



Education Development Charges Stakeholder Information

Niagara Catholic District School Board

April 29, 2020



What Are The Existing Charges & How Are They Applied?

The Niagara Catholic District School Board (NCDSB) has existing EDC by-laws that cover the former Lincoln County and the former Welland County portions of its jurisdiction.

Existing Charge:

School Board	In-force Date	Area of By-law	% Residential/ Non-residential	Charge
NCDSB	June 22, 2015	Former Lincoln	100%(Res.)	\$186/Unit
NCDSB	June 22, 2015	Former Welland	100%(Res.)	\$172/Unit

The charge is allocated 100% to residential – There is no non-residential component to the charge.

The Board proposes to consider passage of new by-laws in Fall of 2020.

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.

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



Former Lincoln Elementary Review Areas

Review Area	Year 1 2020/21	Year 5 2024/25	Year 10 2029/30	Year 15 2034/35
ERA01	3,663	3,598	3,706	3,849
ERA04	272	280	326	372
ERA09	473	504	549	650
ERA11	1,943	2,027	2,255	2,428
Total	6,351	6,410	6,835	7,298

Former Lincoln Secondary Review Areas

Review Area	Year 1 2020/21	Year 5 2024/25	Year 10 2029/30	Year 15 2034/35
SRA01	1,823	1,768	1,721	1,896
SRA03	1,094	1,235	1,307	1,460
Total	2,917	3,003	3,028	3,356

Former Welland Elementary Review Areas

Review Area	Year 1 2020/21	Year 5 2024/25	Year 10 2029/30	Year 15 2034/35
ERA02	1,456	1,535	1,577	1,613
ERA03	2,157	2,314	2,587	2,898
ERA05	843	842	929	1,013
ERA06	556	596	637	629
ERA07	1,682	1,670	1,732	1,817
ERA08	80	99	117	124
ERA10	1,043	1,105	1,280	1,420
TOTAL	7,818	8,161	8,859	9,515

Former Welland Secondary Review Areas

Review Area	Year 1 2020/21	Year 5 2024/25	Year 10 2029/30	Year 15 2034/35
SRA02	2,876	2,817	2,986	3,201
SRA04	697	707	636	751
TOTAL	3,572	3,524	3,622	3,951

The Residential Growth Forecast – 15 Years



Former Lincoln

Dwelling Type	# of Units	% By Density
Low Density (Singles/Semis)	7,848	40%
Medium Density (Townhouses)	5,958	30%
High Density (Apartments)	5,827	30%
<i>Total</i>	19,633	100%

Former Welland

Dwelling Type	# of Units	% By Density
Low Density (Singles/Semis)	12,253	56%
Medium Density (Townhouses)	6,418	30%
High Density (Apartments)	3,113	14%
<i>Total</i>	21,784	100%

Net Growth-Related New Pupil Places



Former Lincoln				
Elementary			Secondary	
New Pupils:	1,534		New Pupils:	784
Less Available Pupil Places:	738		Less Available Pupil Places:	418
Total EDC Pupils:	797		Total EDC Pupils:	366

Former Welland				
Elementary			Secondary	
New Pupils:	2,149		New Pupils:	804
Less Available Pupil Places:	1,276		Less Available Pupil Places:	390
Total EDC Pupils:	874		Total EDC Pupils:	414

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 (2020)	
Lincoln/Grimsby	\$1,100,000 - \$1,250,000
Niagara Falls	\$700,000 - \$775,000

Proposed Charges



Former Lincoln

Uniform Residential EDC Per Dwelling Unit	\$418
--	--------------

Former Welland

Uniform Residential EDC Per Dwelling Unit	\$383
--	--------------

Recent EDC Legislative Changes – A Summary



On October 12, 2018, the Provincial government made a change to the legislation that pertains to education development charges;

- ❖ **Ontario Regulation 438/18 amended Ontario Regulation 20/98 and namely;**
- ❖ **Maintained EDC rates at the levels in existing EDC by-laws as of August 31, 2018**
- ❖ **Limited the ability of school boards to change the areas in their by-law that are subject to EDCs**

On March 29, 2019 the Ontario Government further amended the EDC legislation.

- ❖ **Ontario Regulation 55/19 amended Ontario Regulation 20/98.**
- ❖ ***O. Reg 55/19, essentially lifted the EDC rate freeze by implementing a provisional phase-in of proposed EDC rates.***

Phased In EDC Rates



- **In year 1, the existing EDC rate could be increased by \$300 or 5% of the existing residential EDC rate, whichever is greater. The non-residential rate can similarly be increased by \$0.10 or 5% of the existing non-residential EDC rate;**
- **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 residential EDC rate, whichever is greater. Again, the non-residential rate can also be increased by another \$0.10 or 5% of the previous year's non-residential EDC rate.**
- **Both the residential and non-residential rates are subject to maximum rates, which are the proposed EDC rates in the EDC Background Study.**

Proposed Phase-In Of EDC Rates



Area Specific EDC	2015 EDC Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Maximum Rate
NCDSB - Former Lincoln	\$186	\$418	\$418	\$418	\$418	\$418	\$418
NCDSB - Former Welland	\$172	\$383	\$383	\$383	\$383	\$383	\$383

*New Slide Added April 1, 2019

Additional Education Act/Regulation Changes



Further legislative changes to the Education Act and the regulations governing EDCs were made in the Fall of 2019. A brief summary is provided below:

- **Additional legislated EDC exemptions;**
- **Elimination of clause not allowing new EDC bylaws in areas where no bylaw was in-force on August 31, 2018;**
- **Phase-in for non-residential EDCs was limited to a 5% yearly increase whereas now it is the greater of 5% or \$0.10 (10 cents).**
- **Alternative projects/local education developer agreements (LEDA)**

Alternative Projects & LEDA



Part of the legislative changes, introduced the possibility of new options for both school boards and building permit takers or developers.

ALTERNATIVE PROJECTS

- A Board may request approval from the Minister of Education, that EDC monies be used towards an “alternative project”. An alternative project is deemed as a “project, lease or other prescribed measure...that would address the needs of the board for pupil accommodation and would reduce the cost of acquiring land.” Some examples provided by the Ministry of Education include, alternative parking arrangements (i.e. underground parking), additional costs attributed to vertical construction etc.

LEDA

- A LEDA is an agreement between a school board and a landowner, such as a developer, in which the owner provides a means for pupil accommodation or other benefit to be used for pupil accommodation and in exchange, the geographical area that the LEDA will service will be exempt from the collection of EDCs. Examples of a LEDA provided by the Ministry of Education include, the provision of access to land (either through long-term lease or gift), owner constructs and provides facilities (podium schools) etc.

Stakeholder Feedback



Notice of public meetings will be provided a minimum of 20 days prior to these meetings. The EDC Background Study was released to the public in April of 2020.

The Boards began notifying stakeholders of their intention to renew their EDC by-laws in March of 2020. The Boards intended to hold stakeholder information sessions in the Spring of 2020, however, those sessions were cancelled due to the COVID-19 pandemic measures. Sessions may be re-scheduled if time and requirements permit.

All efforts have been and will be made to engage with stakeholders in alternative formats.

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



Next Steps & Important Dates



- Continued dialogue with stakeholders
- Public Meetings
- Staff recommendations and reports
- Examination of by-laws
- New EDC by-law consideration/passage

Public Meeting
September 2020
Details To Be Determined

Bylaw Passage
September/October 2020
Details To Be Determined

QUESTIONS?