TDSB has not been expropriated by this Provincial Agency. However, under this proposed Act it provides that Hearings of Necessity are not required for the expropriation of land that is at least partly on transit corridor land, and where the expropriation is for a priority transit project. The removal of this requirement is intended to avoid unnecessary delays to the expropriation process. A Hearing of Necessity under the Expropriations Act allows parties to request a Hearing that considers if the expropriation or land requirement is necessary to complete the public project. The current Expropriations Act does not obligate the expropriating authority to take action on any decision as a result of a Hearing. Therefore, under the proposed Act, the Hearing would be eliminated thus saving time in the overall process.

Acquisition:

Lower Yonge – Menkes

As a MOU has been negotiated with Menkes for the potential acquisition of a strata-ownership, subject to Ministry approval, in one of the Menkes towers at Lower Yonge, TLC is now working through satisfying the various conditions. Both Menkes and TLC have now undertaken the next steps in resolving the terms of the MOU that includes determining market value of the site prior to seeking Ministry ap-

proval. As well, negotiations with the City of Toronto continue for the shared-use of the new Park which will be located across the street and a requirement for the new school.

Joint Redevelopment Opportunities:

Across the City both the Catholic Board and the TDSB may require new schools in potential new developments and the City may require community facilities. As a result, there is an opportunity to maximize the use of limited space cost effectively while building a centralized community space in a large redevelopment with a campus approach. TLC with the Catholic Board has had very preliminary meetings to identify potential opportunities and have identified the Golden Mile area which is still under secondary plan review as a site that could meet the needs of both Boards. As all parties explore options, multiple approvals at all levels are required.

Provincial Infrastructure Projects:

Metrolinx, GO Expansion: Scarborough Junction Grade Separation

TLC has met with all stakeholders and provided comments to Metrolinx with regards to potential property impacts and preferred options for TDSB. The environmental assessment process is to be completed in the summer of 2020 and thereafter a further update will be provided.

Eglinton-Crosslinks- LRT

For this project, there were property impacts along the corridor that were previously completed by the TDSB staff. At this time, a new tie-back agreement with Crosslinks at the Mount Pleasant station has been executed and commenced in March, 2020. Metrolinx has just exercised a renewal option on an agreement for temporary use of a land area at the York Memorial school location which will extend the occupation from June 2020 to June 2021.

Durham-Scarborough Bus Rapid Transit

TLC has reviewed this project and provided commentary to Metrolinx on the potential impact along this corridor which, according to the proposed plan, would not result in any property taking nor impact on long term access to any school. As with any road construction project, traffic congestion and restrictions may be in place during construction.

Metrolinx, Ontario Line (replaces South Relief Line)

Public meetings were scheduled early in 2020 for stakeholder engagement which TLC has attended. However, site specifics are not yet available to determine the impact to TDSB sites. TLC expects to receive detailed information in the spring which will then be discussed with TDSB staff and schools. Metrolinx will provide resources for individual meetings for any schools potentially impacted and available for ongoing discussions.

Eglinton LRT West Expansion

TLC has reviewed the preliminary project information and provided commentary to Metrolinx. There are nine schools located within a 500 metre radius of the proposed stations, with two of these schools being in very close proximity to stations. TLC has requested a meeting with Metrolinx to discuss site specific potential impacts and would include site specific stakeholders from TDSB.

Metrolinx-Smart Track

TLC is awaiting Metrolinx confirmation if any TDSB properties are impacted.

Any site specific property requirement will be treated on an individual basis with a separate report recommending approval to proceed with an agreement under specific terms and conditions.

Developments Adjacent or in Close Proximity to TDSB Real Estate: Crane Swings

In all high density (tall buildings) developments, cranes are required in order to complete the construction project. In order for cranes to operate, it swings back and forth on either private property or on public rights of way and carries materials that are used in the new building construction. The portion of the crane that carries materials (loads) does not swing over private property. Should a developer require that its project may result in a crane swing over TDSB property, TLC would enter into discussions and any agreement would require a board report for approval to proceed on specific terms and conditions.

Leasing:

Child Care Agreements

Child care agreements are categorized as: City Umbrella agreements; Before and After School Programs; Best Start Programs and Direct Child Care which total approximately over 3 Million square feet of space that occupies approximately 2,900 rooms in TDSB schools for a total of 617 leases. As reported for year-end September 2019, over \$4.5 Million was reported as received from the City of Toronto for child care under the Umbrella agreement at the cost recovery approved rate of \$6.50 per square foot.

Throughout the year, the school principal and child care operator request changes in room locations. The requested changes require formal lease amendments to the existing agreements to ensure an accurate reflection of the leased space and the applicable charge for the square footage occupied. In 2020, there have been 104 requested and processed amended changes to the existing agreements by TLC. In addition, any repairs (painting, installation of air conditioners, etc.) or requests for capital improvements require a process review and sign-off at TLC. In 2020, there have been 85 requisitions reviewed and approved to date. Overall, child care agreements remain very active lease arrangements over the year with continual management overview.

