

Details of Approved 2019-20 Projects			
12 Toronto DSB			
Priority	1		
Project Name	Hodgson MS - Addition		
Panel	Elementary		
Location	Toronto		
Benchmark Construction		Elementary	Secondary
New Construction	Pupil Places to Add	838	
	Resulting Pupil Places	838	
	GFA / Pupil Place	9.80	
	\$ / GFA	2,120.63	
	GAF	1.05	
	Benchmark	18,286,235	
School Total		18,286,235	
Total Construction Costs		18,286,235	
Less: Previously Approved 2016 Capital Priorities		5,839,703	
Total Construction Benchmark		12,446,532	
Funding Source			
Capital Priorities Grant		\$ 12,446,532	
Child Care			
Board Funding			
Total Funding		\$ 12,446,532	

Ministry of Education

Ministère de l'Éducation

Capital and Business Support
Division

Division du soutien aux
immobilisations et aux affaires

315 Front Street West
15th Floor
Toronto ON M7A 0B8

315, rue Front Ouest
15^e étage
Toronto (Ontario) M7A 0B8

STRICTLY CONFIDENTIAL AND EMBARGOED

March 31, 2020

Mr. John Malloy
Director of Education
Toronto District School Board
5050 Yonge Street
North York, ON M2N 5N8

Dear Mr. Malloy,

I am writing to inform you that the Ministry of Education has completed its detailed review of the business case(s) your school board submitted under the 2019-20 Capital Priorities Grant program. **Please note that information provided in this letter is strictly confidential and must be embargoed until further notification from the Ministry of Education.**

As outlined in Memorandum 2019:B17 – *Announcement of launch of 2019-20 Capital Priorities Program, including Child Care Capital Funding and review of School Construction Standards*, business cases could have included requests for funding to support both new school space construction as well as the creation of new or renovated licensed child care spaces in schools as part of the larger school capital project.

I am pleased to inform you that the ministry has approved funding to support the following project(s) for your school board, as outlined in the table below:

Appendix C - HMS Ministry Approved Capital Funding

Project ID #	Project	Capital Priorities	Child Care	Total
12-255	McKee PS Addition	\$1,483,544	\$0	\$1,483,544
12-210	Hodgson MS Addition	\$12,446,532	\$0	\$12,446,532

Please note that for the project(s) listed in the table above, the ministry has increased its funding benchmarks by four percent to recognize rising construction costs. This increase does not apply to any previously-approved projects.

These newly approved Capital Priorities projects bring the ministry's total capital investment in your board to a total of \$285.4 million for 57 projects that have been approved through the Capital Priorities, School Consolidation Capital and Child Care Capital Programs over the years.

Appendix A provides a table showing how funding was determined for the approved project(s).

Your funding approval is conditional upon amendments to the 2019-20 Grants for Student Needs (GSN) regulation by the Lieutenant Governor in Council.

Accountability Measures for Approved Projects

The funding approved for your school board through the 2019-20 Capital Priorities Program represents a significant investment in school infrastructure by the Government of Ontario. Your board is responsible and will be held accountable for measures to ensure that the cost and scope of any approved projects are within the approved funding amounts.

As a reminder, school boards must receive ministry approval if the total cost of a capital project exceeds the funding source amounts approved by the Ministry. School boards are expected to ensure adequate controls are in place in managing project budgets. Furthermore, school boards are reminded that they are to seek a revised Approval to Proceed with additional funding sources identified if they anticipate any costs that cannot be addressed through contingency funding or other identified savings within their existing project Approval to Proceed. Excess costs incurred prior to receiving ministry approval may remain the responsibility of the school board and may impact future Capital Priorities project approvals for school boards.

Site Acquisition, Demolition and Unique Site Costs

The ministry has funding available to address costs related to site acquisition and preparation for project construction costs that are not included in the ministry's capital funding

Appendix C - HMS Ministry Approved Capital Funding

benchmarks. Additional funding will be provided to school boards based upon submission of a detailed estimates with supporting engineering reports. Eligible costs include, but are not limited to:

- the acquisition of a site for new school construction;
- the acquisition of lots adjacent to existing schools for school expansion, including child care centres and community hubs;
- site improvements to make the sites suitable for construction, such as soil remediation, additional fill or demolition of existing structures; and
- addressing extraordinary municipal requirements.

