



Section 37 and 45 Funding for Schools

To: Finance, Budget, and Enrolment Committee

Date: 2 November, 2021

Report No.: 11-21-4197

Strategic Directions

- Build Strong Relationships and Partnerships Within School Communities to Support Student Learning and Well-Being

Recommendation

It is recommended that the report be received.

Context

At its 17 April 2019 meeting, the Board of Trustees approved a motion directing staff to present a report summarizing Section 37 investments in schools.

This report summarizes both the Section 37 and Section 45 allocations that the City has made to TDSB schools.

What is Section 37 and 45?

Section 37 of the Planning Act allows the City to collect funds from a development application in return for additional density. The City policy requires that Section 37 funds be earmarked for community benefits in the host Ward of the development application.

Section 45 of the Planning Act refers to minor variances to bylaws in respect of land, buildings, or structures, approved by the City of Toronto Committee of Adjustment. Conditions may be attached to minor variances, which may include financial contributions toward a community project. Funding must be spent in the Ward where development is located.

Recently, the Government of Ontario has introduced regulations for municipalities to levy Community Benefit Charges, (CBC) which replaces the provisions related to Section 37 contributions. As a result of this change, we are not expecting very many more schools will receive Section 37 contributions in the future.

The City is in the process of setting up the work plan to create the new CBC by-law and background study (CBC Strategy). This work is anticipated to be a joint venture with development charges, as the City looks at these growth-related funding tools together, targeting to have the updates in place by the required September 18, 2022 date. There is still opportunity for the TDSB to receive funds under CBC as long as the school board is included in the bylaw. Further information will be provided to the Board regarding the next steps.

How many schools have benefited?

As shown in more detail in Appendix A, 37 schools have received either Section 37 or 45, and in some cases, both. The value of the contributions ranged from \$8,000 to \$1.5 million. Altogether the City has directed \$7,787,924 to TDSB schools.

One of the allocations, at Jesse Ketchum Junior and Senior Public School, was for interior renovations. The remaining allocations were for site improvements, which are accessible to the community, outside of school hours.

Why do schools in some areas receive funding, and others do not?

The amount of Section 37 and 45 funding that is available within a Ward depends on the amount of development activity occurring in the area. Some parts of the city have experienced extensive development and increased density. The City Councillors in those areas tend to have significant Section funding available to allocate to qualified projects.

When it comes to directing funding to school projects, many City Councillors have very little, if any Section funding available to them. And those that do, have the discretion to decide if schools will receive funding.

The parts of the city that have benefited the most from Section funding are in areas where development generates significant Section funding, and that have City Councillors that are very supportive of school projects. For insight into the geographic distribution of schools receiving Section funding, please see Appendix B.

Investing TDSB Resources Equitably

The fact that Section 37 investments tend to be concentrated in areas undergoing significant development, which are often in more affluent areas, means that it is even more important for the TDSB to invest its own resources equitably.

At its May 2021 meeting, the Board approved guiding principles and priorities to guide the investment of TDSB funding into school ground infrastructure.

The guiding principles are that investments into school sites should:

- Be equitable – by prioritizing high-needs schools, ensuring projects meet AODA standards for accessibility, and creating the conditions whereby students with special needs can make full use of the outdoors.
- Reflect the developmental needs of students – by creating spaces that promote activity, imaginative play, socialization, and learning.
- Put students first – by focusing on projects that support students directly such as replacing deteriorating hard surface play areas and failing play equipment.
- Be environmentally sustainable – by seeking opportunities to invest in green solutions such as right-sizing asphalt areas when they are being replaced, directing storm water into infiltration galleries/tree groves, and making use of underground soil cells when planting trees in harsh urban environments.

Appendix C shows both the guiding principles and priorities approved by the Board.

Action Plan and Associated Timeline

How does the process work?

Since City Councillors play a key role in decisions about allocating Section funding, most projects that receive Section funding are initiated by parents, as local constituents in the areas experiencing significant development.

Parents tend to be the ones who contact their City Councillor and advocate for Section funding to be directed to a project at their school, which is usually playground improvements of one kind or another.

If the City Councillor agrees to allocate funding to a school, then she/he will take a Motion to City Council, which if approved, provides City staff with the authority to negotiate a Community Access Agreement with the school board. The TDSB cannot receive Section funding without entering into a Community Access Agreement with the City.

Once a Motion has been passed by City Council which secures the funding, TDSB staff will make sure that the school has an appropriate design in place, and realistic cost estimates. At the same time, TLC staff will recommend to its Board to proceed with the transaction with a negotiated agreement with the City to ensure community access for a specified time.

Upon obtaining approval, TLC staff will work with City staff to finalize the terms of a Community Access Agreement. Once the City and the TDSB sign the agreement, the City will release the money to the TDSB.

As soon as the TDSB receives the funding, then detailed design development will occur, and the project will either be tendered for construction by a contractor or built by the TDSB's in-house construction team.

For most projects, from the start of parents' advocacy with the City Councillor to project completion is at least two years, often longer.

Resource Implications

Not applicable

Communications Considerations

Not applicable

Board Policy and Procedure Reference(s)

- Policy P011, Community Use of Board Facilities (Permits)
- Procedure PR666, Community Use of Board Facilities (Permits)

Appendices

- Appendix A: List of Schools Receiving Funding
- Appendix B: Geographic Distribution of Section Funding, by School
- Appendix C: Investing in School Ground Infrastructure

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