

Halton District School Board

**Education Development Charge
Public Meeting**

**Policy Review Meeting & Proposed EDC
Bylaw Renewal Meeting**

April 18, 2018

Halton District School Board

**Education Development Charge
Policy Review Public Meeting
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Education Development Charge Policies

Each EDC bylaw has a set of underlying policies which help determine the structure and type of bylaw that will be enacted.

Ministry of Education legislation states that each School Board must conduct a review of its EDC policies prior to renewing their EDC by-law.

Section 257.60 sub-section (1) of the Education Act states that:

“Before passing an education development charge by-law, the board shall conduct a review of the education development charge policies of the board.”

A Review of Existing Policies

- **Percentage of growth related net education land costs to be borne through EDCs**
- **Exemptions**
- **Jurisdiction Wide vs. Area Municipal (or Sub Area) Charges**

A Review of Existing Policies

- **Percentage of net education land costs to be borne by residential and non-residential development**
- **Uniform charges for all types of development vs. differentiated charges**
- **Operating budget surplus and alternative accommodation arrangements**

Halton District School Board

**Education Development Charge
Proposed EDC Bylaw Renewal
Public Meeting
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Education Development Charges

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.

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

The HDSB has an existing EDC by-law that covers the Region of Halton. The existing HDSB EDC is \$4,364 per residential unit and \$1.11 per square foot for the non-residential charge. The Board proposes to consider passage of a new by-law on May 16, 2018.

Key Elements

- ❑ EDC by-laws adopted under the *Education Act* enable recovery of growth-related net education land costs only.
- ❑ Boards must meet an eligibility trigger to qualify for EDCs.
- ❑ EDC by-laws may be uniform across the jurisdiction or area-specific. (Legislation requires that some Boards are divided into Regions, which must each have a separate by-law.)
- ❑ EDCs may be a single charge for all types of residential development or the Board may wish to impose different charges on different types of residential development.
- ❑ Boards can allocate net education land costs to both residential and non-residential developments.

Requirements

- ❑ The Board has prepared an EDC Background Study and included the necessary requirements.
- ❑ The EDC Background Study must be made available to the Ministry of Education and must be approved by the Minister prior to adoption.
- ❑ A total of two public meetings (three for Boards with existing bylaws) must be held prior to bylaw passage.
- ❑ The EDC Background Study must be made available to the public at least two weeks prior to the first public meeting.
- ❑ A notice of all public meetings must be given a clear 20 days prior to said meeting.

Process and Methodology

The EDC process is largely technical and formulaic in nature. The methodology and requirements are set out in Division E of the *Education Act* and in Ontario Regulation 20/98 (as amended).

