



Annual Plan 2023-24

Land Acknowledgement

We acknowledge we are hosted on the lands of the Mississaugas of the Anishinaabe, the Haudenosaunee Confederacy and the Wendat. We also recognize the enduring presence of all First Nations, Metis and the Inuit peoples.



CEO's Message

Our plan for the year ahead is predicated on the experience and successes we have had over the past years supporting key Toronto District School Board (TDSB) strategic goals. ***Transforming student learning*** and ***Allocating financial resources to support student needs*** are 2 of the 5 strategic pillars of TDSB and the ones that we most closely align our work with. As the fourth year of our modernization strategy unfolds, we are proud to have delivered foundational results and initiated projects that have established innovative new schools in podiums of towers that will undoubtedly be a catalyst for the modernization of schools across Toronto neighbourhoods for decades.

The current environment in which we manage TDSB's real estate portfolio comes with challenges, complexities and opportunities; aging schools with significant maintenance needs, financial operating shortfalls, diminished capital proceeds, a sizable gap between student capacity and current enrollment and pending legislation that permits greater provincial government involvement in the use and disposition of school board properties are among the challenges and complexities. Heightened interest from the development community in our expertise on how they can partner with TDSB to integrate new schools into their projects, hold immediate and significant opportunities for TDSB consideration. In preparation for this, we are pleased that TDSB has included in their Long Term Program and Accommodation Strategy (LTPAS), TLC's modernization approach for school renewal as an option to be studied across all 22 TDSB Wards. Premised by that, I am happy to present TLC's Annual Plan for 2023-24. On the pages that follow we have highlighted our continual alignment with the TDSB, our Operational and Capital priorities and how we plan to advance the modernization of schools over for the coming 12 months.

The inherent value and locations of TDSB property assets uniquely position them to play a transformative role in funding the modernization of its schools. Leveraging that position to; reduce the average age of schools; drive down the substantial maintenance backlog; decrease operating costs; address facility inequities and help create complete communities, is an opportunity whose time has come.

TLC is fully committed to delivering on our vision of '*Exceptional schools serving vibrant communities*' and will continue to work toward that guided by TDSB priorities and ensuring that the best interest of public school students, their families, communities, and staff are benefactors of everything we do.

D. Sage, CEO



TDSB/TLC Alignment of Purpose

The importance of alignment between TDSB goals and TLC strategy is critical. As the TDSB is currently revising its multi year strategic plan, the opportunity and timing could not be better to embed into that document a long term commitment to facility renewal, with specific and measurable outcomes. Such a commitment would bring a focus and clear objectives to our work providing options and opportunities to optimize TDSB property assets in a more effective, efficient, economic and strategic way to support educational goals. This would provide a blueprint for TLC's future strategic initiatives and annual plans.



TLC Mission & Vision

Mission: To unlock the potential of TDSB properties for the benefit of students, staff and communities

Vision: Exceptional learning spaces serving vibrant communities

TLC Strategic Goals

Strategic Goal 1: Transform student learning environments through the modernization of facilities.

Strategic Goal 2: Create a Culture of Partnership & Collaboration with Key Stakeholder Groups

Strategic Goal 3: To be a highly functioning organization successfully aligning TLC's & TDSB Missions and the Shareholder's Direction

Operational Priorities

The Real Estate, Leasing and Land Use Planning functions at TLC act as agent and advisor to the TDSB and are responsible for all of the day-to-day transactional work related to those areas of expertise. This work involves large scale redevelopment planning and negotiations, long and short-term leases, shared-use agreements, the review and impact of development applications, keeping current on city planning policy and provincial legislation and securing new schools in emerging neighbourhoods. Working closely with the TDSB, TLC will continue to optimize our real estate and land use planning relationships and expertise to ensure the needs of the TDSB, its students, staff and communities are best served by the management of these important public assets.

Ongoing operational activities will include monitoring and managing the following:

Real Estate & Leasing

- Infrastructure projects (Memorial Park and Metrolinx)
- Active negotiations (Scarlett Heights and Eglinton Jr. PS)
- Asset management reviews (with TDSB)
- Site dispositions declared by TDSB
- Expropriations
- Land exchanges
- Long term land leasing
- Land severances

Land Use Planning

- Review of development applications
- Planning policy review (City planning studies, provincial planning policy)
- Ontario Land Tribunal representation of TDSB interests
- Land Use Planning support to TDSB capital projects (York Memorial CI, Lower Yonge school)
- Planning for new schools in emerging mixed-use developments (Port Lands, Downsview)

As part of our Land Use Planning operational activities, where TDSB has identified a student accommodation need, TLC will seek to secure opportunities for new school facilities within the context of City Planning policy. Looking ahead, TDSB projects over a dozen new school sites across the City will be required as part of emerging new neighbourhoods not served by existing elementary schools, and in high-density communities where existing school sites cannot accommodate the significant growth. Emerging provincial policy directs schools to be planned collaboratively with municipalities, leverage the capacity of development proponents, and consider innovative school designs integrated in high-rise developments.

