



Major Capital and Renewal Projects Status Update

To: Special Finance, Budget and Enrolment Committee

Date: 29 November, 2023

Report No.: 11-23-4629

Strategic Directions

- Provide Equity of Access to Learning Opportunities for All Students
- Build Strong Relationships and Partnerships Within School Communities to Support Student Learning and Well-Being

Recommendation

It is recommended that the Major Capital and Renewal Projects Status Update report be received.

Context

This report provides project status updates for Major Capital and School Renewal projects planned or underway for 2023 – 2024, as well as information regarding the COVID-19 Capital Resilience Infrastructure Funding, which has a completion deadline of December 31, 2023. The previous Major Capital and Renewal Projects Status Update report was presented in January 2023.

Appendix A provides the status update and approved funding to date for the current capital program for new schools and major additions, as well as two insurance-funded restoration projects, York Memorial Collegiate Institute (Ward 6) and Jones Ave School (Ward 15).

On-going Cost and Timeline Pressures

As reported in previous Status Update reports, construction costs have increased since the pandemic due to a variety of factors: the volume of large infrastructure and development projects underway across Ontario, increased costs of materials and equipment, as well as higher labour costs for skilled trades. Consultant fees as well as City fees (Site Plan Approval and Building Permit) have also increased since 2020. By

way of example, the table below shows a 31% increase from the 2020 estimate to the 2022 tender for Dennis Avenue PS replacement school.

Dennis Avenue Public School Building Area - 50,262 Square Feet 3 storey, suburban, small site with childcare	Total Costs	Per Square Foot Costs
2020 Construction Cost Estimate (not including demolition)	\$14,357,000	\$286
2022 Construction Pre-tender Estimate	\$18,425,424	\$343
Tender Lowest Bid (November 2022)	\$18,800,000	\$374
% Increase from 2020 to 2022 (tender)	31%	
Total Project Budget (with tendered construction value)	\$24,127,462	\$480

In addition to increased construction costs, the length of time to receive both City and Ministry approvals has had an impact on project budgets. Recent developments at both the provincial and municipal level may reduce timelines for TDSB capital projects through the City of Toronto’s Site Plan Approval (SPA) process, as well as the Ministry of Education’s (EDU) Capital Priorities approval process. Those developments include the following:

Bill 23, More Homes Built Faster Act, 2022 makes changes to legislation related to planning and development, development charges, heritage, conservation authorities, and new construction with the objective of supporting the building of 1.5 million homes over the next ten years through the *More Homes, Built Faster: Ontario’s Housing Supply Action Plan 2022–2023*. Bill 23 has possible implications for Toronto District School Board, in terms of the city approval process for TDSB capital projects. Appendix B is a summary of Bill 23 prepared by TLC and presented at the TLC January Planning and Priorities Committee meeting.

Bill 109, More Homes for Everyone Act, 2022 also introduced several changes intended to reduce the development application timeframe, including punitive measures (i.e., application fee refunds) for exceeding legislated review timelines. Some of the City’s recent initiatives to implement/address Bill 109 are highlighted at the end of Appendix B. At this time, the Bill 109 changes intended to shorten the SPA process have not yet been fully implemented by the city.

In addition to the two provincial bills noted above, in the recent [2023 - 24 Capital Priorities Program](#) (CPP), the Ministry introduced a new process to help streamline the planning, approval and design for new schools, with an emphasis on standardized designs, or board’s using repeat designs, and “shovel-ready” projects. Details regarding the new CPP were part of the Provincial Capital Priorities Program 2023 – 24 report (09-23-4597), approved by Board on September 27, 2023.

Further information regarding the impact of these changes will be presented in the next Major Capital and Renewal Projects Status Update report.

2022 - 2023 School Renewal Program

The EDU provides two primary sources of funding for facility improvements: the School Condition Improvement (SCI) grant and the School Renewal Allocation (SRA). TDSB has received \$245.97M in SCI funding and \$46.84M in SRA funds for 2023 – 2024.

On April 17, 2023, the EDU issued [Memo 2023: B07 Capital Funding for 2023 –24 School Year](#). One significant change announced in Memo B07 is the requirement for Boards to spend any outstanding SRA and SCI funding as noted below:

Renewal Funding Time Limits: prior years, school boards have been able to carry over their previous year allocations without restrictions. As of the 23-24 school year, all new SCI and SRA allocations will expire in approximately 2.5 years with your 23-24 school year funds expiring March 31, 2026. All existing SCI and SRA funds available from prior school years will expire March 31, 2027.

The board’s SCI and SRA funding is noted below:

Funding Source	Funding Amount	Expiration Date
School Condition Improvement (SCI)	\$246,000,000	March 31, 2026
School Renewal Allocation (SRA)	\$46,000,000	March 31, 2026
Balance of SCI from Previous Years	\$365,000,000	March 31, 2027
Balance of SRA Funding from Previous Years	\$15,400,000	March 31, 2027

To meet this deadline, a significant number of renewal projects are planned and in design, ready for tender to be undertaken starting in 2024 to 2027. Projects have been selected based on condition, age of the components (end of life cycle), operational functionality as well as health and safety. In addition to using the building condition information available in VFA, the EDU’s facility condition assessment database, projects have also been identified through the School Grounds and Exteriors Revitalization Program and the School Interiors Revitalization programs. The two programs use an equity-focused methodology to select school ground and interior projects (refer to the report presented at the Finance, Business and Enrolment Committee. The School Revitalization Annual report (10-22-4422) was received by Board October 26, 2022. The next annual report regarding this program will be presented in the Spring 2024.

