



Education Development Charges Stakeholder Information Session

Peel District School Board & Dufferin Peel Catholic
District School Board
April 3, 2019

What Is An EDC?



An Education Development Charge is a development charge that is imposed under a bylaw respecting growth related net education land costs incurred or proposed to be incurred by a School Board.

In layman's terms this means it is a charge that is levied on new development (residential or non-residential) that is paid when the building permit is issued by the municipality. The revenue collected from the charge is used by a school board to purchase land/sites for new schools.

Education development charges are the primary source of funding site acquisition needs for a school board (that qualifies) experiencing growth in its jurisdiction.



What Are The Existing Charges & How Are They Applied?

The Peel District School Board (PDSB) and the Dufferin Peel Catholic District School Board (DPCDSB) have existing EDC by-laws that cover the Region of Peel.

- The existing PDSB EDC is \$3,224 per residential unit and \$0.45 per sq. ft. of gross floor area.
- The DPCDSB residential EDC is \$1,343 per unit and \$0.56 per sq. ft. of gross floor area.
- The combined EDC residential rate in Peel Region is \$4,567 per residential unit and \$1.01 per sq. ft. of gross floor area.
- The PDSB EDC is allocated 90% to residential development and 10% to non-residential. The charge is allocated 75% to residential and 25% to non-residential for DPCDSB.

The Boards propose to consider passage of new by-laws May 28, 2019.

A Review Of The Key Elements



Enable
Recovery Of
Growth-
Related Land
Costs Only

School
Boards Must
Meet An
Eligibility
Trigger To
Qualify

Jurisdiction
Wide Or
Area
Specific

Differentiated
Or Uniform

School Boards Can Allocate Education Land Costs To Both Residential and Non-Residential Developments

What Does A School Board Have To Do?



Prepare an
EDC
Background
Study

*EDC
Background
Study Must Be
Approved By
Minister of
Education*

Two Public
Meetings
Must Be
Held Prior
To Passing
A New EDC

EDC Study
Must Be
Available To
Public At
Least 2 Weeks
Before 1st Mtg.

Notice Of Public Meetings Must Be Provided At Least 20 Days Prior To Said Meetings

Process and Methodology



➤ **Board Eligibility**

- *Enrolment v. Capacity*
- *Financial Obligations*

➤ **Demographic Projections**

- Enrolment Projections
- Growth Forecasts

➤ **Reserve Fund Analysis**

- EDC expenditures and revenues
- Existing reserve fund balance

➤ **Site Needs**

- Net growth-related pupil places
- Legislation determines site sizes

➤ **Net Education Land Costs**

- Estimated site acquisition costs (appraisals)
- Site preparation costs/Study costs

➤ **Determination of EDC**

Projected Enrolment



	PDSB			
	Current	Year 5	Year 10	Year 15
	2018/ 2019	2023/ 2024	2028/ 2029	2033/ 2034
Elementary	114,508	119,106	127,964	137,642
Secondary	41,171	44,864	45,466	46,455

	DPCDSB (Includes Dufferin County)			
	Current	Year 5	Year 10	Year 15
	2018/ 2019	2023/ 2024	2028/ 2029	2033/ 2034
Elementary	48,893	50,540	53,846	57,880
Secondary	31,411	31,879	32,543	33,714

The Residential Growth Forecast – 15 Years



	Total All Units
City of Mississauga	
Low Density	2,986
Medium Density	6,886
High Density	30,024
Total	39,896
City of Brampton	
Low Density	29,818
Medium Density	11,444
High Density	12,932
Total	54,194
Town of Caledon	
Low Density	11,144
Medium Density	4,034
High Density	1,898
Total	17,076
Region Of Peel	
Low Density	43,948
Medium Density	22,364
High Density	44,854
Total	111,166

Net Growth Related New Pupil Places



PDSB			
ELEMENTARY		SECONDARY	
SUBTOTAL:	31,413	SUBTOTAL:	9,050
LESS AVAILABLE SPACE:	12,858	LESS AVAILABLE SPACE:	3,901
NET GROWTH RELATED PUPILS:	18,555	NET GROWTH RELATED PUPILS:	5,149
DPCDSB			
ELEMENTARY		SECONDARY	
SUBTOTAL:	12,044	SUBTOTAL:	6,864
LESS AVAILABLE SPACE:	5,487	LESS AVAILABLE SPACE:	3,313
NET GROWTH RELATED PUPILS:	6,557	NET GROWTH RELATED PUPILS:	3,552