The renderings below represent locations across the city where the potential for schools in towers currently exists.

Etobicoke City Centre



Christie Lands



Wynford-Concorde



Downsview Park



Don Mills-Eglinton



Keating (Quayside)

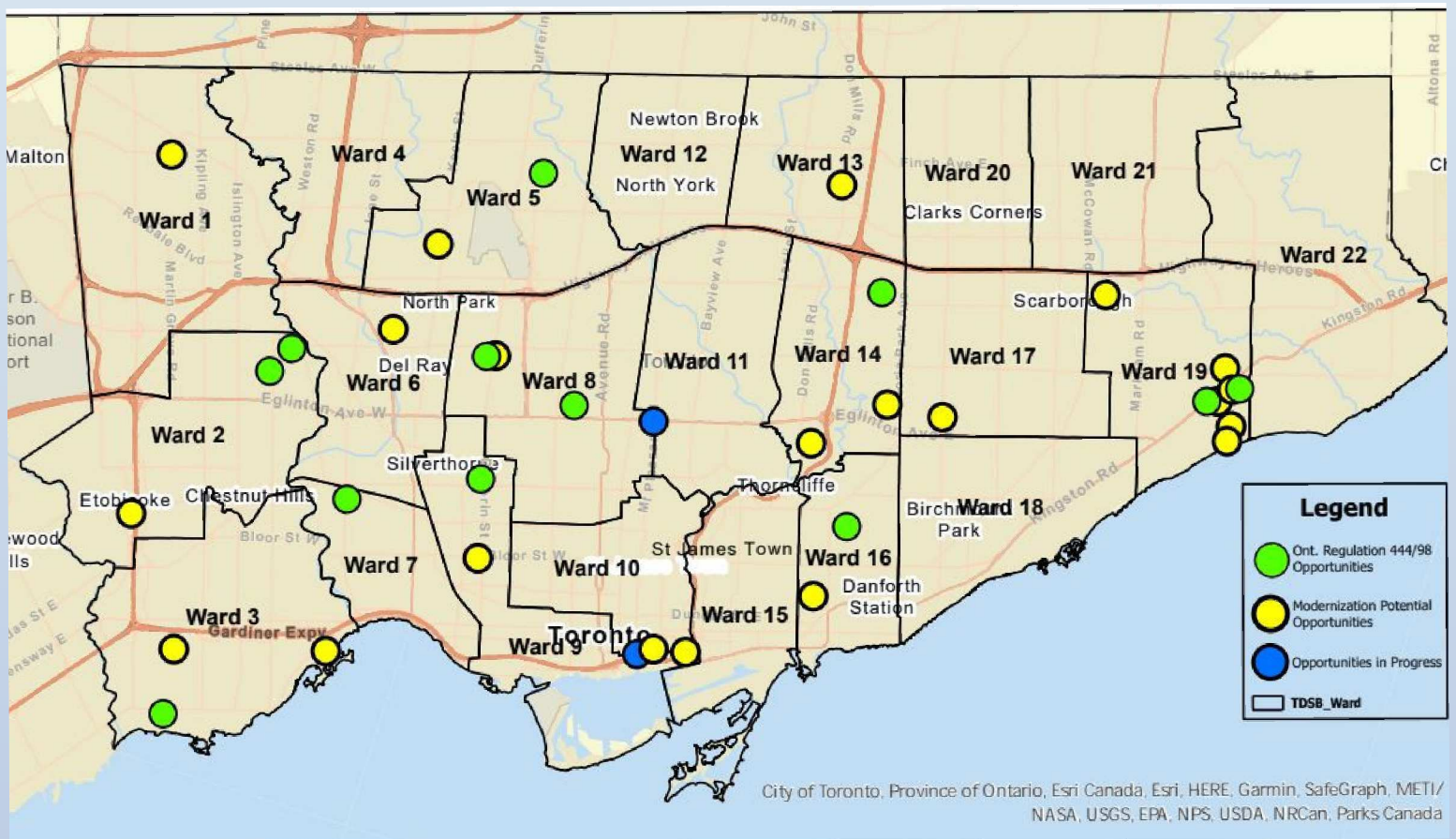


Capital Priorities

Each year TDSB prioritizes its capital projects through the school board's Capital Budget. In its 2023-24 Capital Budget TDSB will include \$150M in revenue projected from proceeds of disposition (POD's). These anticipated revenues are to complement Ministry grants toward TDSB's delivery of school renewal needs over the same period.

