



Infrastructure

Real Estate Strategy

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Real Estate Strategy

Edmonton Public Schools' Real Estate Strategy recommends a course of action to manage non-operational infrastructure, buildings and land.

The goal is to create a single strategy that considers the ongoing costs, usage and market values associated with Edmonton Public Schools infrastructure and land real estate assets.

This information can be used to make informed decisions about current sites and provide recommendations on how we fund and manage Division assets going forward.

We want to be good neighbours and see public lands available for public good.

Our strategy prioritizes building collaborative relationships with our many partners, including the Government of Alberta and the City of Edmonton. As a result, we have an opportunity to support Division Infrastructure initiatives through funding sources we have not yet explored, including taking a more proactive approach to how we manage non-operational and vacant sites.



Non-operational site

Properties that are not directly funded for maintenance and renewal, including closed schools and administrative sites (central offices, maintenance and distribution centres). Non-operational sites are titled to the Division.

Edmonton Public Schools' Board of Trustees believes that:

- We must be good stewards of public land and education funding.
- We need to consider the needs of students and the community both now and in the future.
- The community's voice and opinion are important with respect to real estate decisions that affect them.
- Public land should not be used for private or charter schools.

Current state

Guided by the Board of Trustees and the [Infrastructure Planning Principles](#), the Real Estate Strategy was initiated to develop and recommend a course of action for non-operational properties and vacant reserve sites. With a growing number of these properties held by the Division, retaining all of these sites is no longer sustainable as there is no funding to operate or maintain them.

Deferred Maintenance Values (2021)

Site name	Deferred Maintenance Value (approximate)
Alex Taylor School	\$3,475,000
Bennett School	\$800,000
Capilano School	\$2,250,000
Donald Ross School	\$2,000,000
Eastwood School	\$4,050,000
Fulton Place School	\$6,850,000
Glendale School	\$2,200,000
Idylwyld School	\$2,550,000
Lawton School	\$5,550,000
McCauley School	\$2,500,000
McKay Avenue School	\$1,800,000
Montrose School	\$2,500,000
Mount Royal School	\$4,050,000
Newton School	\$6,800,000
Parkdale School	\$5,900,000
Queen Mary Park School	\$5,400,000
R.J. Scott School	\$5,800,000
Rundle School	\$7,050,000
Sherbrooke School	\$1,000,000
Sherwood School	\$3,000,000
Woodcroft School	\$6,050,000
Total	\$81,575,000

21 closed sites on non-reserve land:

- ✓ **\$2.3 million**
annual operating cost
- ✓ **\$756,000**
annual revenue
- ✓ **\$117 million**
total appraised market value
- ✓ **\$82 million**
total deferred maintenance

Deferred maintenance

A capital investment in facilities that has not yet been performed and is required to keep the asset in suitable operational condition.

Non-reserve school site

Land on which a school building sits (that may include playing fields) and is not classified as reserve land. The Division owns this land.

Reserve land

Land which the City of Edmonton has zoned as a Municipal Reserve (MR), School Reserve (SR) or Municipal and School Reserve (MSR). The Division does **not** own this land.

How does it all fit together?

The Division has various processes and legislative requirements for real estate that must be followed in a specific order to ensure a transparent and equitable approach to managing public assets.