➤ 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

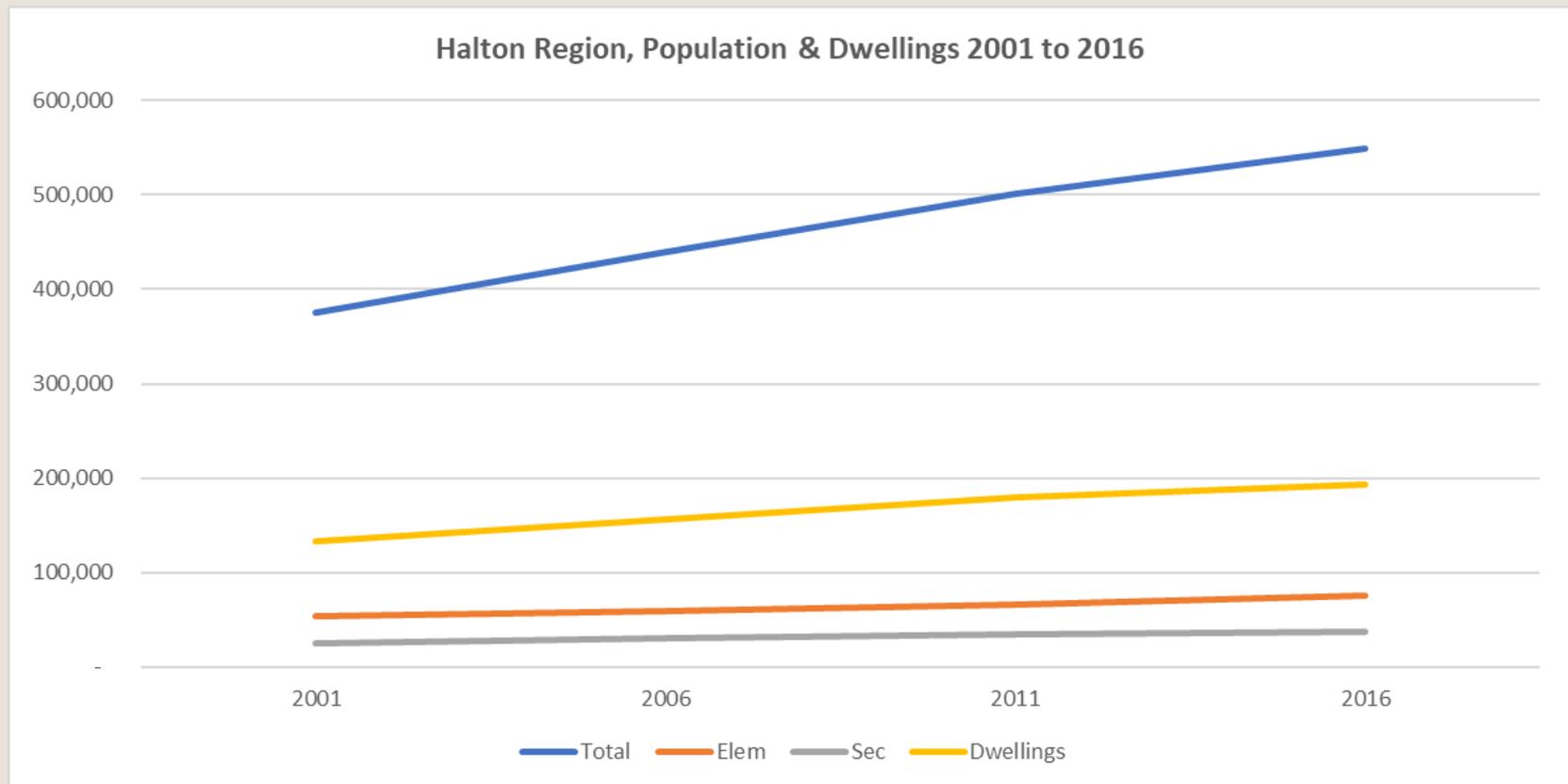
➤ Determination of EDC

The Calculation

1. Demographics and enrolment projections determine need.
2. Legislation and Board planning determines the number of school sites required.
3. Land appraisals determine site acquisition costs.
4. Historical expenditures determine site preparation costs.
5. The reserve fund analysis determines existing EDC surplus or deficit.
6. The total costs determined are referred to as the total growth related net education land costs – this is the amount for which EDC's are collected.
7. Board policies determine how the charge is implemented and collected (exemptions, non-residential allocation etc.)

Historical Demographic Trends

Demographic projections, including both the enrolment and growth forecasts, form the backbone of the EDC calculation.



The Calculation: Growth Forecast

The growth forecast is used to both project future enrolment and as the quotient to determine the final quantum of the charge per unit.

15 Year Residential Forecast	Total	Density %
Low Density	29,759	35%
Medium Density	24,976	29%
High Density	30,976	36%
Total	85,711	

15 Year Non-Residential Forecast	Square Feet
Total Estimated GFA	87,489,293
Less Exempt GFA	21,872,323
Net Estimated GFA	65,616,969

The Calculation: Projected Enrolment

ELEMENTARY				
	Year 1 2018/ 2019	Year 5 2022/ 2023	Year 10 2027/ 2028	Year 15 2032/ 2033
EXIST	44,579	40,985	39,676	42,153
NEW	1,135	6,143	13,131	19,611
TOTAL	45,714	47,128	52,807	61,764
SECONDARY				
	Year 1 2018/ 2019	Year 5 2022/ 2023	Year 10 2027/ 2028	Year 15 2032/ 2033
EXIST	18,685	19,718	18,112	16,100
NEW	358	1,740	3,920	6,127
TOTAL	19,043	21,458	22,032	22,227

The Calculation: Net Growth- Related Pupil Places

Municipality	Dwelling Unit Type	Net New Units	Elementary Pupil Yield	Elementary Growth-Related Pupils	Municipality	Dwelling Unit Type	Net New Units	Secondary Pupil Yield	Secondary Growth-Related Pupils
Burlington	Low Density	496	0.369	183	Burlington	Low Density	496	0.161	80
	Medium Density	930	0.199	185		Medium Density	930	0.082	76
	High Density	6,811	0.032	216		High Density	6,811	0.009	64
	Total	8,238	0.071	584		Total	8,238	0.027	220
Oakville	Low Density	7,311	0.464	3,389	Oakville	Low Density	7,311	0.159	1,161
	Medium Density	4,546	0.210	954		Medium Density	4,546	0.097	440
	High Density	8,687	0.051	444		High Density	8,687	0.017	149
	Total	20,545	0.233	4,787		Total	20,545	0.085	1,750
Halton Hills	Low Density	6,445	0.399	2,571	Halton Hills	Low Density	6,445	0.096	616
	Medium Density	3,078	0.179	552		Medium Density	3,078	0.065	201
	High Density	5,378	0.024	131		High Density	5,378	0.019	102
	Total	14,901	0.218	3,254		Total	14,901	0.062	919
Milton	Low Density	15,506	0.463	7,182	Milton	Low Density	15,506	0.118	1,834
	Medium Density	15,308	0.230	3,514		Medium Density	15,308	0.074	1,140
	High Density	10,100	0.029	290		High Density	10,100	0.026	263
	Total	40,914	0.269	10,986		Total	40,914	0.079	3,237
		SUBTOTAL:		19,611			SUBTOTAL:		6,126
		LESS: Available Pupil Places:		2,441			LESS: Available Pupil Places:		1,226
		NET GROWTH RELATED PUPILS:		17,170			NET GROWTH RELATED PUPILS:		4,900

