



TORONTO LANDS
CORPORATION



2011- 2012 Annual Plan

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Message

Message from the Chair and Chief Executive Officer



With the 2011-12 academic year now approaching, the Toronto Lands Corporation (TLC) Board of Directors and staff have had an opportunity to reflect on the past year and plan for the future. Collectively they continue to monitor and review the TLC portfolio in order to assess the future revenue potential for existing non-operational TDSB sites. In conjunction with this review, goals are refined, priorities are determined and new approaches implemented to achieve success on behalf of the students of the Toronto District School Board.

For 2010-11, the TLC is pleased to report that it has exceeded its projected revenue targets from sales. This achievement, however, was not anticipated earlier in the year given the many delays in key approvals encountered by public partners from their Boards, City Council and also the Ministry of Education. In order to assist in expediting future sales in a timely manner, the Board of the Toronto Lands Corporation approved a policy directive that will limit the time frame for negotiations with public partners. At the commencement of the circulation period for surplus properties, the Toronto Lands Corporation will notify all public partners that the TLC will adhere to a 60-day negotiation period, following the close of the 90-day circulation period, to agree upon fair market value for the property. Should this not be achieved, the TLC will move the property to the open market, for sale. TLC staff and the Board of Directors believe this disciplined approach to negotiations will secure revenues in a more effective and timely manner, on behalf of the TDSB.

The TLC continues its everyday work with a notable commitment to honouring the importance of community building. Concerted efforts in discussions with public partners to create, support and/or enhance the concept of *community hubs* in the City of Toronto are ongoing. The most daunting challenge for all partners involved has been the difficulty in securing sustainable operating funds for community hubs. The TLC has recognized some successes in this area. Ongoing work continues to bring stakeholders together, provide leadership and strategize around entrepreneurial sustainability models.

Overall, the 2010-11 year provided the TLC team with an opportunity to build relationships with public partner organizations, nurture the needs of similar organizations and build a level of trust that will benefit the TLC and the TDSB in the long-term. We wish to thank the Board of Directors and the joint efforts of the TLC and TDSB staff in supporting the work of the Corporation overall. We are confident this coming year will prove to be successful once again.

Yours truly,

David Crombie
Chair

Shirley Hoy
Chief Executive Officer

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MISSION STATEMENT

To improve the quality of education for students in TDSB schools by maximizing value to the TDSB through the management and, where determined by the TDSB to be appropriate, the redevelopment and/or sale of properties no longer required by the school board.

The TLC is committed to improving the long-term success of the TDSB and understands that its properties and projects often lie at the heart of neighbourhoods. The TLC is committed to fulfilling its mission while recognizing the importance of community building.

3 Governance

The Toronto Lands Corporation was established in 2007 on the basis of a Shareholder's Direction, a legal document that outlines the relationship between the TDSB, as the sole shareholder of the corporation, and the TLC, its subsidiary corporation. As the corporation began operationalizing its mandate, the TLC Board and staff gained a clear appreciation that the TLC is not like other private real estate companies. In the analysis of public assets, it is important to recognize that, to the greatest extent possible, public assets should be maintained in the public realm. As a corporation with a specific mandate to maximize revenues to the TDSB, it is incumbent on the TLC to seek opportunities to develop public assets in a context of community building, while at the same time negotiating the best price possible for sale or lease.

The TLC Board is comprised of ten Directors; four are TDSB Trustees appointed to serve on the TLC Board by the TDSB, the remaining six are citizen Directors, appointed to serve for an initial term of three years. Trustee Directors are appointed for a two-year term, at the TDSB's organizational meeting in December, as required.

As of August 2011, Directors serving on the Board of the TLC are noted below. Brief biographies for the TLC Directors are posted to the TLC website.

David Crombie, TLC Chair and <i>Chair of TLC Nominating and Governance Committee</i>	Chris Glover (TDSB Trustee)
Dino Chiesa, Vice-Chair	Hugh Heron, <i>Chair, TLC Finance Committee</i>
Harold Brathwaite	Jane Marshall, <i>Chair, TLC Audit Committee</i>
Sheila Cary-Meagher (TDSB Trustee)	Jane Pepino
Jerry Chadwick (TDSB Trustee)	Sheila Ward (TDSB Trustee)

The work of the Board is supported by three committees: Audit Committee, Finance Committee and Nominating & Governance Committee. Committees are chaired by Directors and membership is established and confirmed annually by the TLC Chair. The Terms of Reference for each of these committees, along with committee membership, are posted to the TLC website at www.torontolandscorp.ca.

In addition, the Shareholder's Direction speaks to the TLC 'providing additional consulting and/or project management services' as requested by the TDSB. One such project assigned to the TLC is the oversight of 31 TDSB school pools. To support the work associated with TDSB pools, the TLC has established the Swim Toronto Committee, chaired by community representative Annie Kidder (a former TLC Director). Again, the Terms of Reference and membership are posted on the TLC website.

The Shareholder's Direction requires that the Annual Plan be supported by a discussion of market conditions. The TLC received advice from The Altus Group in 2010, and included this report in its *2010-11 Annual Plan (Appendix 1)*. The market conditions, since that time, have remained fairly constant. Please refer to the TLC 2010-11 Annual Plan, on the [TLC website](http://www.torontolandscorp.ca), for this analysis.

Management

4 Management

Shirley Hoy, Chief Executive Officer of the Toronto Lands Corporation, continues to provide support to the TLC Chair and its Board of Directors. She leads a team of five staff in the areas of: property management and leasing, asset management and disposition, real estate legal advice, oversight of TDSB pools, and corporate administration. It is anticipated that an existing administrative vacancy will be filled for the 2011-12 academic year.

The TLC staff complement continues to be structured with flexibility in mind. Some staff members are retained on contract, one year at a time. Other staff members are seconded to the TLC through the TDSB. This approach allows for changes to be implemented at various times throughout the year, based on the workload at hand.



TLC Properties – Overview

In fall 2007, with the establishment of the TLC, the TDSB transferred 97 properties to the TLC for oversight. All properties were non-operating school/administrative sites. They included:

- closed schools leased to a third party,
- closed schools that are vacant,
- Bill 30 schools under 99 year leases to the Toronto Catholic District School Board (TCDSB)
- vacant land sites, and
- TDSB administration or plant operations sites.

See 2010-11 Annual Plan (Appendix 2) posted to the TLC website (www.torontolandscorp.ca), for the original list of 97 sites transferred to the TLC for oversight.

Although transferred to the TLC for oversight, the TLC must await a surplus declaration by the Toronto District School Board before actioning a sale or lease on any property. Surplus declarations by the TDSB are generally approved following a rigorous review of student accommodation and programming needs in conjunction with school buildings in the area.

See Appendix 1 for an updated reflection of sites under TLC oversight. Note that column 1 (TLC site #) reflects the same identification number attached to the site in the original listing of 97. Note that due to severances and additional sites declared surplus by the TDSB, a total of 127 sites are now reflected.

Accomplishments to Date

As outlined in the Shareholder's Direction, the TLC has primary responsibility for providing:

1. Asset management services (optimizing values by timely sale or lease of assets);
2. Property management services (including leasing and lease administration); and
3. Project management services (overseeing TDSB school pools, other projects as assigned).

Since the establishment of the TLC, the following summary reflects the disposition of properties to date.

Dispositions (Sales)

2008-2009

Of the 97 non-operating school sites transferred to the TLC in the Spring of 2008, the TDSB approved the sale of 16 properties in June 2008. A status update for these 16 properties is noted below.

Overview

Site	Location	Site Size (Acres Sold)	Status August 31, 2011	Purchaser
2008-2009 Surplus sites				
120 Borough Drive (West Parking Lot)	Scarborough	1.4 acres	Referred back to the TDSB for review of disposition parameter	
James S Bell	Etobicoke	.8 acres	Sold March 2010	City of Toronto
Dublin PS	North York	5 acres	Sold March 2010	City of Toronto
Franklin Horner	Etobicoke	3 acres	Sold March 2010	City of Toronto
Harold Lawson	Scarborough	50% ownership of property	Sold Dec. 2009	Toronto Association Community Living
Melody PS (partial site)	North York	3.38 acres	Sold May 2010 Retain 4.42 acres	Toronto Catholic District School Board
Whitfield (partial site)	North York	3.4 acres	Sold March 2010 Retained 3.5 acres	Toronto Catholic District School Board
840 Coxwell	East York	Attached to RH McGregor school	In negotiation. Separation costs confirmed and proceeding towards sale of site. Target closing by December 31, 2011.	Toronto East General Hospital
Shaw PS	Toronto	To be severed from Givins Shaw PS site	Sold December 2010	Artscape
Dundas Street Warehouse	Toronto	.3 acres	Sold Nov. 2009	Private Owner
394 Leslie Street (House)	Toronto	House lot .1 acres	Sold Aug. 2009	Private Owner
396 Leslie Street (House)	Toronto	House lot .1 acres	Sold Nov. 2009	Private Owner
398 Leslie Street (House)	Toronto	House lot .1 acres	Sold Nov. 2009	Private Owner
400 Leslie Street (House)	Toronto	House lot .1 acres	Sold Nov. 2009	Private Owner
404 Leslie Street (House)	Toronto	House lot .1 acres	Sold July 2009	Private Owner
406 Leslie Street (House)	Toronto	House lot .1 acres	Sold July 2009	Private Owner

2009-2010

As a result of the TDSB Board resolutions of June 24-25, 2009, nine sites were declared surplus and directed to the TLC for circulation under Reg. 444/98. The Sandhurst Circle site was subsequently recalled by the TDSB and retained for use by operating schools in the area. The Alton Towers site was severed into two sites and sold as such; therefore, a total of 9 sites is reflected for this period. A status update of the nine sites is provided below.

