

EDUCATION DEVELOPMENT CHARGES (EDCs) Q&A

1. What are Education Development Charges (EDCs)?

The Ministry of Education does not fund site acquisition costs. Therefore, the Education Act provides the opportunity for a school board to pass by-laws for the imposition of education development charges against land in its area of jurisdiction undergoing residential or non-residential development if there is residential development in the area of jurisdiction of the district school board that would increase education land costs and the residential or non-residential development require one or more of the actions identified in section 257.54(2) of the *Education Act*.

Therefore, Education Development Charges (EDCs) are a primary source of revenue available to a school board to fund site acquisition costs related to anticipated enrolment growth. A levy (EDC) is applied to **new** residential and non-residential development within the school board's jurisdiction.

2. How are EDCs calculated?

Based on the adoption of an EDC by-law by a school board, a charge is levied on each new residential unit that is submitted for a building permit. The residential rate for the 2011 EDC is \$2506/ per residential unit. For non-residential development, a charge is levied on a per square foot (or per square metre) basis. The rate non-residential rate for the 2011 EDC is \$.69/per square foot (or \$7.43 per square metre) of gross floor area.

3. Where can I find the EDC By-law?

To see the 2009 EDC By-law, with the recent 2011 amendments, [click here](#).

4. When are EDCs collected?

EDCs are payable in full to the local municipality in which the development takes place, on the date a building permit is issued. All EDCs collected are remitted to the school board on a monthly basis.

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5. Are there exemptions to the EDC by-law?

In addition to the statutory exemptions required under the Education Act and set out in the [By-law](#), a number of non-statutory exemptions were approved by the Board. The exemptions are as follows:

- a public hospital receiving aid under the Public Hospitals Act;
- a publicly-funded university, community college or a college of applied arts and technology established under the Ministry of Colleges and Universities Act, or a predecessor statute;
- a seminary of learning maintained for educational purposes that is exempt from taxation under the Assessment Act, the whole profits from which are devoted or applied to such purposes, i.e. a non-profit private school;
- a place of worship owned by a religious organization exempt from taxation under the Assessment Act that is used primarily as a place of public worship;
- a cemetery or burying ground exempt from taxation under the Assessment Act;
- non residential agricultural buildings or structures that are owned by and are used for the purposes of a bona fide farming operation.
- Go Transit

6. How long can the EDC By-law be in affect?

An EDC By-law adopted by the Board is in effect to a maximum five years, at which time the school board must undertake a complete review and adopt a new by-law.

7. Can an EDC By-law be amended?

Yes. The EDC By-law can be amended only once per year.

8. Are EDCs collected by School Boards applied to new school construction?

No. Money collected can only fund the acquisition of school sites and related costs. The construction of new schools is generally funded through capital grants from the Ministry of Education.

9. Will the recently approved EDC By-law amendment affect my taxes?

No, EDCs do not impact property taxes. The EDC by-law amendment will only affect new non-residential and residential developments which have or will be submitted for building permits.