Legislated EDC Eligible Site Sizes



Elementary schools	
Number of Pupils	Maximum Area (acres)
1 to 400	4
401 to 500	5
501 to 600	6
601 to 700	7
701 or more	8

Secondary schools	
Number of Pupils	Maximum Area (acres)
1 to 1000	12
1001 to 1100	13
1101 to 1200	14
1201 to 1300	15
1301 to 1400	16
1401 to 1500	17
1501 or more	18

Appraised Land Values



Land Values Per Acre: April, 2019	
Mississauga	\$3,090,000
Brampton	\$1,420,000
Caledon	\$1,415,000

Proposed Charges



PDSB

Uniform Residential EDC per Dwelling Unit	\$ 3,734
Non-Residential EDC per Square Foot of Gross Floor Area	\$ 0.50

DPCDSB

Uniform Residential EDC per Dwelling Unit	\$ 1,096
Non-Residential EDC per Square Foot of Gross Floor Area	\$ 0.44

Ministry of Education Approvals - Update



- During the Provincial election/transition to a new government, the Ministry of Education temporarily suspended approvals of EDC Background Studies. This resulted in two EDC bylaws lapsing and a loss of EDC revenue for the impacted school boards.

- ❖ On October 12, 2018, the Provincial government made a change to the legislation that pertains to education development charges. Namely;
 - Ontario Regulation 438/18 amended Ontario Regulation 20/98
 - Dealt mainly with sections 7, 9 and 10 – Determining The Charge, Background Study Contents, Conditions Of Passage

Ontario Regulation 438/18 Summary



- **Maintain EDC rates at the levels in existing by-laws as of August 31, 2018;**
- Limits the ability of boards to change the areas in their by-law that are subject to EDCs;
- Restricts additional boards from becoming eligible to pass a new EDC by-law;
- Streamlines some of the requirements to be included in the required background study.
- ***Limits or prevents policy changes (differentiation, res/non-res, area specific).***

MARCH 29, 2019 – EDC REGULATION AMENDMENT



- On March 29, 2019 the Ontario Government further amended the EDC legislation.
- Ontario Regulation 55/19 amended Ontario Regulation 20/98.
- *The most recent amendment essentially lifts the EDC rate freeze by implementing a provisional phase-in of proposed EDC rates.*
- In year 1, the existing EDC rate could be increased by \$300 or 5% of the existing EDC rate, whichever is greater;
- In the second year of the by-law and in each subsequent year, the rate could be increased by another \$300 or 5% of the previous year's EDC rate, whichever is greater.

Proposed Phase-In Of EDC Rates – Peel DSB Only



	EXISTING EDC RATES	Year 1 2019	Year 2 2020	Year 3 2021	Year 4 2022	Year 5 2023	PROPOSED EDC RATES
Peel DSB - Residential Rate	\$ 3,224	\$ 3,524	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734	\$ 3,734
Peel DSB - Non-Residential Rate	\$ 0.45	\$ 0.47	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50

Stakeholder Feedback



Stakeholder session April 3, 2019.

Dufferin Peel CDSB will hold public meetings on April 23, 2019 and Peel DSB will hold public meetings on May 14, 2019.

Notice of meetings will be provided a minimum of 20 days prior to these meetings and the EDC Background Study/By-laws will be released to the public at least 2 weeks before the public meetings.

The Boards encourage all stakeholders to provide feedback on all facets of the studies.

It is important to note, however, that the Boards are limited in their ability to make major changes to the bylaws/rates/policies because of the Ministry freeze/review.



Next Steps & Important Dates



- EDC Background Study/By-laws public release.
- Continued dialogue with stakeholders.
- Staff recommendations and reports.
- Examination of bylaws

Public Meetings:
DPCDSB: April 23 @ 630PM
PDSB: May 14 @ 7PM
Board Offices

Bylaw Passage Consideration:
DPCDSB: May 28 @ 630PM
PDSB: May 28 @ 7PM
Board Offices

QUESTIONS?