Overview

Site	Location	Site Size (Acres Sold)	Status August 31, 2011	Purchaser
2009-2010 Surplus Sites				
Alton Towers (site to be severed into 2 parcels)	Scarborough	10 acres	Sold August 18, 2011	Private Owner
	Scarborough	5 acres	Sold June 28, 2011	Conseil Scolaire Viamonde
Antibes Drive	North York	6 acres	Sold June 2010.	Private Owner
Boyne (portion)	Township of Mulmur	100 acres	Sold August 2010. Retain 309 acres.	Bruce Trail Conservancy
Lothian	Etobicoke	4 acres	Sold September 29, 2010.	City of Toronto
Noisy River (portion)	Township of Mulmur	80 acres	Sold August 15, 2011. Retain 20 acres.	Bruce Trail Conservancy
Page PS	North York	4.3 acres	Sold May 2010.	Private Owner
Saranac	North York	1.6 acre playfield	Sold October 29, 2010.	Private Owner
Storey Crescent	Etobicoke	5.9 acres	Sold July 12, 2010	Toronto Region Conservation Authority

In addition to the above noted sites, the following eight sites were available to the TLC for disposition as a result of:

- Easement requirements by the City of Toronto;
- Properties where negotiations for disposition had commenced prior to the start-up of the TLC. Negotiations and final sale concluded by the TLC; and
- Additional surplus declarations by the TDSB.

Site	Location	Site Size (acres sold)	Status August 31, 2011	Purchaser
Other Surplus Sites				
19 Sackville (portion of land)	Toronto	Conveyance of land for road widening	Sold Nov. 2009	Waterfront Toronto
Edithvale (portion)	North York	3 acres	Sold Dec 2008. Retained 5.5 acres.	City of Toronto
Heydon Park (old)	Toronto	1.7 acres	Sold Sept 2008	City of Toronto Police Services
Carleton Village South	Toronto	3 acres	Sold Oct. 2008	City of Toronto Police Services
Champlain (portion)	North York	1.3 acres	Sold April 2010 1.3 acres retained. 1.7 acres assigned to the Tippet Centre site.	Current Tenant (Private School)
939 Progress Ave	Scarborough	Building only (on Centennial College lands)	Sold June 30, 2010	Centennial College
Albion Gardens	Etobicoke	6.5 acres	Sold Aug. 2009	Toronto Catholic District School Board

Overview

Glen Rush (portion)	North York	2.1 acres	Sold Aug.2009 Retained 2.9 acres	Private School
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2010-2011

As a result of the TDSB Board resolutions throughout 2010-11, twenty sites were declared surplus for sale and directed to the TLC for circulation under Reg. 444/98. Five of these twenty sites are not actionable until further notice from the TDSB. These five sites are highlighted (light blue). A status update of sites declared surplus is provided below.

Site	Location	Site Size (acres sold)	Status August 31, 2011	Purchaser
Other Surplus Sites				
Parkview	Toronto	2.2 acres	Sold August 29, 2011	French Public School Board (CSV)
Pine River Outdoor Education Centre	Shelburne	195.9 acres	Sale of site cannot proceed based on existing lease requirement.	
Essex West	Toronto	95,600 Sq. ft.	Sold August 16, 2011.	French Catholic School Board (CSDCCS)
Anthony P.S.	North York	5.4 acres	Circulation period has ended. No offers from public partners. Site for sale with priority consideration to existing tenant.	
Appian Centre	North York	4.2 acres	Sold August 25, 2011.	Toronto Catholic District School Board (TCDSB)
Cummer LINC (vacant land portion)	North York	2.6 acres	Site for sale on the open market. Offers received. Sale to be finalized.	
Fairmeadow (vacant land portion)	North York	2.4 acres	Site for sale on the open market. Offers received. Sale to be finalized.	
Kenton P.S. (vacant land portion)	North York	2.7 acres	Site for sale on the open market. Offers received. Sale to be finalized.	
Silverthorn JPS	Etobicoke	2.7 acres	Circulated to July 27, 2011. No offers from public partners. To open market Fall 2011.	
Richview	Etobicoke	6.2 acres	Negotiations underway with a public partner. Anticipate closing October 2011.	
Arlington MS	North York	1.24 acres	Sold August 24, 2011	Parochial School
Silverview (vacant land only)	North York	2 acres	Not yet circulated as additional direction required from TDSB.	
Timothy Eaton BTI	Scarborough	12.25 acres	Circulation ended. Partnership involving City and other agencies being established.	
West Toronto C.I.	Toronto	8.55 acres	Circulation ended. Two public partners interested in purchasing the site. A shared-use agreement is being	

Overview

			developed. Target closing date is September 30, 2011.	
Surplus Sites resulting from Accommodation Review Process (ARC)				
Heron Park	Scarborough	To be confirmed	Operational school. To be actioned after planned consolidation completed.	
Peter Secor	Scarborough	To be confirmed	Operational school. To be actioned after planned consolidation completed.	
Wm. G. Miller JPS (vacant land portion)	Scarborough	3.5 acres	Circulation ended. No offers received from public partners. To open market Fall 2011.	
Brooks Road P.S.	Scarborough	To be confirmed	Operational school. To be actioned after planned consolidation completed.	
McCowan JPS	Scarborough	6.1 acres	To be circulated Fall 2011.	
Pringdale Gardens JPS	Scarborough	6.3 acres	Operational school. To be actioned after planned consolidation completed.	

In addition to the above four sites sold (highlighted in pale yellow), an additional two sites are expected to be sold and close before December 31, 2011.

Summary of Sales

Since September 2008, a total of 53 sites have been declared surplus for sale. An additional five sites have been declared surplus for sale in conjunction with TLC recommendations outlined in this Annual Plan (see Section 11). The TDSB declared these five sites surplus at its June 22, 2011 Board meeting (see Section 11A). Of this total (58), a total of 35 sites have been sold at August 31, 2011. The gross revenue associated with the sale of these 35 sites is \$149.6M. These funds have been realized by the TDSB at August 31, 2011.

Summary of Leasing and Property Management

In the area of Leasing and Property Management, TLC staff undertook a property-by-property review in relation to expenditures associated with caretaking, maintenance and operating costs. Staff will now be in a better position to project accurate expenditures for TLC sites, on an annual basis, as the TLC budget is developed. Also, the existing TLC Leasing and Property Management portfolio continues to generate revenues which more than support the full operating costs for the corporation. As properties continue to be sold, and lease revenues decrease, the TLC operating requirements will be analyzed in order to reduce expenditures as much as possible so that the corporation can stay within the existing operating envelope.

The TDSB has also declared several portions of operational schools *surplus for lease* during this past year. These TDSB resolutions have resulted in the following:

- *Sir Sandford Fleming Academy* has been fully leased to the Toronto Catholic District School Board, allowing for TDSB students to be moved to the new John Polanyi CI site ;

Overview

- A parking lot area at *Mimico Adult Learning Centre* has been leased to the Toronto Catholic District School Board, to support the parking requirements for the school site across the street from Mimico;
- A long-term land lease has been entered into for a portion of land at *Northview Heights CI*, providing for a community health care centre to be built to serve the area.

Asset Categories

6 Asset Categories – Present and Future

TLC staff has undertaken a strategic review of all assets under its administration. The objective of this review was to inform its decisions on reinvestment and to maximize rental income wherever possible. Key considerations included:

- Prioritizing opportunities in the TLC portfolio;
- Reducing risks in the TLC portfolio (financial, political and social); and
- Ensuring compliance with TDSB policy commitments to students, children and community.

The review led to the categorization of sites into four main areas (see Appendix 2).

Properties to be Retained and Lease Revenues Maximized (Category 1)

This area includes properties where the focus will be revenue maximization and capital reinvestment (where capital is available). This grouping includes some TDSB core properties, properties with TDSB programs and properties subject to long term leases.

In some cases the recent property condition surveys indicate that capital expenditure requirements over the next five years (reflecting only critical cost categories) could be high either on a per square foot basis or a total dollar basis. In those instances where there are no TDSB programs or the properties have not been tagged by TDSB as Core Holding sites, the TLC will be monitoring capital requirements and may make future recommendations that these properties be offered for sale.

Potential Sale or Redevelopment (Category 2)

These properties reflect sites where pending capital expenditures are expected to be high and revenues do not appear to warrant proceeding with this work. In some cases they may currently have good revenues but in other cases they are entirely or partially vacant and revenue is negative or marginal. These properties are recommended as short term sale candidates.

Sites in compliance with TDSB Policy Commitments (Category 3)

These sites generate limited or negative revenues/rent contributions but they must be retained for the time being because of the presence of TDSB programs, TDSB partnership programs, special needs children's programs and social service tenancies and/or daycare operations. In general, *community partnerships* of this nature are subsidized by a division of government, whether it be federal, provincial, municipal or school board level. At this time, the TDSB, through its policy directions, has endorsed the continuation of these *community partnerships* in its sites.

The TLC recognizes and acknowledges the TDSB's commitment to the benefits and significance of these *community partnerships*.

If not for the fact that the social contribution of the tenancies out-weighs the negative economics, the TLC would be in a position to re-tenant or sell these sites. Nonetheless, the TLC will continue to review these sites, identify opportunities for favourable change to all parties (i.e. relocating a childcare centre

Asset Categories

from a non-operating school to an operating school in the same area) and make recommendations to the TDSB on this basis.

The TLC will continue to track and report to the TDSB on the level of funding subsidy required to support these *community partnerships*.

Other – Core Holdings, Future TDSB Redevelopment and Administrative Holdings (Category 4)

These sites reflect vacant lands and administrative/maintenance sites currently owned by the TDSB.

Some vacant lands are leased to partners/tenants in conjunction with an attached portion of land recently sold to that partner/tenant. Remaining vacant lands are referred to as *core holdings*, held in anticipation of potential future use as a TDSB school site, should it be required.

Administrative and plant buildings are currently being used by the TDSB for those specific purposes.