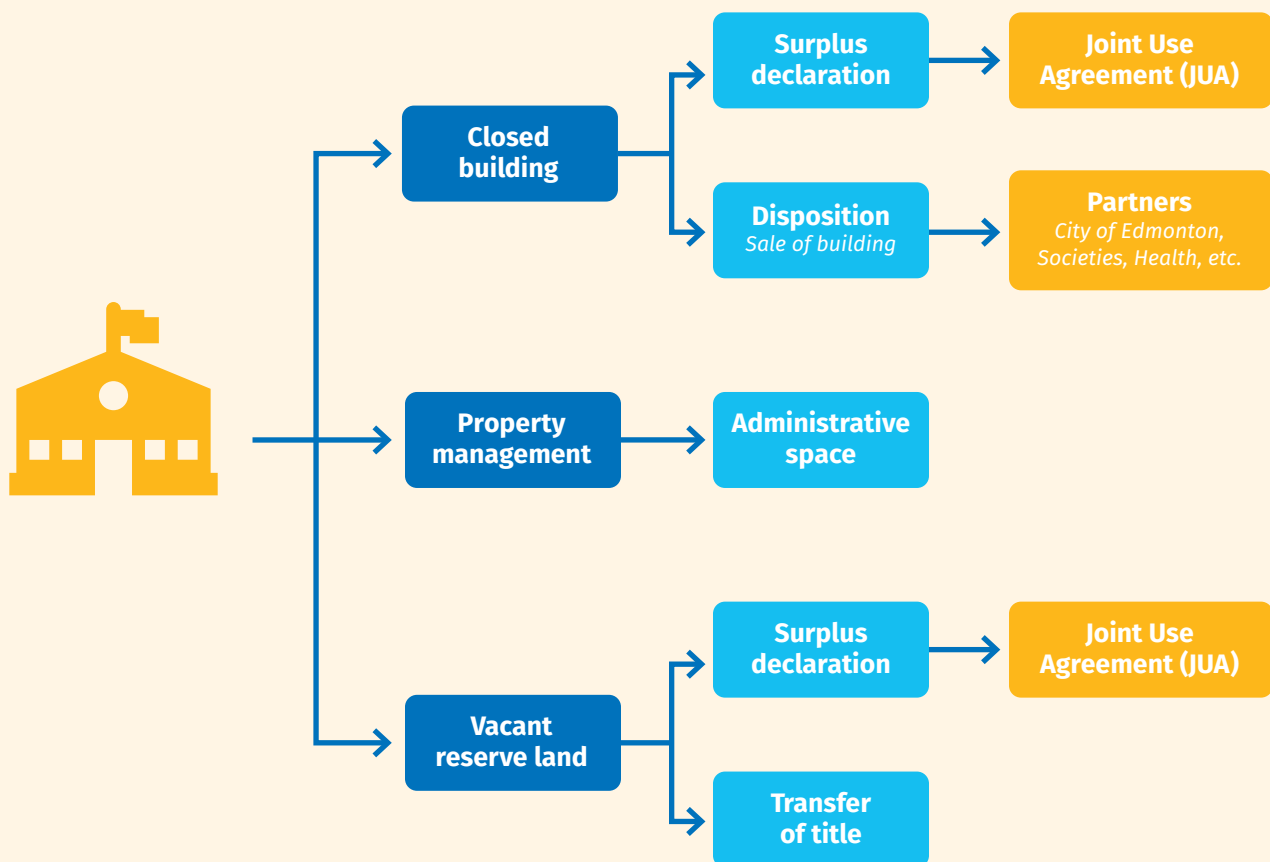
The *Education Act* outlines how the Board addresses closed schools and vacant reserve land. In some instances, a closed or vacant site may be declared surplus.

Before decisions can be made about the disposition or land transfer of non-operational properties and vacant sites, the Division must follow policies outlined in the Joint Use Agreement (JUA).



Joint Use Agreement (JUA)
 Joint Use Agreements are partnerships between the City of Edmonton, Edmonton Public Schools, Edmonton Catholic School Division and Conseil scolaire Centre-Nord. The JUA steering committee, comprised of representatives from each partnering entity, maintains a strategic leadership role in promoting and coordinating the Principles of the agreements. The JUA agreements include the [Joint Use Agreement: Facilities](#) and [Joint Use Agreement: Land](#).