City Shared-Use Agreements: Outdoor Playground Areas

As a result of the review of the City shared-use agreements and the TDSB requirement for use of a new park for the potential new school at the Menkes, Lower Yonge, site, Real Estate has undertaken information gathering and a review of schoolboard requirements for outdoor playground space for JK to Grade 8 students with the appropriate TDSB staff. TDSB has established guidelines for park design, both hard and soft surface, play areas and allocated space per students in the school yard. These guideline remains flexible especially in urban centres and sites that have limited outdoor areas. Items for consideration also include transportation, pick-up and drop off, specifics for kindergarten areas and actual time required for use of a playground. TLC has arranged for City and TDSB design groups to meet and explore design guidelines at the potential Menkes site. The sharing of detailed information on playgrounds may be helpful in negotiating future agreements for shared-use of outdoor space owned by either the TDSB or the City.

Leases: Non-Operating Schools and Private Sector Tenants

As a result of COVID-19, the TDSB, by Provincial Order was required to close its schools and buildings. Private sector tenants were able to remain in operation, for a period of two days, prior to the Provincial Order extended to the closure of their operations. During this brief timeframe, the majority of tenants decided to close on their own accord. As a result of the continued closure, TLC worked closely with TDSB, and TDSB determined that the April rents would be deferred for all private sector

tenants in both operating and non-operating school facilities. There will be a process through TDSB to apply for a complete waiver of rental fees at some time in the future. TLC advised the tenants of this decision and they were appreciative of the consideration during these difficult times.

City of Toronto Master Pool Agreement

The current master pool agreement between TDSB and the City was to expire June 30, 2020. Due to the current situation, the City and TLC have agreed to extend the existing agreement for a further one year term, to expire on June 30, 2021. All parties will continue to negotiate in good faith to complete a long term agreement for the City to continue to access the TDSB school pools to provide safe and healthy programs for our students and communities.

Land Use Planning:

City Circulation of Development Applications

The City of Toronto circulates development applications (official plan amendments (OPA), zoning by-law amendments (ZBA), site plan approvals, and draft plans of subdivision) to TLC Land Use Planning for their review and comment. TLC has responded to 90 development applications from November 1, 2019 to February 29, 2020. See also *Development Application Summary Report, March 2020 Rpt. #2020-04-811*.

The review of these applications has also involved TLC staff attending pre-application consultation, public open houses and statutory public meetings, as needed, in order to represent the TDSB's interests in areas where issues related to school accommodation are anticipated, as well as where there are potential land use planning impacts on existing TDSB sites.

Review of Development Applications/Activity in Proximity to School Sites

Where development projects are proposed in proximity to TDSB sites, TLC has assessed the impacts of the proposed development on TDSB operations and assets, including issues such as traffic, shadowing, setbacks, and construction management. TLC's reviews of development applications have been conducted in accordance with the process set out the TLC Development Review Guideline (Appendix A to TLC Board Report 2019-09-791).

Alpha Alternative Junior School & Oasis Alternative Secondary School

Since April 2019, TLC staff have been involved with a development proposal adjacent to Alpha Alt JS and Oasis Alt SS. TLC has had several meetings with the applicant and regular correspondence with City staff to express concerns with the setbacks of balconies, vehicular site access/circulation and shadow impacts on the adjacent school site. As a result, the applicant has made several amendments to the proposal to address these concerns. Furthermore, in December 2019, City Council passed a motion to ensure that the developer works with TLC staff through site design and construction management. As a result, TLC is now part of an upcoming Site Plan Working Group to address site-specific design elements to ensure there is minimal impact to the health and safety of the Alpha Alt JS and Oasis Alt SS school community.

Chester Le Junior Public School

In December 2019, TLC met with the developer and the principal of Chester Le Jr PS to address construction management concerns with respect to development activity occurring across the street from the school. Discussions confirmed matters including timing of development (including excavation during summer months to minimize impact on school), ongoing communication, signage to increase awareness of the school community, restricting truck movement, and educational engagement component.

Huron Street Junior Public School

In February 2020, TLC met with the developer and the principal of Huron Street Junior Public School to address construction management concerns with respect to development activity directly abutting the rear of the school site. Discussions confirmed matters including timing of development, ongoing communication, fencing and hoarding requirements and signage to increase awareness of the school community.

Construction Hub Coordination Pilot Project for the Yonge-Eglinton Area

In December 2019, the TDSB passed a motion requesting that local principals and trustees, and TLC and TDSB staff be invited to participate in the Construction Hub Coordination Pilot Project as stakeholders. Between early January 2020 and early March 2020, TLC has been attending meetings related to the Pilot, on behalf of the TDSB. The meetings, which took place every three weeks, have dealt with specific on-site construction issues such as flooding, parking, construction schedules and access to specific construction sites. TLC is in discussions with the Hub Coordinator regarding how best to communicate with the TDSB school community and ensure the health and safety of students and staff.