Sites Declared Surplus through ARC processes (Vacancy dates to be determined) (Category 5)

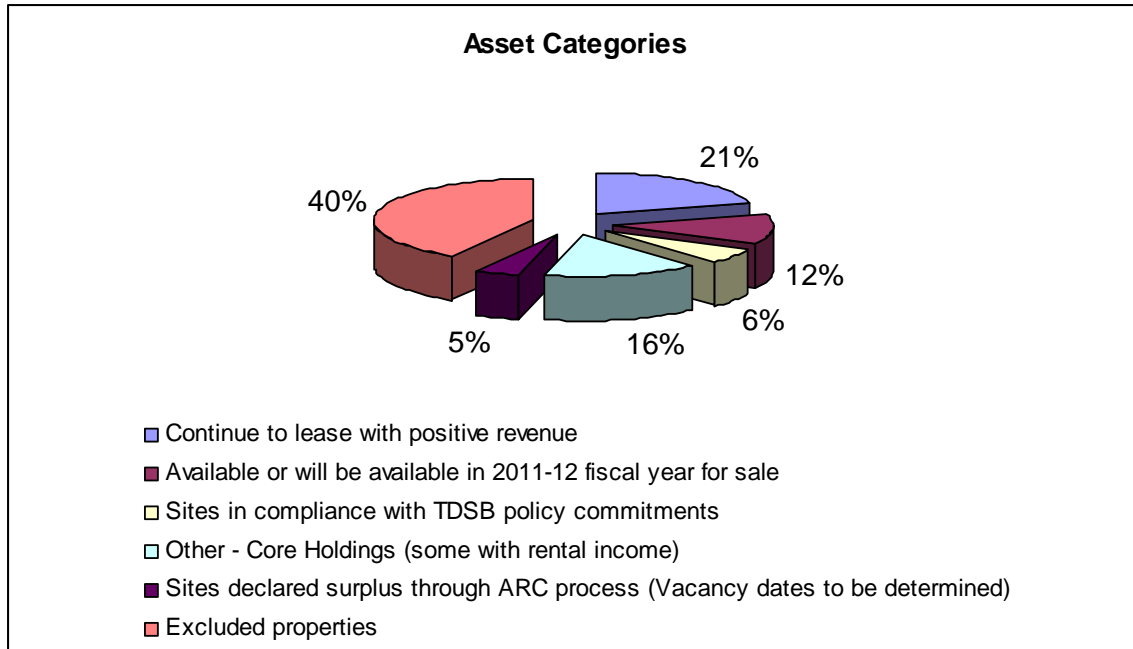
These sites reflect school sites that have been declared surplus following an Accommodation Review Committee process (ARC review), in accordance with provincial requirements. However, they are often not immediately available for action by the TLC. The date that these sites will close as operational schools is determined by the TDSB in accordance with the consolidation and/or construction schedules that provide for the necessary program requirements to be met.

The full TLC portfolio has been reviewed. The portfolio has been separated into five categories of sites (see Appendix 2), along with the excluded sites noted below. A total of 127 sites are reflected on the attached pie chart.

The '*excluded properties*' category includes the properties noted below.

- 9 Bill 30 schools (99 year leases to the TCDSB)
- 35 sites sold as of August 31, 2011
- 7 additional sites where negotiations are underway to sell the site
- 2 reopened as TDSB operating schools
= 53 sites

Asset Categories





Property Management Services (Leasing Portfolio)

1. LEASING PORTFOLIO OVERVIEW

Size of Portfolio

As of April 2011, TLC's actively managed lease portfolio was comprised of slightly less than 1.2 million square feet of space. This portfolio excludes the space in TLC administered buildings occupied by non-rent paying TDSB alternative school programs and administrative or operating groups.

Tenant Mix

The distribution of tenants by Tenant Type is summarized below in Figure 1.

Figure 1
Actively Managed Lease Portfolio – Tenant Distribution

Tenant Type	April 2011 - TLC Lease Portfolio				
	No. of Tenants	% of Tenant Total	Sq. Ft.	% of Ttl. Sq. Ft.	Avg. Size (Sq. Ft.)
Pool Tenants	1	1.5%	9,333	0.8%	9,333
Religious School	1	1.5%	61,581	5.2%	61,581
City of Toronto Parks & Recreation	2	3.0%	57,387	4.9%	28,694
Commercial Tenant	2	3.0%	4,663	0.4%	2,332
Other Child care	4	6.1%	21,298	1.8%	5,325
Other School Boards	5	7.6%	194,180	16.5%	38,836
Special Needs Children	7	10.6%	131,993	11.2%	18,856
Social Agency	7	10.6%	154,201	13.1%	22,029
Other Not for Profit	9	13.6%	99,412	8.4%	11,046
Private Schools	13	19.7%	372,923	31.7%	28,686
City of Toronto Child Care	15	22.7%	69,977	5.9%	4,665
	66	100.0%	1,176,948	100.0%	17,833

The four largest tenant groups by number of tenants are City Child Care operators (15), Private Schools (13), Other Not for Profit organizations (7) and Social Agencies and Special Needs Children's programs (7 each).

By square footage, the four top tenant groups are Private Schools (32%), Other School Boards (16%), Other Not For Profit Organizations (14%), Social Agencies (11%) and Special Needs Children Programs (11%).

The reduced ranking in the size category of the City Child Care operators reflects their relatively smaller average unit size (4,665 sf.). In contrast, the higher ranking of the Private Schools reflects their relative large average unit size (28,686 sf.).

Contribution to total Rental Income

The significance of the Private School sector is reinforced when examining its contribution to total rental income. As shown in Figure 2, the ranking of the top four tenant types by total square footage remains relatively constant when you consider their share of gross rental income. Having said that, Other School Boards move into the second rank ahead of Social Agencies, followed again by Special Needs Children's programs which move in front of Other Not for Profit organizations.

Figure 2
Contribution to Total Rental Income by Tenant Type

Tenant Type	April 2011 - TLC Lease		
	% of Total Rental Income	Sq. Ft.	% of Ttl. Sq. Ft.
Commercial Tenants	0.6%	4,663	2.7%
Pool Tenants	1.1%	9,333	1.4%
Other Child care	2.7%	21,298	5.5%
City of Toronto Parks & Recreation	2.9%	57,387	2.7%
Religious School	4.7%	61,581	1.4%
City of Toronto Child Care	5.1%	69,977	20.5%
Special Needs Children	9.1%	131,993	9.6%
Other Not for Profit	9.1%	99,412	12.3%
Social Agency	15.0%	154,201	9.6%
Other School Boards	15.8%	194,180	6.8%
Private Schools	34.0%	372,923	17.8%
	100.0%	1,201,573	100.0%

2. LEASING CHALLENGES

The major challenges to increasing revenues from the leased portfolio are listed and described below:

1. Tenant Affordability
2. Tenant Compatibility
3. Restricted Hours of Access
4. Property Condition
5. Average Term of Lease
6. Child Care Tenancies

Tenant Affordability

As shown in Figure 1, a large number of TLC tenants are Social Service Agencies, Childcare operators and Special Needs Children's programs. These tenants often have limited financial resources which, in many cases, include relatively fixed provincial or municipal grants and private sector donations. As a result of their not-for-profit nature and the nature of their funding sources, their ability to pay rental increases is limited.

Tenant Compatibility

The most frequent queries to TLC come from preschools and private schools that are competitors with existing tenancies. As a result, where limited vacant space does become available, interested tenants are often competitors.

In other cases, the tenant interested in vacant space supports programming for adults or older age children, which raises the possibility of uncontrolled mixing with pre-school or younger age children served by existing tenants. In addition, sometimes there is a shortage of separate washrooms because new tenants serving or staffed by an older population require separate washrooms from existing day care or pre-school tenants.

Restricted Hours of Access

Many tenants would like weekend and evening access. The cost of caretaking to open schools and monitor/control access cannot be justified based upon existing rental income. This creates conflicts with many tenants who want weekend / evening access but cannot pay the supplemental costs and often overtime wages that must be paid to provide the extra access.

Property Condition

TLC's typical property is more than 40 years old. In an ideal situation, heating and ventilation systems and windows would all have been replaced by now. Existing tenant affordability and limited access to capital funds limit the ability to replace and upgrade older inefficient systems. In the case of successful private schools that would pay higher rent for superior facilities, the condition of the building limits the rent they are willing /able to pay because of the ceiling it puts on the fees they can charge. A related discussion follows in the next section.

Lease Term

TLC, as required by the Shareholder's Direction, is not permitted to enter into any multi-year lease without a 12 month right of termination. The financially stronger tenant, typically a private or religious school, is willing to make capital investments to upgrade major systems and building elements (e.g. windows) if a sufficiently long lease term (e.g. 10-15 years) is available. At the present time, entering into such an arrangement requires specific TDSB Board approval.

Child Care Tenancies

TLC is finding that relatively higher rent-paying private or religious school tenants would like to take over the space currently leased in their schools to lower rent paying child care operators. In addition to their impact on other building tenancies, City childcare tenancies, in most cases, do not cover building operating costs. These tenants are not in a position to contribute any funding toward major capital repair requirements for most buildings.

3. LEASING INITIATIVES FOR 2011-2012

TLC staff support the following direction, to be implemented in 2011- 2012:

Regulatory Issues and Inter-Board Issues

Regulation Rent Formula

There are issues regarding the obligation to secure “fair market value rent” from the majority of TLC tenants and possible conflict of this requirement with the rental rates being paid by third party child care centres, social service, and special needs children’s organizations. In addition to pursuing any regulatory changes that will be required to continue such arrangements, staff will be working to clarify the rental formula set out in Regulation 444/98 for specified public sector and educational institutions which propose to lease TLC properties for pupil accommodation.

At the moment there is a difference of opinion between school boards and a lack of clarity at the provincial level as to whether school boards are required to pay all operating costs and cover capital expenditures incurred during their period of occupancy.

To bring clarity to this issue, the Ministry of Education sought the input of selected school board staff that have been involved in a relatively high number of dispositions. The Ministry invited all Ontario school boards to provide advice to the Ministry on this and other related topics. These areas for discussion included:

- Persistent areas of confusion in Ontario Regulation 444/98;
- Questions regarding unusual situations related to sales and leases;
- Updating the process relating to the circulation of properties for sale and lease; and
- Modifying the Regulation to better reflect the policy intent.

The above Regulation 444/98 Working Group met over the past three years. The Working Group has established clear *terms of reference* and it has *examined the necessary outstanding issues*. The Ministry anticipates finalizing amendments to this Regulation in 2012.

Asset Management



1. ASSET MANAGEMENT PORTFOLIO OVERVIEW

For the period between 2008 and August 2011, 53 sites have been declared surplus for sale. An additional five sites were declared surplus for sale by the TDSB on June 22, 2010. Of this total (58), a total of 35 sites have been sold as of August 31, 2011.

