

2007: SB 15

**MEMORANDUM TO:** School Business Officials

**FROM:** Nancy Whynot

**DATE:** July 12, 2007

**SUBJECT:** Prohibitive to Repair - Funding Criteria

---

As a follow-up to Memorandum 2007:SB10 from May 16, 2007, regarding the Prohibitive to Repair School Review Process, I am writing to provide you with further information on the Prohibitive to Repair (PTR) funding criteria and announcements.

### **PTR Consultation Update**

Over the past months, Ministry staff have engaged in extensive consultation and review meetings with board staff to assess over 500 PTR nominated facilities. Following these consultations, boards were invited to submit further information for over 200 PTR facilities using the Capital Plan PTR Template.

The information provided during the consultations and through the PTR templates is being reviewed to assess:

- Information regarding facility condition, particularly information supplementing the original ReCAPP inspection data;
- Board proposals to rebuild or consolidate schools, including an assessment of enrolment projections and available space in surrounding schools; and
- Timing of the board's need for a replacement school, with priority given to those facilities which need replacement within 24 months.

## **PTR PROJECT APPROVAL**

The Ministry will issue, two types of approvals under this capital program. These approvals are conditional, subject to amendments to the resolutions governing the Grants for Student Needs and approval by the Lieutenant Governor in Council.

### **Funding Approvals**

Funding approvals will be provided to boards for specific PTR facilities where the solution does not require a full Pupil Accommodation Review process with the community. This includes replacement of a PTR facility on the same or nearby site, or rebuilding part of a facility, such as a wing or an addition. Boards are encouraged to consult with the school community and keep their school community informed about the nature and timing of the PTR renewal project.

Funding approvals will be issued for specific board proposals as outlined in the board's PTR template. Should a board decide not to proceed with a project as approved, boards will be required to consult with the ministry before proceeding with an alternate project, to ensure that the alternate project is supportable under the PTR capital program.

### **Planning Approvals**

Planning approvals will be provided to boards which have identified one or more PTR schools, but where a Pupil Accommodation Review process is required to engage the community in identifying an appropriate solution. This includes Category 2 (multiple school) and Category 3 (retire school) solutions which may result in one or more school closures.

Boards will be provided with a planning approval based on the number of pupil places which are estimated to be required to develop a replacement school, addition or other solution to address the needs of the school community in the PTR facility or facilities. Boards may then undertake their Pupil Accommodation Review process with their communities, and are encouraged to discuss options for pupil accommodation solutions as supported by the planning approval.

Following this process, the Ministry will work with boards to finalize a funding approval which reflects the outcome of the Pupil Accommodation Review process. Boards are encouraged to keep the Ministry informed about alternative options being reviewed with the community to ensure that all options under consideration are supportable for funding through the PTR capital program.

### **Determining Project Costs**

In determining the funding or planning approvals, the Ministry will work with the board to determine or estimate the "right size" of the new facility or solution, considering both current and projected enrolment, and possible space available nearby within the

planning area. The number of pupil places recognized will be funded at existing Ministry funding benchmarks for new pupil places.

For solutions which rebuild part of a facility, the percentage of the area of the school that is in poor condition and is being replaced will be recognized for PTR funding. For example, in the case of a facility with a current enrolment of 400 and where 25% of the gross floor area is considered in poor condition, 100 pupil places will be used to calculate the benchmark construction cost.

### **PTR Capital Financing**

As announced in Memorandum 2007:B2 from March 19, 2007, the financing for Prohibitive to Repair capital projects will be provided in a manner similar to that used for Good Places to Learn Renewal. Boards will be reimbursed for their short-term interest costs incurred on PTR construction projects that are underway. Boards will access long-term financing for these projects through the Ontario Financing Authority to the maximum principal amount allocated to the board for this program.

### **PTR Proceeds Reserve**

The Ministry anticipates that boards that receive funding approval for replacement projects will be in a position to generate proceeds through the sale of sites associated with the PTR facilities. The Ministry will be seeking approval for an amendment to Regulation 446/98 governing capital reserve funds, to create a new category of capital reserve. Boards receiving funding approval through the PTR capital program will be required to place the proceeds from sale or disposition of a PTR site into this reserve and will be required to consult with the Ministry on the application of these proceeds to future capital priorities.

### **Timing of Approvals**

The Ministry has released some approvals under the PTR capital program to date. The Ministry expects to continue to review PTR templates and to consult with boards over the summer and fall of 2007, and to finalize funding and planning approvals as appropriate.

Ministry staff appreciate the detailed information provided by boards, and the extensive time that board staff have provided in order to fully outline facility condition information and local circumstances and considerations. Ministry staff will continue to work with board staff to assess PTR priorities and appropriate solutions in order to support school renewal and replacements throughout the province.

### **Other Assistance**

Ministry staff are available to answer your PTR questions. Schools boards are encouraged to contact staff if they require further clarification.

For further clarification regarding the PTR analysis, please direct any questions to:

Dolly Anand  
Capital Programs Branch  
Ministry of Education  
(416) 325-2022  
[Dolly.Anand@Ontario.ca](mailto:Dolly.Anand@Ontario.ca)

Nancy Whynot  
Capital Programs Branch  
Ministry of Education  
416-325-4030  
[Nancy.Whynot@Ontario.ca](mailto:Nancy.Whynot@Ontario.ca)

A handwritten signature in black ink that reads "Nancy Whynot". The signature is written in a cursive, flowing style.

Nancy Whynot  
Director, Capital Programs Branch  
Ministry of Education

Cc: Directors of Education  
Superintendents of Plant  
Superintendents of Planning