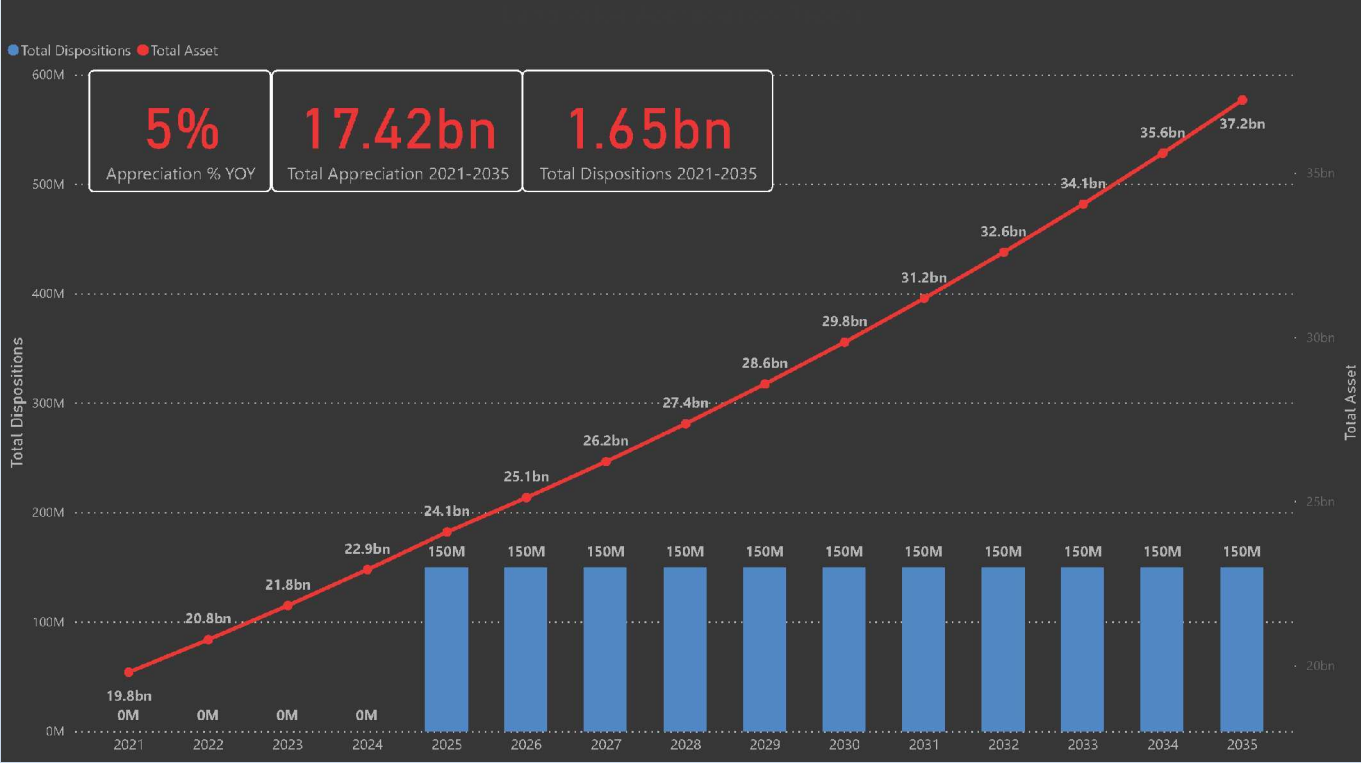
To achieve the targeted POD's, strategic analysis of the Boards LTPAS is jointly underway to identify revenue opportunities. For 2023-2024, TDSB has focused on its non-instruction land asset inventory and will be identifying various sites to be declared surplus. TLC will execute all disposition decisions from TDSB in accordance with Ontario Regulation 444/98 and return the net proceeds to TDSB's Capital program.

At the same time, a number of sites within TDSB's real estate portfolio and other non TDSB sites of interest, have been included in TLC's 2023-2024 Annual Plan for further analysis to assess their real estate and new school placement potential. Should new opportunities materialize as a result of this due diligence, they will be considered for alignment within the LTPAS. Sites under active review by TDSB and TLC in 2023-24 are indicated on the following map.