2. DISPOSITION CHALLENGES

The major challenges for realizing full revenue potential from the disposition portfolio are listed and described below:

- 1) Gaining community understanding/support for sale of school properties that are considered green space;
- 2) Securing additional sites for disposition from the TDSB;
- 3) Developing beneficial relationships with other public partners in relation to disposition of public assets; and
- 4) Identifying real estate-based strategies to improve revenue generation on behalf of the TDSB to reduce its budget deficit and support its capital funding objectives.

Gaining community understanding/support for sale of school properties

In a number of cases, the TLC portfolio of surplus schools and lands form a central part of a subdivision plan that provided families with a community school, green space and a location for community special events or programs. Houses backing onto green space are deemed to be desirable properties to purchase and are perceived to have more value. School properties are considered public assets and most communities demonstrate a deep sense of attachment to their community school. Gaining community support for any kind of change that impacts the current property conditions provides challenges for the TLC, the TDSB and the City of Toronto.

In order for the TLC to secure revenues based on fair market value, these properties need to be sold at highest and best use. However, often the City and communities will only support development plans that fit the current surrounding neighbourhood, regardless of zoning potential permitted in the area.

Developing beneficial relationships with other public partners

To date the majority of the surplus properties have been sold to public agencies. Although the Education Act Ontario Regulation 444/98 requires that properties be sold at fair market value (FMV), there is an exception for co-terminous boards. A formula based on capacity determines the sale value as long as the school is used or was last used for pupil accommodation. In some cases this value is considerably less than FMV if the site is valued at highest and best use, ideally residential redevelopment. However, the Education Act does include a provision that allows the selling Board the option to repurchase the site within 25 years of sale, if the site is not used for educational purposes over a consecutive 12 month period, at the

original sale price. In terms of the other public agencies (not Boards of Education), negotiating a FMV sale price provides a challenge due to limited funding sources and budgets of public entities. In some cases, program/community partnership benefits are considered in lieu of achieving full market value.

Identifying real estate-based strategies to improve revenue generation

The above mentioned challenges are a critical issue impacting the real estate-based strategies when positioning sites for market. As an agent of TDSB, the TLC needs to ensure any sale realizes the full property potential in order to maximize revenue in support of the TDSB's capital funding objectives. In many cases, the full site potential (i.e. from green space to medium/high density development) presents concerns for the surrounding neighbours.

Also challenging is determining how far the TLC should proceed with the approvals for a plan of subdivision or rezoning. One needs to weigh the costs and timing required to secure the approvals as well as the risks. Obviously, if a property is placed on the market with approvals and rezoning in place this will result in higher offers with fewer conditions and tighter closing dates. On the other hand, as a public agency, the TLC does not have the same negotiating opportunities as a developer would (i.e. section 37 monies or offer inducements to neighbouring lands) to secure approvals for a higher density land use.

3. STRATEGIC CONSIDERATIONS IN DEVELOPING RECOMMENDATIONS

The TLC undertook a review of its current portfolio and evaluated sites for disposition potential based on highest opportunity for sale. The criteria for selection included the following:

- 1) Identify/prioritize opportunities in TLC portfolio;
- 2) Identify/reduce risks in TLC portfolio; and
- 3) Identify large properties valued as high opportunities for potential severance (with leases that are not expiring or considered for termination) and sell the vacant land portions.

Identify/prioritize opportunities

Each property was reviewed for Highest Opportunities for disposition based on:

- Development Potential/ Land value - Locations that provide highest Land Value
- Site size/frontage – large sites with fully serviced frontages.
- Location – good locations for redevelopment potential and access to amenities
- Current Official Plan and Zoning – sites located in Neighbourhood/Residential Zoning
- Availability - vacant property or current tenancies with upcoming expiry dates
- Net annual revenue- underperforming sites with current lease revenue operating at a loss.
- Capital cost projections – the RECAPP costs projected for the next 1 to 5 years for replacement/major repair of building infrastructure components.

Identify/reduce risks in TLC portfolio

Properties were reviewed in terms of potential risk or liability if kept status quo with current uses. Consideration was given to potential escalating costs with no immediate or near future recovery potential. In addition, properties with community use tenants such as child care may need to be considered as part of the proposed plans for the site or relocated, if the site is to be sold. Any TDSB program tenants in surplus sites would also need to be relocated. In some cases these programs cannot be located to an operating school, which would result in the need to lease outside space at market rates.

Identify large properties valued as high opportunities for potential severance

Properties were reviewed that have high redevelopment potential, but encumbered with current tenants whose leases do not expire for some time. In these cases the sites were reviewed in terms of site size and potential for severance and sale of the vacant lands.

4. ASSET MANAGEMENT RECOMMENDATIONS FOR 2011-12

TLC undertook a strategic review of its current portfolio and subject to the criteria for consideration outlined in the earlier section (3), the TLC recommended that the TDSB place a priority on identifying additional surplus properties for the 2011-12 fiscal year, while the market is still quite active and, in particular, the demand remains high for “infill sites”. The TLC recommended that the following sites be declared surplus for disposition during 2011-12:

Alderwood CI (portion, including building)
Hardington PS (portion, vacant land only)
McNicoll (in 2 parcels, 1 parcel with building, 1 parcel vacant land)*
Noisy River (19 acres including all buildings on site)
Rexdale (portion, vacant land only)

**Site with Child Care tenants may require more time to close due to the need to find a suitable location either within the TLC portfolio or TDSB operating schools.*

The TLC will continue to review the highest revenue potential for the sites under its jurisdiction and work with the TDSB on a strategic plan that will deliver the funding to support its' capital plan requirements to meet the program needs of students.

See Appendix 3 for Property Specific Reports.

Swim Toronto – Pools in Schools



The TLC continues to manage 31 TDSB pools on behalf of the Toronto District School Board. The TLC also oversees the tri-partite agreement between the Ministry of Health Promotion & Sport, the TLC and the TDSB, which outlines the commitment of \$15.8M to capital improvements in these 31 pools.

A committee of appointed representatives was then established to govern and direct the work relating to pools in schools. Reporting to the TLC Board of Directors, the Swim Toronto Committee has begun working through its mandate to include the following key achievements:

1. Work with TDSB Facility Services Permit Unit and Permit Holders to include:
 - A new permit structure for permit holders, which involves a lead role by TLC staff with support of the TDSB Facility Services Permit Unit to support and sustain pool permits.
 - A concerted effort to provide an initial point of contact and a customer-service focused approach to permitting pools.
2. Creation of a TLC Swim Toronto webpage to include:
 - An interactive map of all pool sites across the City.
 - An overview of each pool, with photos and specific attributes associated with each pool.
 - A calendar booking set-up, which will allow all permit holders to book tentative permits on the TLC website, via a user-friendly calendar (target implementation date: September 2011).
 - Updates of policies and procedures.
 - Updates of pool news and aquatic happenings in the community.
3. Work with the Aquatic Working Group (AWG) and sub-committees of AWG:
 - Establishment of a *Pools Charter* outlining specific expectations and permit timelines for all participants in TDSB pools. The Charter was drafted in collaboration with the Charter Sub-Committee of the AWG and was brought to the April 28, 2011 Swim Toronto Committee meeting. Revisions have been made in accordance with the Committee's suggestions and final draft for approval is to be brought to the next Swim Toronto Committee meeting.
 - Change in Permit Alteration fees. With the support of the Permit Sub-Committee of the AWG, agreement was reached that an increase to the pool alteration fee was warranted and should be implemented. As well, the TDSB decided to increase permit fees by 22.2%, effective January 2012. This increase will not be applicable to pool permit user fees.

LONG TERM SUSTAINABILITY OF POOLS IN SCHOOLS:

In an effort for all pools to be sustainable in schools for the long-term, the following directives will be presented to the Swim Toronto Committee, for review and consideration, throughout 2011-12:

1. Expansion of the current Swim to Survive program to include a Board-wide initiative to teach all Grade 4 students an essential life skill and prevent them from drowning.
2. Work with TDSB staff, the AWG and other stakeholder representatives to develop long-term sustainable aquatic programming in TDSB pools.
3. Work with TDSB Facility Services office and TDSB Facility Services Permit unit to develop policies and protocol for:
 - Pool service responsibilities;
 - Pool maintenance and inspection timelines;
 - Monitoring of permit revenues;
 - Sponsorship of pools; and
 - Increasing permits of pools to increase permit revenues.
4. Develop a communications strategy to establish ongoing communication and collaboration with school principals, Superintendents of Education, Trustees and other key TDSB staff as required.
5. Work with the Deputy Directors, TDSB, to deliver semi-annual information meetings to Principals and Superintendents.
6. Establish a public education campaign aimed at instructing permit holders how to navigate the new online permit system through the TLC website.
7. Establish a model for pool captain recruitment and identify sustainable sources for funding pools including continued work with the Toronto Community Foundation.
8. Liaise with the TDSB administrative, programming and maintenance staff to support increased customer service.

Financial Plan

The TLC's fourth annual budget highlights the successes achieved by the corporation, on behalf of the TDSB, along with the effectiveness of the organization overall.

Development of the 2011-12 Annual Budget has provided an opportunity to accurately reflect anticipated work requirements on a go forward basis.

The following highlights are provided:

- Lease revenues are down by 10.7% due to the sale of several rental-generating sites and the loss of rental revenue from Midland C.I., which reopened as a TDSB operating school.
- Projected revenues from sales, based on anticipated properties that will be available for sale during 2011-12, have increased by 59% over the current year.
- Salary increases generally reflect a 3% increase, consistent with TDSB collective agreement obligations.
- Property management expenses are expected to decrease by approximately 20%. This is the result of a site by site analysis of the expenditure areas for caretaking, maintenance and utilities. Projections for 2011-12 are now in line with actual expenditures versus earlier global allocations. A contingency budget of 10% is included in these three line items. A Maintenance Reserve budget line, established this current year, has been rolled into the Deferred Capital Improvement Revenue line.
- TLC administrative expenses have increased by 1%.