Legislated 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

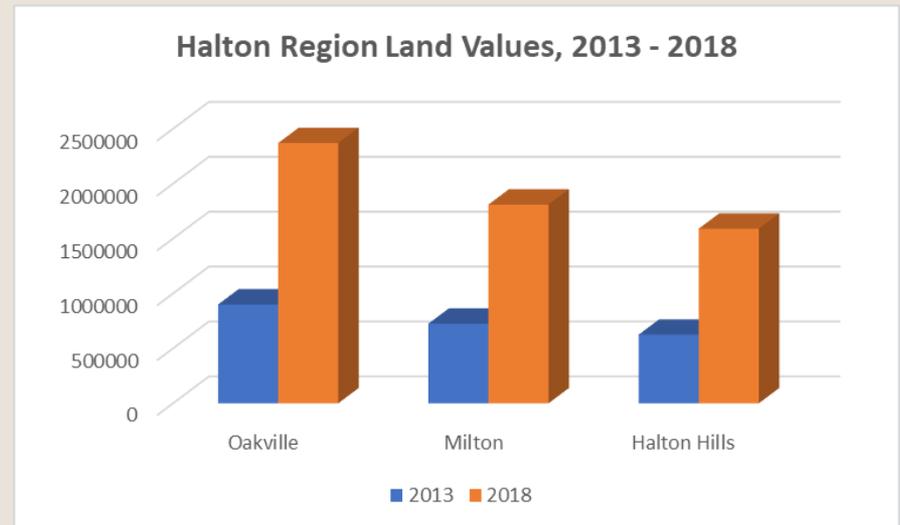
Secondary schools	
Number of Pupils	Maximum Area (acres)
1 to 1000	12
1001 to 1100	13
1101 to 1200	14
1201 to 1300	15
1301 to 1400	16
1401 to 1500	17
1501 or more	18

Site Needs and Land Costs

The analysis determined that;

The HDSB will require a total of 22 new elementary sites (3 are owned) and 5 new secondary sites.

Appraised Land Values (Per Acre) - The Region Of Halton	
Municipality	Value Per Acre
Oakville	\$ 2,370,000
Milton	\$ 1,810,000
Halton Hills	\$ 1,590,000



**Site Preparation Costs have been estimated at:
\$75,056 Per Acre**

The Proposed Charge

TOTAL	Education Land Costs	\$	466,122,126
Add:	EDC Financial Obligations	\$	20,312,206
Subtotal:	Net Education Land Costs	\$	486,434,332
Add:	EDC Study Costs	\$	450,000
Total:	Growth-Related Net Education Land Costs	\$	486,884,332
Non-Residential Development Costs (Maximum 40%)		15%	\$ 73,032,650
Total Growth-Related Net Education Land Costs to be Attributed to Residential Development		85%	\$ 413,851,683
Residential Growth-Related Net Education Land Costs			\$ 413,851,683
Net New Dwelling Units (Form C)			84,597
Uniform Residential EDC per Dwelling Unit			\$ 4,892
Calculation of Non-Residential Charge - Board Determined GFA			
Non-Residential Growth-Related Net Education Land Costs			\$ 73,032,650
Non-Exempt Board-Determined GFA (Form D)			65,616,969
GFA Method:	Non-Residential EDC per Square Foot of GFA	\$	1.11

Important Dates – EDC 2018

March 23	EDC Stakeholders Information Session
Mid March	Background Study Submitted to Ministry
Early April	Background Study Released to Public
<i>Wednesday, April 18</i>	<i>HDSB EDC Policy Review and Public Meeting</i>
Wednesday, May 16	HDSB By-law Passage Consideration

Comments and Submissions

The Board encourages comments and questions from the public and all interested stakeholders to be expressed. The submission of written comments or concerns should be directed to:

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