Use of Division space for non-instructional purposes



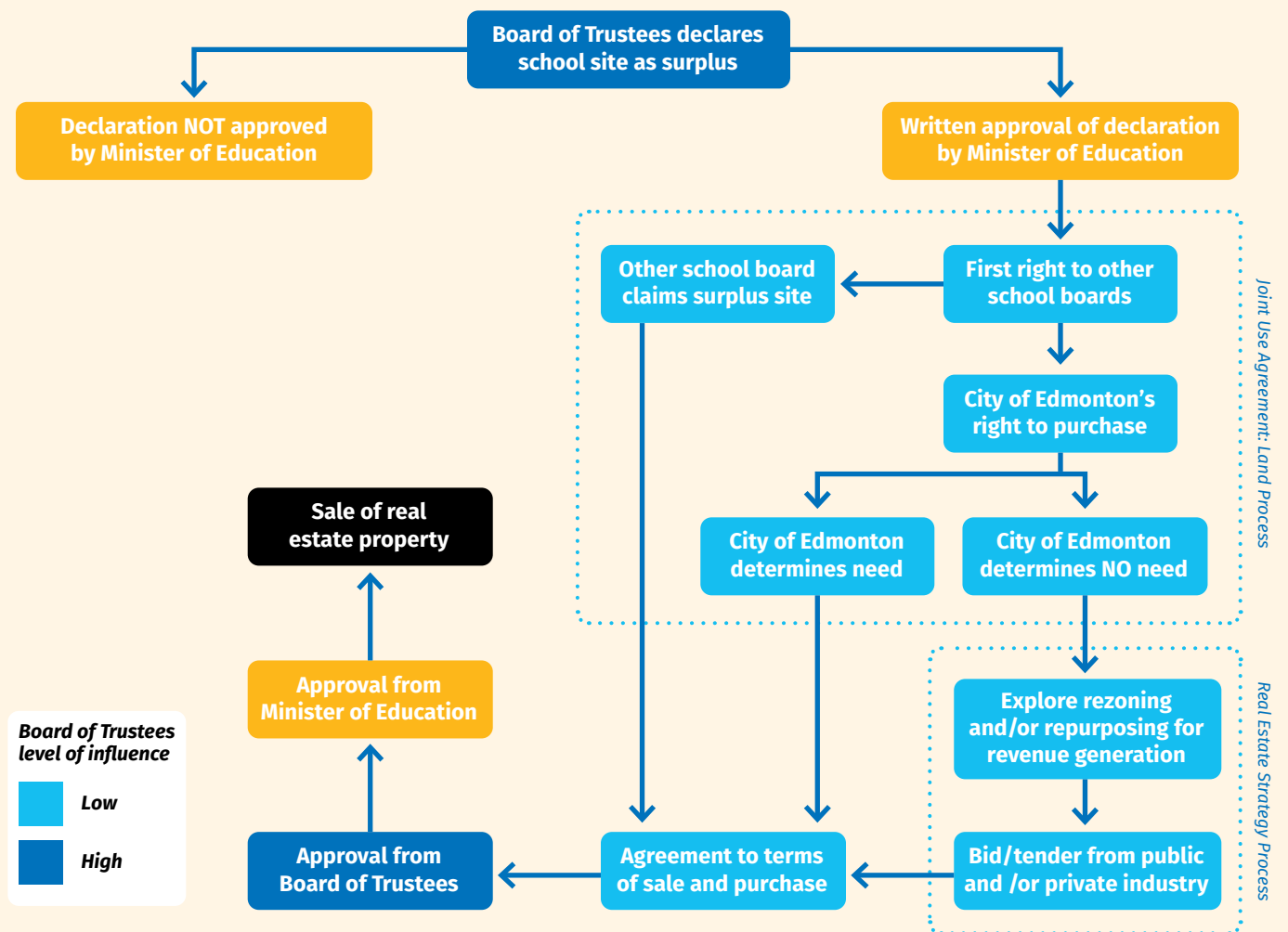
Surplus Declaration Process

For the Division to transfer ownership of real estate assets, we must follow legislative processes, as outlined in Sections 192 and 194 of the *Education Act*. The Division is also bound to commitments outlined in Sections 6, 7 and 8 of the *Joint Use Agreement: Land*.

Please note: No sites or buildings that could be subject to a capital plan request are recommended for surplus or disposition.

School surplus declaration and disposition of property

Education Act: Sections 192 and 194, Disposition of Property Regulation (AR#86/2019) and Joint Use Agreement: Land: Sections 6, 7, and 8)



Non-operational site ranking and five-year action plan

When developing the Real Estate Strategy, Edmonton Public Schools evaluated twenty-one non-operational sites and two vacant RF3 (residential) land lots using established criteria. The data was then used to create a ranking of which sites should be addressed sooner and which could wait.

Criteria

Current use

Each non-operational site is reviewed for its current usage:

- **Vacant** = *address sooner*
- **Leased**
- **Administration site** = *address later*

Vacant sites are ranked for quicker action because they cost money to operate, do not bring in lease revenue and have ongoing deferred maintenance costs.

Appraised value / deferred maintenance ratio*

The ratio between the appraised value of a site and its amount of deferred maintenance:

- **Deferred maintenance is more than the appraised value (<1:1)** = *address sooner*
- **Deferred maintenance is equal to the appraised value (1:1)**
- **Deferred maintenance is less than the appraised value (>1:1)** = *address later*

Operational cost versus lease revenue*

The operating cost of a site compared to its current lease revenue:

- **Sites with higher operating costs than revenue** = *address sooner*
- **Sites with revenue equal to or greater than operating costs** = *address later*.