With the support of both the Finance and Audit Committees, the TLC has benefitted from the knowledge provided by Committee members. Their commitment to detailed analysis and transparency in reporting has led to a greater understanding and a clearer presentation of the TLC's financial position.

**Toronto Lands Corporation
Proposed Budget for 2011-2012**

Operating Budget

Realty Lease Operations

	Approved 2010-2011 Budget	Proposed 2011-2012 Budget
Lease Revenue and Recoveries	\$ 9,323,982	\$ 8,403,661
Other Revenue	200,000	100,000
Sub-total	9,523,982	8,503,661
TDSB Program and Administration	1,698,266	1,171,656
Deferred Capital Improvement Revenue	(1,000,000)	(1,000,000)
Total Revenue	10,222,248	8,675,317

Property Management Expenditures

Caretaking	3,419,503	2,830,000
Maintenance	3,221,089	2,340,774
Utilities	2,817,192	1,810,000
Total Operations Expense	9,457,784	6,980,774
Capital Expenditures		
Property Taxes	109,899	109,899
Provision for rental arrears	75,000	50,000
Total Property Management Expenditures	9,642,683	7,140,673

TDSB Staff and Services

Facility Services	202,922	209,010
Business Services	79,219	81,596
Administrative Support Allocation	60,000	60,000
Total TDSB Realty Staff and Services	342,141	350,606

Total Expenditures	9,984,824	7,491,279
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Net Realty Lease Operations (Profit/(Loss))	\$ 237,424	\$ 1,184,038
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TLC Administration Expenses

Board Remuneration	70,000	70,000
Management Salary	880,642	927,596
Professional Development	4,000	4,000
Supply and Services	62,800	63,000
Legal Fees	500,000	500,000
Fees and Contractual Services	370,000	367,500
Directors and Officer Insurance	25,000	25,000
Errors and Omissions Insurance	39,000	39,000
Casual Help	5,000	5,000
Furniture and Equipment	15,000	15,000
Other expenditures	5,000	5,000
Total TLC Administration expenses	1,976,442	2,021,096

Net Revenue (loss) before Property Sales	(1,739,018)	(837,058)
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Total Property Sales	47,000,000	77,994,657
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Net Contribution to TDSB Capital Fund	\$45,260,982	\$77,157,599
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****The projected property sales figure reflected is based on properties declared surplus for sale by the TDSB at this date. Should additional properties be declared surplus for sale, this figure will be adjusted accordingly.**

Recommendations



Summary of TLC Recommendations, 2011 - 2012

LEASING RECOMMENDATIONS

IT IS RECOMMENDED that the Ministry of Education be encouraged to clarify the rental formula set out in Regulation 444/98 for coterminous boards which indicate interest in leasing TDSB surplus properties for pupil accommodation.

ASSET MANAGEMENT RECOMMENDATIONS

IT IS RECOMMENDED that the TLC request that the TDSB declare the following sites surplus for sale:

Alderwood CI
Hardington (portion)
McNicol

Noisy River (remaining portion)
Rexdale (portion)

2011-12 BUDGET APPROVAL, TLC

IT IS RECOMMENDED that the Draft TLC 2011-12 Annual Budget be approved as presented by the TLC Board.

11a

Summary of Approvals by the TDSB Board:

TLC Board

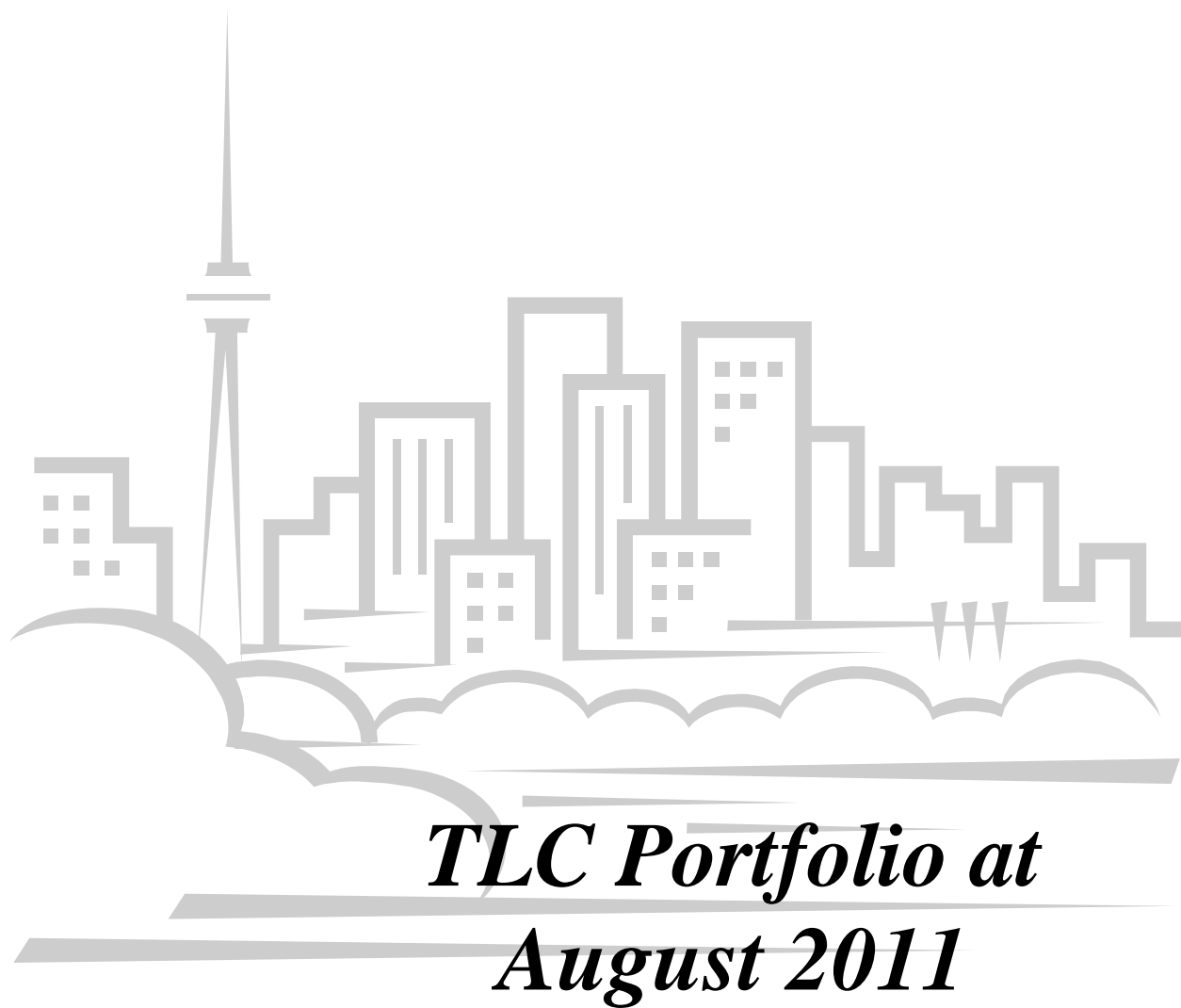
At the TDSB meeting on June 22, 2011, the TDSB decided:

- a) That the Toronto Land Corporation Budget for the 2011-12 year, be approved (as presented).

Further, the Board decided:

- b) That portions of the following properties be declared surplus to the needs of the Board, and be referred to the Toronto Lands Corporation for disposition in accordance with the disposition parameters:
 - i. Alderwood, 300 Valermo Drive/Douglas Park, 301 Lanor Avenue, conditional upon the Ministry of Education's announcement to fund the purchase of the Parkview site for a coterminus board;
 - ii. Hardington Learning Centre, 1780 Lawrence Avenue West;
 - iii. Rexdale, 30 Barrhead Crescent.
- c) That the following properties be declared surplus to the needs of the Board, and be referred to the Toronto Lands Corporation for disposition in accordance with disposition parameters:
 - i. McNicoll PS site, 155 McNicoll Avenue; and
 - ii. Noisy River Outdoor Education Centre, 824193 Nottawasaga Town Line (balance of 19 acres).

Appendix 1



TLC Portfolio

Legend:

	Sites approved by the TDSB for sale in the 2008-09 Annual Plan
	Sites recommended for sale by the TLC in the 2009-10 Annual Plan
	Sites recommended for sale by the TLC in the 2010-11 Annual Plan
	Sites recommended for sale by the TLC in the 2011-12 Annual Plan
	Site (s) recommended be returned to TDSB for management and operations
	Sites identified by TDSB as "core holding" *

* Core holdings can be vacant lands with or without a lease, a site (building) under lease with a tenant, or a long-term lease with covenants and/or legal restrictions.

	Site returned to TDSB as operational school site
*	Properties identified with a number + a indicate severance where an additional transaction has been made possible

Note: Column 1 identification corresponds to original list of 97 properties transferred to TLC by TDSB, 2008.