School boards are to seek funding approval for these costs prior to incurring any costs. Costs incurred prior to receiving ministry Approval to Proceed (ATP) may remain the responsibility of the school board.

Change in Project Scope

If your school board chooses to amend the project scope approved through the 2019-20 Capital Priorities Program at a later date, you are required to inform your Capital Analyst prior to engaging your architect regarding the new proposed scope to confirm whether a revised Minister's approval is required. School boards may not proceed with project designs for scope amended projects without ministry approval.

If your project requires additional ministry funding, the school board may be required to forfeit its project approval and re-submit a revised Capital Priorities business case with the alternative project scope.

In addition, any changes to the approved child care capital component of the project will require the approval of your Consolidated Municipal Service Manager or District Social Services Administration Board (CMSM or DSSAB) and you will be required to re-submit a revised *Joint Submission – Capital Funding for Child Care* form.

Child Care Projects

The child care funding allocation you have received can only be used to address capital costs related to the creation of child care rooms. As a reminder, prior to requesting an ATP, school boards are required to provide the Ministry of Education's Child Care Quality Assurance and Licensing Branch with a floor plan of any child care space. Once the space has been approved, a

Appendix C - HMS Ministry Approved Capital Funding

floor plan approval letter will be issued to your school board. This letter must be sent to the Capital Analyst when requesting the ATP. If you require further information about the floor plan approval letter process, please contact the ministry's Child Care Quality Assurance and Licensing Branch at 1-877-510-5333 or email childcare_ontario@ontario.ca. All child care rooms must be built in accordance with the *Child Care and Early Years Act, 2014* (CCEYA).

Lean Review of the Capital Approval Process

We appreciate the extensive undertaking of completing capital projects and want to ensure efficient ministry processes are in place to assist with their successful, timely completion while continuing to address sound accountability measures. As a result, the ministry is currently undertaking a Lean Review of the Capital Approval Process, including approvals for space templates and Approval to Proceed requests, for both school and child care projects. The review is being led by the Lean Delivery Team within the Government's Cabinet office. The comprehensive review includes seeking feedback from stakeholders to better understand current challenges and identify all potential opportunities as to how the ministry can better support school boards through the capital process.

Modular Construction Pilot

The ministry is working with Infrastructure Ontario to further explore modular construction opportunities in the education sector, including feasible options for new schools and additions for pupil and child care accommodation. We have had a significant number of boards identify interest in pursuing projects with this alternative construction approach. School boards will be contacted directly if their approved project(s) are being considered for the pilot study.

Payment

The Capital Priorities Grant, Full Day Kindergarten, and all associated child care funding will operate on a modified grant payment process, where cash flow is based on school board spending. There are two annual reporting periods for these programs:

- For the period of September 1st to March 31st, all related expenditures are recorded in the school board's March Report; and,
- For the period of April 1st to August 31st, all related expenditures are recorded in the school board's financial statements.

Appendix C - HMS Ministry Approved Capital Funding

School boards will also be funded for the short-term interest costs related to these capital programs reflecting that cash flows will occur on a semi-annual basis. The short-term interest payments will be calculated in a manner similar to how they have been calculated for other eligible capital programs.

Projects Not Approved for Funding

I understand that your school board may have questions about any project(s) submitted and not approved through the 2019-20 Capital Priorities Program. Ministry staff are committed to working collaboratively with your school board to provide guidance and respond to questions as your school board considers the development of future capital plans, including requests for Capital Priorities funding.

Please refer to the Appendix B – Communications Protocol for detailed requirements regarding public communications, events and signage related to the project. Should you have any communications-related questions, please contact MinistryofEducation@ontario.ca.

We would like to take this opportunity to thank you and your staff for your assistance and support throughout this process and look forward to continuing to work with your school board.

Should you have any questions regarding your Capital Priorities and/or child care requests, please contact your Capital Analyst, Daniel Cayouette at 647-278-1644 or via email at Daniel.Cayouette@ontario.ca.

Sincerely,

Original signed by:

Didem Proulx
Assistant Deputy Minister
Capital and Business Support Division

Attached:

Appendix A – Details of Approved Projects

Appendix B – Communication Protocol Requirements: Public Communications and Events