There are two other initiatives that were supported through the school renewal program. The 2023 – 24 Climate Action report, presented at the November 22, 2023, Planning and Priorities Committee (PPC) meeting, provided a range of energy-saving projects to be funded by SCI. The second initiative is the recently presented [Capital Revitalization](#)

[Strategy](#), received by Board November 1, 2023, which introduces a strategic framework and guiding principles to address the Board’s deferred maintenance backlog and, importantly, to create safe, welcoming and inspiring learning environments for students. As noted in the report, SCI and Proceeds of Disposition (POD) will provide the funding to support this program.

This 2027 deadline to use available SCI and Renewal funding from previous years may have an impact on availability of contractors and in turn, construction costs given that school boards across the province will be competing to undertake similar projects within the same timeline. Therefore, it will be important for TDSB to tender projects well in advance of the busy summer construction season to secure better pricing. It will also be beneficial to have projects executed throughout the school year, not just in the eight weeks of the summer break. Staff will work with stakeholders to develop safety and communication protocols to support construction during the school year, to minimize risk and disruption to students and staff as well, community use of schools.

Another change introduced in the B07 Memo has to do with the collection of information gathered as part of the EDU’s School Condition Assessment Program. This program was suspended during the pandemic and is anticipated to restart in 2023. The program will continue over a five-year period with approximately 900 facilities across the province assessed per year. The EDU has been working with several boards, including TDSB, to develop the next requirements of the facility assessment program. Boards will now be required to provide information on their ventilation-related components within their facilities prior to the assessments, which will be reviewed by the assessment team during the facility condition assessment. School boards will be able to generate reports with a view on improving ventilation and air quality in their schools.

Appendix C provides a list of the 2023 - 2024 Renewal/SCI/CVRIS projects greater than \$10,000, sorted by Ward. The list includes a brief project description, funding source and construction status, as well as a list of common abbreviations used in the project list. Appendix D provides a summary of the common abbreviations used in the renewal project list.

The chart below provides a summary of the 2,773 Renewal/SCI/CVRIS projects with activity (design, tender or construction) in the 2022-23 school year.

	Actuals	Project Count	School Count
<i>Renewal</i>	\$50,311,446	740	570
<i>SCI</i>	\$322,227,077	1527	503
<i>CVRIS</i>	\$16,676,160	506	375

Ventilation

Information regarding the board's ventilation strategy and investments for 2022 to 2024 is available on the [Ventilation webpage](#). 325 ventilation projects are planned and underway for 2023 – 24, for an estimated total of \$140.5M. In response to the August 2023 Trustee motion regarding ventilation and opportunities to reduce respiratory virus in schools, a separate report will be presented in January at the Planning and Priorities Committee.

COVID-19 Resilience Infrastructure Stream (CVRIS) Funding

In April 2022, a further amount of funding was made available as part of the Federal Investing in Canada Infrastructure Program: Ventilation Improvements in Schools program ([2022: B12](#)). Referred to as the ICIP program, the TDSB received an additional \$3.96M in federal funding with a matching \$989,957 in provincial funding for ventilation improvements.

This was a challenging program to plan and manage, with many restrictions and time constraints. Eligible expenses were originally intended to be incurred between April 6, 2022, and March 31, 2023, however, Infrastructure Canada extended the program to December 31, 2023, to align with the overall Investing in Canada Infrastructure (ICIP) program completion deadline. Projects were not approved until well into 2022 which also constrained the selection of projects – given the longer lead time to receive mechanical equipment for example. Unused funding could not be re-applied to new projects and requests to extend the deadline have not been approved. Appendix E provides a summary update as of November 3, 2023, showing the funds expended to date. Many projects are still underway as the deadline to complete work is December 31, 2023.

Resource Implications

Ministry of Education (EDU) approval is required to use Proceeds of Disposition (POD) for any work other than critical building renewal work - following the same guidelines as the School Condition Improvement (SCI) grant. As noted in the individual capital project reports that are presented to the board, the EDU has approved the utilization of POD to cover capital overages for new schools and major additions.

The Capital Revitalization Strategy Framework report included the need to use POD to cover work that is not funded through SCI. This work could include ventilation upgrades (adding new mechanical ventilation), accessibility (adding elevators and other new accessibility features), program-related upgrades (adding special program spaces) and investing in outdoor sports/recreation amenities (artificial turf and/or cricket fields). Staff will seek both Board and EDU approval to use POD to support the Capital Revitalization program.

Communications Considerations

Since 2022, updates and information regarding Capital projects has been available on the Capital Projects website. New project signage (refer to Appendix F), which will be installed for each major capital project, includes a QR code that links to the Capital webpage. This is another way of providing updated information to the community about the school and the TDSB's capital program.

As part of the Capital Revitalization Strategy report, a new fulsome communication plan will be developed to provide information to schools and communities regarding the program and the renewal work happening at each school. Until the new communication plan is ready, as a reminder, school administrators and Trustees are currently able to view a complete list of all current work notifications, work orders and construction projects by school on the [Facility Services](#) webpage.

Board Policy and Procedure Reference(s)

Not applicable.

Appendices

- Appendix A: Project Status Updates for Schools and Major Additions
- Appendix B: TLC Summary of Bill 23 with Bill 109 information
- Appendix C: 2023 - 2023 School Renewal Program, List of Projects
- Appendix D: Abbreviations used in the School Renewal Program List
- Appendix E: CVRIS projects to date
- Appendix F: Sample of new Capital Signage for capital construction sites

From

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