TLC Site #	Property	Address	Status	2008-2009 Status	2009-2010 Status	2010-2011 Status	2011-2012 Status
Category 1: Leased Single Tenanted Buildings/Lands							
53	705 Progress Avenue	705 Progress Avenue	Fully Leased	Core Holding, TDSB			
10	840 Coxwell	840 Coxwell	Fully Leased				Anticipate sale, Dec. 2011
11	Albion Gardens	105 Thistle Down Blvd	Fully Leased	SOLD Aug. 27, 2009			
13	Anthony PS	111 Anthony Road	Fully Leased				Anticipate sale Fall 2011
15	Bannockburn PS	12 Bannockburn Avenue	Fully Leased				
19	Brookbanks PS	217 Brookbanks Drive	Fully Leased				
20	Burnett PS	21 Eddfield Avenue	Fully Leased				
22	C B Parsons JHS	2999 Dufferin Street	Fully Leased				
24	Cartwright PS	99 Cartwright Avenue	Fully Leased				
25	Castlebar PS	70 Chartwell Road	Fully Leased				
103	Champlain (portion, land)	44 Champlain Blvd.	Vacant Property		Core Holding, TDSB		
26	Champlain PS	44 Champlain Boulevard	Fully Leased		SOLD April 29, 2010		
27	Cummer LINC (formerly L B Pearson PS)	500 Cummer Avenue	Fully Leased				
28	D B Hood Community School	2327 Dufferin Street	Fully Leased				
30	Dublin PS	819 Sheppard Ave West	Fully Leased		SOLD Mar. 31, 2010		
36	Franklin Horner	432 Horner Avenue	Fully Leased		SOLD Mar. 31, 2010		
102	Glen Rush (portion)	77 Glen Rush Blvd.	Vacant Property		Core Holding, TDSB		
40	Harold R. Lawson School	1710 Ellesmere Road	Vacant		SOLD Dec. 8, 2009		
41	Hughes Jr PS	177 Calendon Road	Fully Leased				
42	Humber Heights	2245 Lawrence Avenue West	Land Lease				

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TLC Site #	Property	Address	Status	2008-2009 Status	2009-2010 Status	2010-2011 Status	2011-2012 Status
99	Inglenook (Easement)	19 Sackville Crescent	Sold		SOLD Nov. 10, 2009		
97	Lakeshore Arena	400 Kipling Road (4 pad arena)	Vacant		Fully Leased to Humber College		
82	394 Leslie Street	394 Leslie Street	Residential	SOLD Aug. 7, 2009			
83	396 Leslie Street	396 Leslie Street	Residential		SOLD Nov. 2, 2009		
84	398 Leslie Street	398 Leslie Street	Residential		SOLD Nov. 2, 2009		
85	400 Leslie Street	400 Leslie Street	Residential		SOLD Nov. 2, 2009		
86	404 Leslie Street	404 Leslie Street	Residential	SOLD July 15, 2009			
87	406 Leslie Street	406 Leslie Street	Residential	SOLD July 15, 2009			
46	Mallow Centre	15 Mallow Road	Fully Leased				
104	Melody PS (portion, land)	24 Strathburn Boulevard	Vacant Property		Core Holding, TDSB		
51	Page PS	50 Page Avenue	Fully Leased		SOLD May 31, 2010		
66	Pine River Outdoor Education Centre	RR3 Shelburne	Fully Leased				
54	Queens Court	35 Ourland Avenue	Fully Leased				
57	Saranac	15 Saranac Blvd	Land Lease			SOLD Oct. 29, 2010	
100	SCAS	939 Progress Avenue	Lease/TDSB	N/A	SOLD June 30, 2010		
61	Thistletown PS	925 Albion Road	Fully Leased		Core Holding, TDSB		
63	Whitfield (portion)	123 Whitfield Avenue	Fully Leased		SOLD Mar. 22, 2010		
105	Whitfield (portion, land)	123 Whitfield Avenue	Vacant Property		Core Holding, TDSB		
8	Wilmington PS	200 Wilmington Avenue	Fully Leased				
Total Sites = 39							

TLC Portfolio

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	Sites recommended for sale by the TLC in the 2011-12 Annual Plan
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* Core holdings can be vacant lands with or without a lease, a site (building) under lease with a tenant, or a long-term lease with covenants and/or legal restrictions.

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*	Properties identified with a number + a indicate severance where an additional transaction has been made possible

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TLC Site #	Property	Address	Status	2008-2009 Status	2009-2010 Status	2010-2011 Status	2011-2012 Status
Category 2: Bill 30 Schools – 99-Year Leases with TCDSB							
73	Humbergrove CI	1760 Martin Grove Rd	L-99				
70	Kings mill CI	721 Royal York Road	L-99				
78	Lakeview SS	49 Felted Avenue	L-99				
69	Lewis S Beattie	110 Dreary Avenue	L-99				
71	Tabor Park	959 Midland Avenue	L-99				
76	Vincent Massey CI	105 Eringate Drive	L-99				
72	West Deane	35 West Deane Park Drive	L-99				
74	West Park	1515 Bloor Street West	L-99				
75	York Humber	99 York Humber Blvd.	L-99				
Total Sites = 9							
Category 3: Leased Multi-Tenanted Buildings							
14	Appian PS	44 Appian Drive	Fully Leased			Sold Aug. 25, 2011	
16	Bathurst Heights SS	640 Lawrence Avenue West	Leased/TDSB				
18	Brockton HS	90 Croatia Street	Leased/TDSB				
21	Buttonwood Hill	100 Allanhurst Drive	Fully Leased	Core Holding, TDSB Sold Oct. 7, 2008			
23	Carleton Village South	2054 Davenport Road	Vacant				
67	Crestwood PS	60 Burl Avenue	Reopened Sept 08				
29	Douglas Park	301 Lanor Avenue	Fully Leased				
32	Earslcourt Jr PS	21 Ascot Avenue	Fully Leased				
33	Edithvale PS	7 Edithvale Drive	Fully Leased	Sold Dec. 22, 2008			
35	Fairmeadow Centre	17 Fairmeadow Avenue	Leased/TDSB				

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	Sites recommended for sale by the TLC in the 2011-12 Annual Plan
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	Sites identified by TDSB as "core holding" *

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TLC Site #	Property	Address	Status	2008-2009 Status	2009-2010 Status	2010-2011 Status	2011-2012 Status
37	Glen Rush PS	77 Glen Rush Boulevard	Fully Leased	Sold Aug. 31, 2009			
38	Gooderham Learning Centre	62 Gooderham Drive	Leased/TDSB				
39	Hardington PS	1780 Lawrence Avenue West	Fully Leased				
7	Heydon Park SS (old)	11 St Annes Road	Vacant	Sold Sept. 18, 2008			
9	James S Bell (old)	3495 Lakeshore Blvd. W.,	Fully Leased		Sold Mar. 31, 2010		
43	Jones Ave Adult New Canadians	540 Jones Avenue	Lease/TDSB				
44	Kenton PS	34 Kenton Drive	Lease/TDSB				
45	Kipling Grove	17 Glen Agar Drive	Fully Leased				
47	McNicoll PS	155 McNicoll Avenue	Fully Leased				To be sold in two parcels, circulate Fall 2011
49	Midland CI	720 Midland Avenue	Leased/TDSB		Reopened Sept. 2010		
50	Old Orchard Jr PS	375 Dovercourt Road	Fully Leased				
52	Parkview	85 Forty First Street	Partially Leased			Sold August 29, 2011	
55	Rexdale	30 Barrhead Crescent	Fully Leased				
56	Richview PS	59 Clement Road	Leased/TDSB				Anticipate sale October 2011
59	Silver Creek	65 Hartsdale Drive	Fully Leased				
60	Silview PS	24 Silview Drive	Fully Leased	Core Holding, TDSB			
62	Vincent Massey	68 Daisy Avenue	Fully Leased	Partially leased			
Total Sites = 27							

TLC Portfolio

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Purpose-Built Administrative Sites and Plant Facilities							
1	1 Civic Centre Court Building	1 Civic Centre Court	Admin	Returned to TDSB			
2	140 Borough Drive East Education Office	140 Borough Drive	Admin	Returned to TDSB			
101	140 Borough Drive East Education Office	120 Borough Drive (West Parking Lot)	Vacant Property			Returned to TDSB	
3	2 Trethewey Drive	2 Trethewey Drive	Admin	Returned to TDSB			
4	5050 Yonge Street	5050 Yonge Street	Admin	Returned to TDSB			
5	Oak Park Centre	286 Oak Park Avenue	Admin	Returned to TDSB			
6	Peckham Centre	85 Peckham Avenue	Admin	Returned to TDSB			
77	Alliance Centre	401 Alliance Avenue	Maint Plant	Returned to TDSB			
78	McCullough Centre	7 McCulloch Avenue	Maint Plant	Returned to TDSB			
79	McGriskin Centre	52 McGriskin Road	Maint Plant	Returned to TDSB			
80	Oakburn Centre	15 Oakburn Crescent	Maint Plant	Returned to TDSB			
81	Eastern Centre	849 Eastern Avenue	Maint Plant	Returned to TDSB			
Total Sites = 12							
Vacant Buildings/ Operational School scheduled to close							
12	Alderwood	300 Valermo Drive	Vacant				Circulate Fall 2011
	Arlington MS	501 Arlington Avenue	Closed September 2011, 1 TDSB class remains to June 2012			Sold August 24, 2011	
17	Bluehaven PS	5 Bluehaven Crescent	Partially Leased			Vacant Building	
65	Boyne Natural Science Outdoor Centre	RR #4, Shelburne	Vacant				
	Brooks Road PS	85 Keeler Blvd.	Vacancy to be determined by TDSB				
31	Dundas Warehouse	1135 Dundas Street	Vacant		SOLD Nov. 16, 2009		

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34	Essex West Building	98 Essex Street	Vacant			Sold August 16, 2011	
	Heron Park JPS	280 Manse Road	Vacant at June 30, 2012				
	McCowan JPS	425 McCowan Road	Vacancy to be determined by TDSB				Circulate Fall 2011
48	Melody PS	24 Strathburn Boulevard	Vacant		SOLD May 21, 2010		
64	Noisy River Outdoor Education Centre (19 acres)	General Delivery, Honey wood	Fully Leased	vacant		Circulated Aug. 2011	
	Peter Secor	255 Coronation Drive	Vacant at June 30, 2011				
	Pringdale Gardens JPS	1325 Danforth Road	Vacancy to be determined by TDSB				
58	Shaw PS	180 Shaw Street	Vacant		under negotiations for sale	Sold Dec. 16, 2010	
	Silverthorn JPS	55 Ypres Road	Vacant at June 30, 2011				To market Fall 2011
	Sir Sandford Fleming Academy	50 Ameer Avenue	Vacant at June 30, 2010			Lease finalized with TCDSB	
	Timothy Eaton BTI	1251 Bridletowne Circle	Vacant				Anticipate sale Feb. 2012
	West Toronto C.I.	320 Lansdowne Avenue	Vacant				Anticipate sale Sept. 2011

Total Sites = 18

Vacant Lands/Outdoor Education Centres

89	Alton Tower Circle		Vacant Land-5 acres		under negotiations for sale	Sold June 28, 2011	
	Alton Towers Circle		Vacant Land-10 acres			Sold Aug. 18, 2011	
96	Antibes Dr		Vacant Land		SOLD June 7, 2010		
107	Boyne Natural Science Outdoor Centre (portion, 100 acres)	RR #4, Shelburne	Vacant Land		Sold August 18, 2010		

TLC Portfolio

Legend:

	Sites approved by the TDSB for sale in the 2008-09 Annual Plan
	Sites recommended for sale by the TLC in the 2009-10 Annual Plan
	Sites recommended for sale by the TLC in the 2010-11 Annual Plan
	Sites recommended for sale by the TLC in the 2011-12 Annual Plan
	Site (s) recommended be returned to TDSB for management and operations
	Sites identified by TDSB as "core holding" *

* Core holdings can be vacant lands with or without a lease, a site (building) under lease with a tenant, or a long-term lease with covenants and/or legal restrictions.