City Initiated Planning Studies

General

In January 2020, the City of Toronto released a staff report identifying the City Planning Division's Study Work Program, which can be found at the following link:

<https://www.toronto.ca/legdocs/mmis/2020/ph/bgrd/backgroundfile-141797.pdf>

The City has identified the following types of studies and initiatives targeted for completion in 2020:

- 43 Secondary Plans and Area Studies
- 2 Environmental Assessments
- 2 Transportation Master Plans
- 21 Transportation Planning Studies
- 6 Heritage Conservation Studies
- 5 Urban Design Guidelines
- 6 City-wide City planning initiatives
- 4 Zoning By-law initiatives
- 4 Demographic, Economic, Social, Environmental Modelling Initiatives
- 2 Community Services and Facilities Strategies
- 3 Environmental Implementation Initiatives
- 15 Other Projects

TLC is conducting a preliminary review of these studies to identify which studies require monitoring or active participation to ensure that the TDSB's interests are protected.

Details of City studies with significant recent TLC involvement are provided below.

Golden Mile Secondary Plan

The Golden Mile Secondary Plan Study was initiated by the City to develop a vision and planning framework for an area that is expected to undergo significant change with the construction of the Eglinton Crosstown Light Rail Transit. The area is expected to grow to 24,000 residential units over the next 20+ years. The Golden Mile Study Area is located within a commercial/industrial area of the City that was never assigned a home school. The TDSB and subsequently TLC staff have been engaged in the study process, identifying the need for a new TDSB elementary school site within the Secondary Plan area in order to locally accommodate anticipated students.

The draft Golden Mile Secondary Plan was presented to the Scarborough Community Council on January 8, 2020 for direction to proceed with public consultation. The draft Secondary Plan reflects this need for a new elementary school and highlights the importance of providing adequate community services (including schools) and planning for complete communities. TLC staff reviewed the draft Secondary Plan and provided formal comments to the City in a letter dated February 24, 2020. The letter requested that the Secondary Plan be revised to remove policies allowing new industrial permissions in mixed used areas; include additional policies exempting schools from density calculations; and ensure consistency of terminology when referring to community services and facilities throughout the document.

TLC staff will continue to work with the City as they refine and prepare the final plan for this area in Fall 2020.

Christie Planning Study

The City is conducting a City-initiated Christie Secondary Plan for an area located at the northeast corner of Parklawn Road and Lake Shore Boulevard West. The land owner, First Capital, has also submitted an official plan amendment application for the site, with the intention that it be processed in tandem with the City's Secondary Plan. The City is estimating a range of 9,185 to 13,125 new residents in this area, where local elementary schools are already experiencing accommodation pressures. TLC is engaging with the City and developer early in the process to potentially secure an elementary school site to ensure future accommodation needs are met in this area.

Local Planning Appeal Tribunal (LPAT) Matters

TLC has been involved in or has an active interest in 14 LPAT matters:

- 8 development applications in Midtown
- 2 development applications and City-initiated official plan amendment in High Park
- 1 development application adjacent to Islington PS
- Port Lands Official Plan Modification
- City-wide Zoning By-law

Further details provided in *Local Planning Appeal Tribunal (LPAT) Matters (Rpt #2020-04-812)*

As a result of the Emergency Order (O.Reg. 73/20), the LPAT has suspended all hearing events scheduled between March 16, 2020 and June 30, 2020.

Planning for New TDSB School Sites

In November and December 2019, TLC Land Use Planning and Real Estate staff met TDSB staff to discuss operations and metrics of outdoor space, including school playgrounds and pick-up/drop off. The meetings were helpful to inform TLC's continued discussions with City staff on planning for new school sites (both stand-alone facilities and vertical schools), as well as establishing planning policies to support future school facilities.

TDSB Minor Variance Application / Toronto Local Appeal Body (TLAB) Hearing

TLC provided assistance to the TDSB with respect to a Toronto Local Appeal Body (TLAB) appeal filed by a resident with respect to TDSB's minor variance application to reduce the number of required parking spaces related to a proposed child care addition at Kingsview Village PS. TLC successfully obtained an adjournment of the TLAB hearing from November 8, 2019 until April 3, 2020. Upon further discussions with TDSB staff and their external traffic consultant, TLC recommended that the TDSB proceed with providing the full required parking, rather than pursuing a costly TLAB hearing with uncertain results. Discussions with City staff confirmed that if zoning can be met (ie all required parking is being provided), no site plan approval would be required for the small child care addition and that TDSB can proceed with a building permit application.

Corporate Communications:

Since the last Board Report TLC Corporate Communication has undertaken the following:

- Issuing of an *Invitation to Bidders* for the redevelopment of the corporate website and the execution of a branding/identity project.
- In line with our recently approved Annual Plan, work has commenced to establish the core membership of a Public Asset Working Group.
- As suggested by the Board at a previous meeting, communication/education materials have been developed on the Midtown Toronto accommodation pressures and strategy to address growth and intensification. This material has been posted to our website. Other methods of making this material available will be considered.

Routing

TLC Board: April 27, 2020

From

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