Proximity to other non-operational sites*

The number of non-operational sites within a two-kilometre radius of each other:

- **Sites clustered together** = *address sooner*
- **Stand-alone sites** = *address later*

Neighbourhood growth

Determined by the number of development and building permits issued by the City of Edmonton:

- **Fewer permits** = *address sooner*
- **More permits** = *address later*

Neighbourhoods with a higher number of permits issued could indicate a potential shift in demographics. This could signal a greater need for Division spaces in the future.

Playing fields

The playing field size of each non-operational site is evaluated:

- **Larger land area** = *address sooner*
- **Smaller land area** = *address later*

Larger plots of land provide greater flexibility to developers and may be more desirable and lucrative in the market.

*Vacant lots were not included in this criterion as there is no deferred maintenance.

Non-operational site ranking and five-year action plan

2022 ranking

Ranking	Site name	Current use	Appraised
Year 1			\$12,670,000
1	Bennett RF3 Lot	Vacant	\$390,000
2	Eastwood RF3 Lot	Vacant	\$205,000
3	Idylwylde School	Vacant	\$2,785,000
4	↑ Sherwood School	Vacant	\$4,285,000
5	↑ Montrose School	Vacant	\$5,005,000
Year 2			\$17,455,000
6	Newton School	Administrative	\$5,225,000
7	↑ Mount Royal School	Short-term Rentals	\$4,995,000
8	↑ Glendale School	Short-term Rentals	\$3,195,000
9	R.J. Scott School	Administrative	\$4,040,000
Year 3			\$29,915,000
10	Rundle School	Leased	\$2,335,000
11	↓ Sherbrooke School	Leased (Overhold)	\$5,410,000
12	↓ Lawton School	Leased	\$3,760,000
13	Eastwood School	Leased	\$4,690,000
14	Alex Taylor School	Leased (Lease end date: 8/31/2025)	\$8,550,000
15	Queen Mary Park	Leased (Overhold)	\$5,170,000
Year 4			\$31,935,000
16	↓ Capilano School	Leased (Overhold)	\$9,950,000
17	↓ Woodcroft School	Administrative	\$6,785,000
18	McCauley School	Leased	\$7,200,000
19	Fulton Place School	Leased	\$8,000,000
Year 5			\$25,540,000
20	↓ Donald Ross School	Administrative	\$7,130,000
21	Bennett Centre	Administrative	\$6,380,000
22	McKay Avenue School	Administrative	\$9,150,000
23	Parkdale School	Leased	\$2,880,000
Total (Years 1–5)			\$117,515,000

↑ – site **moved up** at least one year to address sooner.

↓ – site **moved down** at least one year to address later.

What caused sites to move in ranking in 2022?

- ✓ Four schools (Montrose, Mount Royal, Glendale and Sherwood) were closed at the end of the 2020–21 school year.
- ✓ Short-term rentals and the number of lease spaces increased.
- ✓ Renovations and repairs were completed at a few sites resulting in a minor decrease in deferred maintenance.
- ✓ Some neighbourhoods have seen an increase in building and development permits.



2022 closed school site locations and ranking



Assembled school site

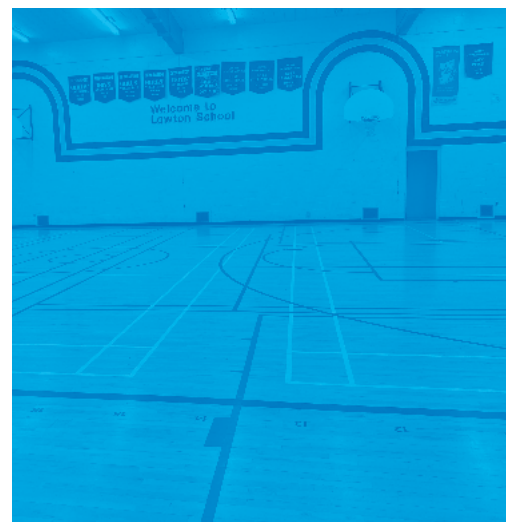
Fully-serviced sites assembled as municipal reserve through dedication. These sites are held by the City of Edmonton for future school construction.

Market value

The amount of money a property is expected to realize in a competitive market under all conditions and based on the appropriate zoning or rezoning of that property.

Vacant school site

A site that does not currently contain a school building.



Vacant reserve sites

Any vacant site may be declared surplus by the Board of Trustees.

Criteria for selecting a site for a potential surplus declaration include the existing student population, peak student generation in the area, potential for future development and sector capacity.

Any surplus declaration must follow the process laid out in the *Joint Use Agreement: Land* and the *Disposition of Property Regulation* pursuant to Section 194 of the *Education Act*.