	Site returned to TDSB as operational school site
*	Properties identified with a number + a indicate severance where an additional transaction has been made possible

Note: Column 1 identification corresponds to original list of 97 properties transferred to TLC by TDSB, 2008.

TLC Site #	Property	Address	Status	2008-2009 Status	2009-2010 Status	2010-2011 Status	2011-2012 Status
90	Bridgeport Drive and Bridgend Street		Vacant Land	Returned to TDSB	Core Holding, TDSB		
	Cummer LINC	500 Cummer Ave. (portion)	Vacant Land				Anticipate sale 2012
91	Danforth and Byng (Oakridge Park)		Vacant Land	Core Holding, TDSB			
108	Edithvale PS (portion)	7 Edithvale Drive	Vacant Property		Core Holding, TDSB		
	Hardington PS	1780 Lawrence Avenue West (portion)	Vacant Land			Circulated August 2011	
92	Humberline Drive + Finch Avenue West		Vacant Property	Core Holding, TDSB			
	Kenton PS (vacant land)	34 Kenton Drive (portion)	Vacant Land				Anticipate sale 2012
	Fairmeadow Centre	17 Fairmeadow Avenue (portion)	Vacant Land				Anticipate sale 2012
93	Lothian Avenue		Vacant Land		Portion under negotiations for sale/lease	Sold Sept. 29, 2010	
	Mimico Adult Learning Centre	255 Royal York Road	Vacant Land (parking lot)			Leased January 1, 2011	
106	Noisy River Outdoor Education Centre (portion, 80 acres)	General Delivery, Honey wood	Vacant Land		Portion under negotiations for sale	Sold August 15, 2011	
88	80 Northern Dancer Boulevard	80 Northern Dancer Boulevard	Vacant Land	Core Holding, TDSB			
	Northview Heights SS	550 Finch Avenue West	Vacant Land				Land lease to health care centre
	Rexdale	30 Barrhead Crescent (portion only)	Vacant Land (2 acres)				Circulate Fall 2011
94	Sandhurst Circle and Brimwood Boulevard		Vacant Land	Returned to TDSB	Core Holding, TDSB		
	Silverview PS	24 Silverview Drive	Vacant Land (2 acres)				To be sold to Griffen Centre
95	Storey Crescent		Vacant Land		Sold July 12, 2010		

TLC Portfolio

Legend:

	Sites approved by the TDSB for sale in the 2008-09 Annual Plan
	Sites recommended for sale by the TLC in the 2009-10 Annual Plan
	Sites recommended for sale by the TLC in the 2010-11 Annual Plan
	Sites recommended for sale by the TLC in the 2011-12 Annual Plan
	Site (s) recommended be returned to TDSB for management and operations
	Sites identified by TDSB as "core holding" *
* Core holdings can be vacant lands with or without a lease, a site (building) under lease with a tenant, or a long-term lease with covenants and/or legal restrictions.	
	Site returned to TDSB as operational school site
	Properties identified with a number + a indicate severance where an additional transaction has been made possible

Note: Column 1 identification corresponds to original list of 97 properties transferred to TLC by TDSB, 2008.

TLC Site #	Property	Address	Status	2008-2009 Status	2009-2010 Status	2010-2011 Status	2011-2012 Status
	William G. Miller JPS	60 Bennett Road	Vacant Land				To market Fall 2011
Total Sites = 22							

Appendix 2



ASSET CATEGORIES

I.	Category I. Properties to be Retained and Lease Revenues Maximized (where applicable).																			
	Property Name	Comments	TDSB Programs	Core Designation	TDSB 3rd Party Programs	High Psf. Capital Costs (1st Quartile >=\$78 psf.) not evaluated	High Absolute Capital Reinvestment Costs (>=\$2MM) not evaluated	Net Contribution (<\$100K per Year)												
	1 705 Progress Avenue	Multi-tenant industrial property co-owned and managed by City of Toronto, held for future redevelopment		X																
	2 Bathurst Heights	Primarily occupied by TDSB programs. Will return to operating school in September 2011	X	X			X	X												
	3 Bannockburn	Single tenant, 3rd Party Private School					X													
	4 Brockton	High % TDSB special programs and potentially impacted by future school consolidation in the area	X	X			X	X												
	5 Brookbanks	Single tenant, 3rd Party Private School					X													
	6 Buttonwood	TDSB Core Holding designation - possible severance and sale of excess land		X				X												
	7 Cartwright	Single tenant, 3rd Party Private School																		
	8 CB Parsons	Tenant exercising renewal rights					X													
	9 Cummer LINC	TDSB Partnership Services tenant (excess lands are being severed and sold). Informal Core Holding designation on retained property.		X	X			X												
	10 DB Hood	Single tenant, 3rd Party French School					X													
	11 Earlscourt	Possible future sale to Catholics to settle co-sharing disputes					X													
	12 Hardington	Mainly occupied by TDSB Programs, limited net revenue contribution from single tenant. Excess lands are being severed and sold. Informal Core Holding designation on retained property	X	X	X			X												
	13 Humber Heights Land Lease	Long term land lease to retirement home operator																		
	14 Jones Avenue	Mainly TDSB Programs	X		X		X	X												
	15 Kenton LINC	TDSB Partnership Services tenant & small City Childcare. Excess lands are being severed and sold. Informal Core Holding designation on retained property.		X	X		X													
	16 Kipling Grove	Leased to private school and day care operator																		
	17 Lakeshore Arena	49 Year lease from City of Toronto has been sublet for 20 years to Humber College, no rent expected as a result of tenant credit for capital improvements, programming for TDSB students and permitting to public at nominal costs																		
	18 Mallow	Current Net Revenue contributor with 4th highest pending psf. capital re-investments costs. Informal Core Holding designation.		X																
	19 Mimico	Parking lot attached to operating school, leased to Toronto Catholic District School Board.		X				X												
	20 Northview Heights Secondary School	Vacant land attached to school parking lot. Area under long term lease to community health centre.		X																
	21 Queens Court	Single tenant, leased to private school																		
	22 Rexdale	Large Daycare tenant plus private school. Excess land is being severed and sold.		X			X													
	23 Silverview	Surplus lands (2 acres) may be sold to existing tenant. Currently this is a small TDSB special needs children's program on site. Building and remaining lands are designated Core Holdings.	X	X																
	24 Sir Sandford Fleming	Transferred to TLC in 2011. Leased to Toronto Catholic District School Board for 3 years.					X													
	25 Thistletown	TDSB Core Designation, City of Toronto is tenant.		X			X													
	26 200 Wilmington Avenue	Leased to private school who can renew for up to 25 yrs.																		

ASSET CATEGORIES

II.	Category II. Limited Revenues and/or High Capital Costs - Potential Sale or Redevelopment Candidates											
	Property Name	Comments	High Psf. Capital Costs (1st Quartile >=\$78 psf.)	Absolute Capital Reinvestment Costs (>=\$2M)	Net Contribution (<\$100K)							
1	840 Coxwell	In the process of being sold to tenant with expected closing by the end of 2011.		X								
2	Alderwood	Vacant building, high short term capital costs required to make usable. Declared surplus but TDSB request to action after Parkview sale underway.		X	Vacant							
3	Appian	Declared surplus for sale. Agreement is being finalized with other School Board.			X							
4	Bluehaven	Vacant, will be re-leased or declared surplus for sale pending TDSB decision on future use.	X	X	Vacant							
5	Boyne	Vacant former outdoor education centre. TDSB staff are examining alternative uses rental opportunities.	not evaluated	not evaluated	Vacant							
6	Burnett	Fully leased to TCDSB and subject to capital costs. Tenant initiated lease termination expected pending completion of new school.	X		X							
7	Castlebar	Occupied by single tenant who is expected to vacate in April of 2012.	X	X	X							
8	Essex West	Largely vacant school, finalising sale to French Catholic Board and leaseback small portion for TDSB residual programs..	not evaluated	not evaluated	Vacant							
9	Hughes	Good revenues but potential high capital costs, building converted for residential use, Tenant is possible buyer	X	X								
10	Noisy River	Vacant outdoor education centre. A portion is be sold to Conservation Authority and the remaining lands (19 acres) have been declared surplus for sale. Residual lands to be put to market for sale.			Primarily Vacant Land							
11	Parkview	Two Day Care Tenants. Property has been declared surplus for sale.			X							
12	Pine River Out Door Recreation Center	Rented former outdoor education centre, limited rental potential and over time expected high costs to preserve and maintain structure. Recommended for sale when lease expires in 2015.	not evaluated	not evaluated	X							
13	Richview	Occupied predominately by TDSB programs. Property declared surplus for sale.	X	X	X							
14	Silvercreek	Tenant by special needs childrens program and Day Care			X							
15	Timothy Eaton	Declared surplus for sale and transferred to TLC in 2011. Occupied by one small day care tenant. To be severed into 2 parcels for sale on the open market.		X	X							

