

EDMONTON PUBLIC SCHOOLS

November 7, 2006

TO: Board of Trustees  
FROM: L. Thomson, Superintendent of Schools  
SUBJECT: Request for Emergent Capital Funding for Lease Payments for Major General Griesbach School

ORIGINATOR: C. McCabe, Executive Director

RESOURCE

STAFF: Michael Ediger, Andrea Furness, Cindy Skolski

RECOMMENDATION

That an emergent request for capital funding be made to the province to acquire Major General Griesbach School

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It is recommended that a request be forwarded to the Minister of Education for capital funding which will be used to acquire Major General Griesbach School from the Canada Lands Company (CLC). Presently the district leases the school from CLC for approximately \$124,000 per annum. The province has indicated initial support for a request which would compensate the Board for past rent paid, as well as support for future lease payments equaling the purchase price of the building of \$485,000. These funds, if approved by the province, would be paid to CLC to purchase the school. Funds to preserve and renovate the school will continue to be sought through the Three-Year Capital Plan submission.

Edmonton Public Schools has operated a kindergarten to grade nine school program in Major General Griesbach School since 1993. The district leased the building from the Department of National Defense for a nominal rate, until 2003 when the school building and surrounding site was sold to Canada Lands Company (CLC). CLC charges the district approximately \$124,000 per year to lease the school building. The district has been working with CLC and the province to identify a solution for acquiring the facility in order to accommodate students in this area.

In the current *Three Year Capital Plan 2007-2010*, the district identified Major General Griesbach School in the following categories as requiring capital dollars:

Preservation – General Upgrade	\$4,760,000.00
Partial Demolition	\$485,000.00
Annual Lease (year 1, 2, & 3)	\$123,668.46 per year

The facility, in its current state, is oversized and in very poor condition, having the lowest provincial audit score of all Edmonton Public Schools. CLC has committed to demolish the worst portion of the school, 3582 square metres, and the province has adjusted their Area,

Capacity and Utilization (A.C.U) report to reflect this future demolition. This has resulted in a reduction of 179 student spaces.

The province has indicated that they recognize the value in keeping Major General Griesbach School available for Edmonton Public Schools students. They have also indicated that an emergent capital request could be made for the lease payments in an amount equaling the cost to acquire the building. Lease payments for Major General Griesbach School are currently paid from operating funds.

The request to the province would be for an amount of \$258,927.50 to reimburse the district for previous lease payments made, and \$485,000 in future lease payments, which would be used to acquire Major General Griesbach School from CLC. The land will be subdivided by CLC and dedicated to Edmonton Public Schools through reserves at that time. Future capital submissions will continue to reflect the need for provincial funding to modernize this facility.

AF:gm