Advancing the modernization strategy

The TDSB's land holdings have an aggregate value estimated at \$20B. Given the challenges maintaining an aging system of 583 schools, with an average facility age of 63 years and requiring \$4B in deferred maintenance, TLC developed a modernization strategy that promotes the retention of public lands to the maximum extent possible while leveraging underutilized, operational and non instructional property assets. The chart below is a preliminary financial model demonstrating the land value opportunity.



Using a compounding 5% annual increase in land value, TDSB's property asset base would increase by \$17B to approximately \$37B by 2035. Extracting from that increase \$150M per year for capital investment over 10 years, would yield \$1.5B, representing a major contribution toward building new schools and addressing deferred maintenance. This revenue stream together with annual provincial funding would significantly advance TDSB's capital priorities agenda, while having minimal impact on the overall growth value of the Boards property assets.

2023-24 Workplan Commitments:

Our mission, to unlock the potential of TDSB properties for the benefit of students, staff, and communities, remains at the core of everything we do. Our success has been built on the dedication and expertise of each individual in our organization. As we move forward into 2023-24, we will continue to enhance our team capabilities, encourage innovation, cultivate a supportive and inclusive work environment where everyone feels empowered to contribute. We have also identified the following performance indicators to include as a means of ensuring we remain focused and accountable for achieving desired outcomes.

- Return \$150M in capital proceeds to TDSB
- Capital expense ratio not to exceed 4%
- Increase full year non-instructional lease revenue by 3% over budget
- Reduce expenditures by 1%
- Resolve 90% of OLT matters without the need of a hearing
- 90% staff retention rate
- Achieve 80% employee engagement

Dentons Report

During the summer of 2022 TDSB engaged a consultant to conduct an evaluation of TLC's performance. Upon receipt of the *Dentons Report* in October 2022, TLC staff undertook a thorough review of the document. We recognize the importance of such reviews and have acknowledged a number of areas that require further work on our behalf. We agreed to the collaborative implementation of the reports recommendations, including the development and implementation of Key Performance Indicators. We look forward to working with TDSB as a part of good governance throughout 2023-2024.

Recent successful TLC involvement

The successes we have been able to achieve would not have been possible without the guidance, direction and knowledge of the TLC Board of Directors and the expertise and dedication of our highly professional staff. Their commitment to progress and innovation in the delivery of service and support to TDSB is commendable.

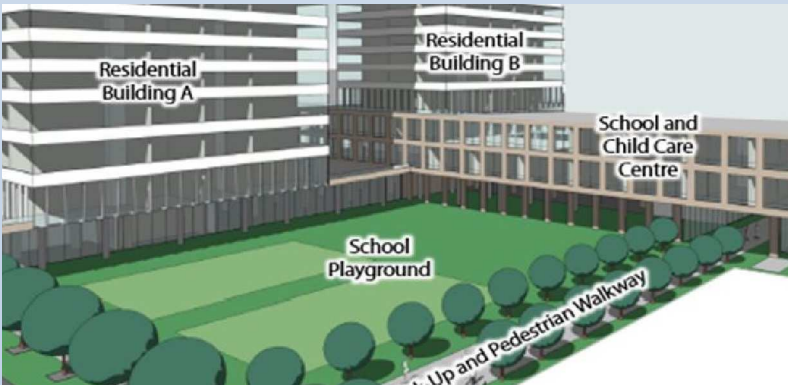
We look forward to continuing to work with all our TDSB colleagues, exploring opportunities to renew and replace facilities in which the ongoing delivery of a world class education takes place to public school students across the Toronto.



Bloor-Dufferin severed property, new school,
\$151M PODs



Land lease to City for new aquatic centre at Davisville JPS site



Proposed new school in tower at Eglinton & Mt. Pleasant



Property disposition at Lawrence-Midland for residential development and city run child care centre

Toronto Lands Corporation
Consolidated Operating and Capital Budget
2023-2024

Non-Operating School Agreements	Revenues	Expenditures
Leased Properties	\$ 6,088,551	\$ 1,628,618
Miscellaneous	\$ 53,000	
Capital Expenditures	-\$ 1,000,000	
Allowance for Arrears		\$ 5,000
Net Leased Properties	\$ 5,141,551	\$ 1,633,618
Operating School Agreements	\$ 21,737,362	\$ 23,585,270
Total	\$ 26,878,913	\$ 25,218,888
TLC Overhead		
TDSB Chargeback of Administrative Expenses		\$ 319,901
TLC Administrative Expenses		\$ 5,485,278
Total N/I & Operating	\$ 29,893,374	\$ 31,024,067
2023-2024 Property Sales	\$ 150,000,000	



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