ASSET CATEGORIES

III.	Category III. Negative or limited financial contribution Only to be Sold if Day Care, Social Services, Special Needs Children's or TDSB programs Can be Relocated or If any 3rd party tenant is Potential Buyer									
	Property Name	Comments	Special Need Children / Adults	Day Care	TDSB Programs	Negative Net Revenue Contribution (1)	High Psf. Capital Costs (1st Quartile >=\$78 psf.)	High Absolute Capital Reinvestment Costs (>=\$2MM)	Net Contribution (<\$100K)	Core Holding
	1 Anthony	Has been declared surplus for sale subject to accommodating existing special needs children's program	X			X				
	2 Douglas Park	Possible re-tenanting candidate, 2 tenants including day care, and special needs children's program	X	X		X			X	X
	3 Fairmeadow	Essentially TDSB programs site, one 3rd party rent paying tenant. Excess lands are being severed and sold			X	X				X
	4 Gooderham	TDSB Programs & social services tenant	X		X	X	X	X		
	5 McNicoll	Special needs Children's Programs, Day Care and City of Toronto Rec. program. Has been declared surplus for sale subject if existing special needs children's program can be accommodated							X	
	6 Old Orchard	One Day Care and one commercial tenant		X		X				X
	7 Vincent Massey	City / Private Day Care and 3rd party LINC tenant		X					X	
NOTES 1. The current total rental income from all 3rd party tenants does not cover their pro rata share of building operating costs.										
IV.	Category IV. OTHER CORE HOLDINGS - Vacant Lands held for future TDSB Redevelopment & Administration / Operation									
	Property Name	Comments	2009-2010 Severance	Future Redevelopm	Operations sites	Administration Site				
	1 Glen Rush Playing Field	un-tenanted	X	X						
	2 Champlain Playing Field	rented for nominal fee to private school	X	X						
	3 Edithvale Playing Field	untenanted		X						
	4 Melody Playing Field	rented for nominal fee to TCDSB	X	X						
	5 Whitfield Playing Field	rented for nominal fee to TCDSB	X	X						
	6 Alliance	purpose built operations site			X					
	7 Eastern	purpose built operations site			X					
	8 McCullough	purpose built operations site			X					
	9 McGriskin	purpose built operations site			X					
	10 Oakpark Centre	purpose built operations site			X					
	11 Yonge Street	purpose built administration site				X				
	12 Civic Centre	purpose built administration site				X				
	13 Borough Drive	purpose built administration site				X				
	14 Tretheway Drive	purpose built administration site				X				
	15 Borough Drive	parking lot serving adjacent building				X				
	16 Bridgeport & Brigend	un-tenanted vacant land								
	17 Danforth & Byng	un-tenanted vacant land								
	18 Humberline & Finch	un-tenanted vacant land								
	19 Northern Dancer Blvd.	un-tenanted vacant land								
	20 Sandhurst & Brimwood	un-tenanted vacant land								

Appendix 3

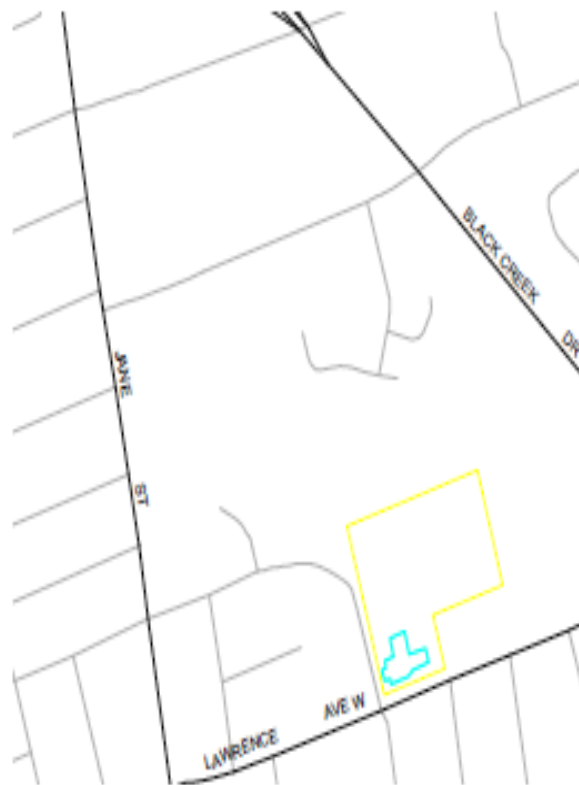


Alderwood



Alderwood	300 Valermo Drive – Etobicoke (Evans Ave. / Browns Line) Ward 3, Trustee Pamela Gough
Property Statistics	8.5 acres of the current 14 acres, shared with Douglas Park, to be severed.
Current Use	Vacant building
Tenant (s)	Nil
Comments	Building is in need of substantial repairs High opportunity for sale – low to medium density residential
Recommendation	That the Alderwood site be declared surplus for sale by the TDSB and sold at fair market value.

Hardington Learning Centre (vacant land portion)



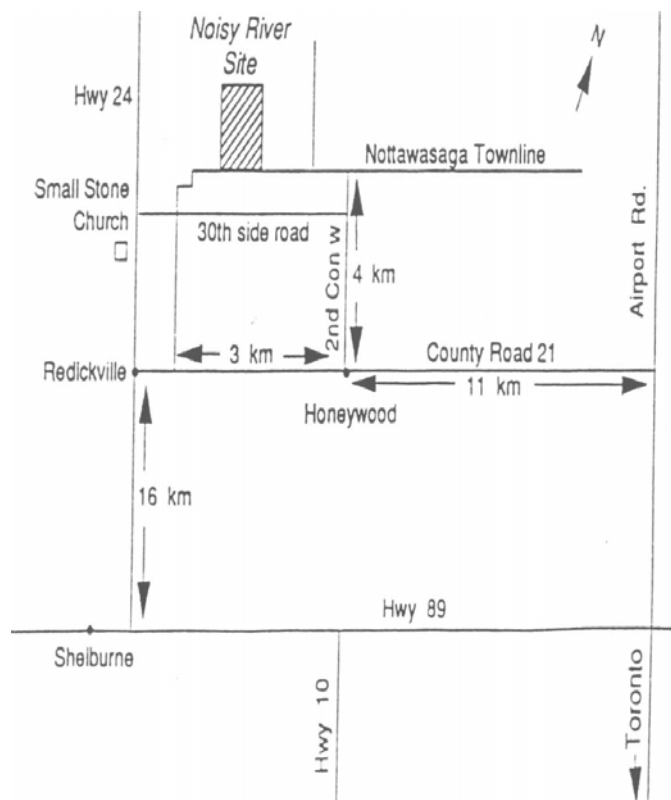
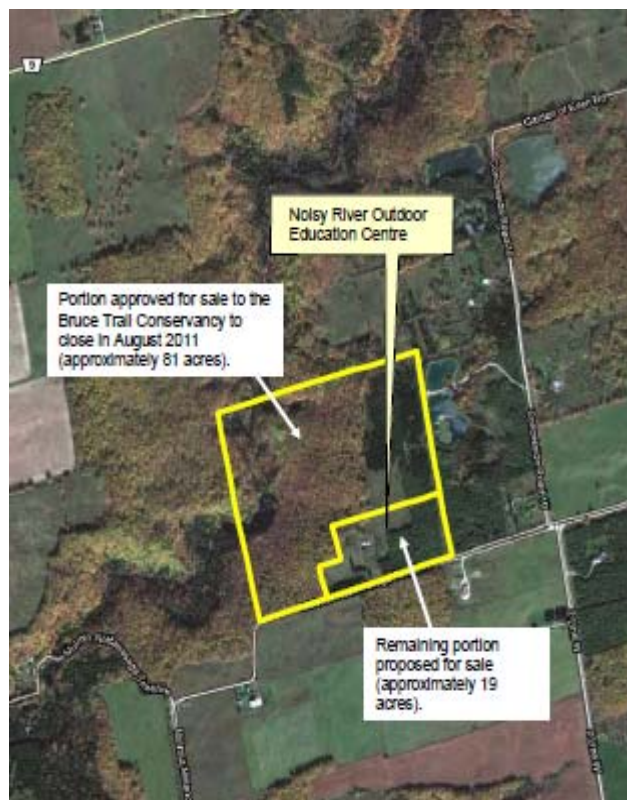
Hardington Learning Centre	180 Lawrence Avenue West, Toronto (Black Creek Dr. / Lawrence Avenue) Ward 6, Trustee Chris Tonks
Property Statistics	5 acres of the current 7 acres, to be severed. (vacant land portion only, School site to be retained by TDSB)
Current Use	Vacant land portion of site
Tenant (s)	N/A
Comments	High opportunity for sale – medium to high density residential
Recommendation	That the Hardington Learning Centre – vacant land portion only - be declared surplus for sale by the TDSB and sold at fair market value.

McNicoll P.S. (2 parcels)



McNicoll PS	155 McNicoll Ave., North York (Leslie Street / Finch Avenue East) Ward 12, Trustee Mari Rutka
Property Statistics	7.9 acres (to be separated into two parcels) Parcel 1 – building plus small portion of land; approximately 3 acres total Parcel 2 – vacant land only; approximately 4.9 acres of land
Current Use	Building – Multi-tenanted Vacant land – used for Parks and Recreation programming.
Tenant (s)	Three tenants: Adventure Place (Sec. 23 Program), Child care centre and City of Toronto Parks and Recreation programs.
Comments	Portion 1 – Current tenant, <i>Adventure Place</i> , must be given the option to continue to operate on site. Portion 2 - High opportunity for sale – residential redevelopment.
Recommendation	That the McNicoll site be declared surplus for sale by the TDSB and sold in two parcels at fair market value.

Noisy River Outdoor Education Centre



Noisy River Outdoor Education Centre	824193 Clearview County Honeywood, ON
Property Statistics	19 acres (adjacent 81 acres recently sold to the Bruce Trail Conservancy)
Current Use	Building(s) – Vacant
Tenant (s)	N/A
Comments	19 acres to be marketed as rural residential property.
Recommendation	That the Noisy River Site (remaining portion including building) be declared surplus for sale by the TDSB and sold at fair market value.

Rexdale (vacant land portion)



Rexdale	30 Barrhead Crescent - Etobicoke (Kipling Ave. / Rexdale Blvd.) Ward 1, Trustee John Hastings
Property Statistics	Approximately 1.5 acres of vacant land to be severed from existing 6.1 acres where Rexdale site is located.
Current Use	N/A
Tenant (s)	Building is currently tenanted to two tenants: a child care centre and a private school
Comments	Approximately 1.5 acres to be marketed for sale for low density residential redevelopment.
Recommendation	That approximately 1.5 acres of vacant land, at the Rexdale site, be declared surplus for sale by the TDSB and sold at fair market value.