The *Joint Use Agreement: Land* commits school boards to a review of vacant reserve sites every three years.

Vacant reserve sites considered for the Real Estate Strategy are assembled and not listed on the [Three-Year Capital Plan](#).

Surplus declaration

A formal assertion authorized by the Board that a property, either reserve or non-reserve, is not required by the Division for present or future needs.

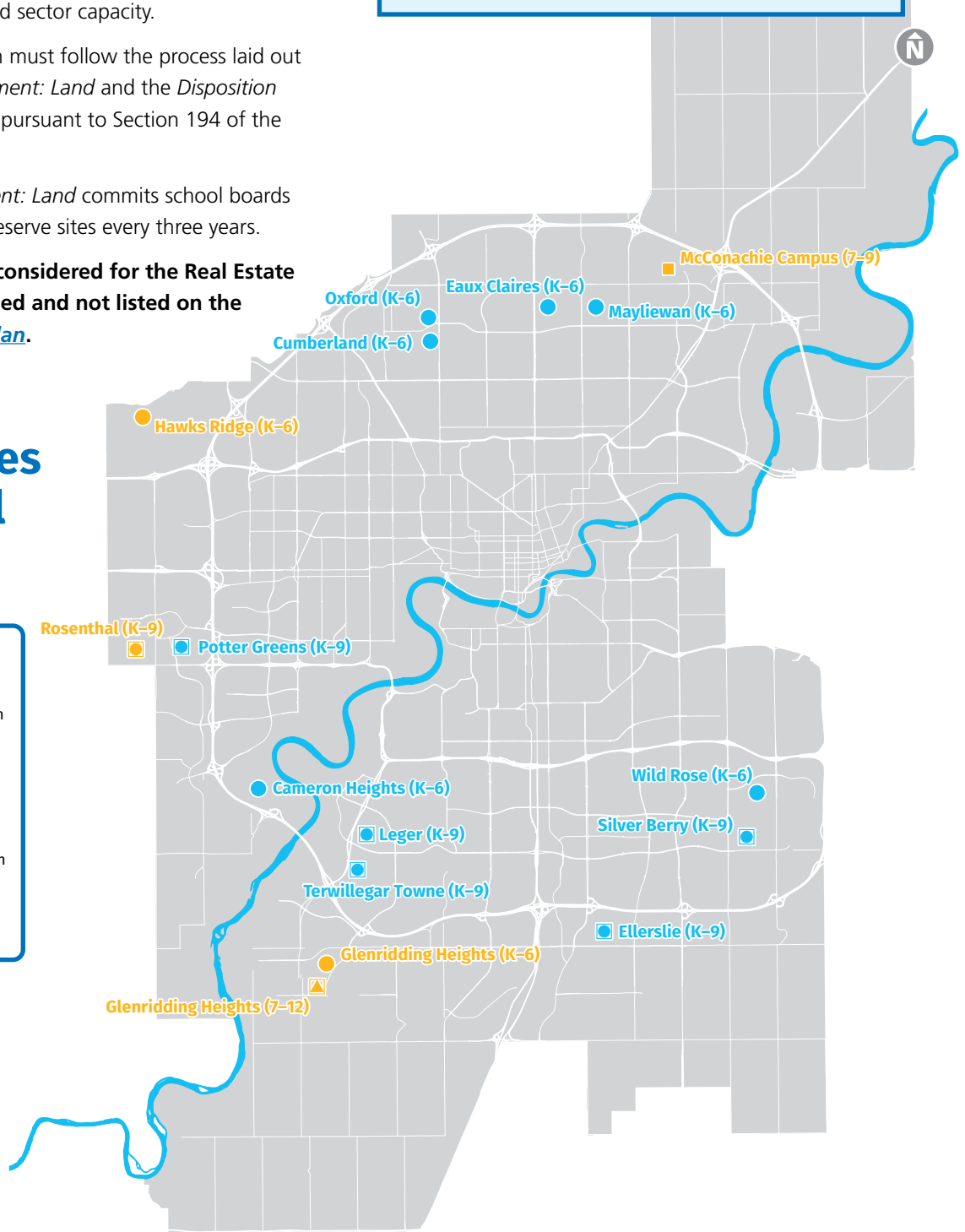
Vacant Sites and Capital Requests

Vacant Sites

- Elementary
- Elementary/Junior High
- ▲ Senior High

Capital Requests

- Elementary
- Elementary/Junior High
- Junior High
- ▲ Junior/Senior High







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