



**ONTARIO PUBLIC
SCHOOL BOARDS'
ASSOCIATION**

Leading Education's Advocates

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Capital Programs Branch
315 Front Street West, 15th Floor, Toronto, Ontario

Re: Proposed Regulations re: Education Development Charges (EDCs) and Notice by School Boards Prior to Acquiring Land

Education funding and facilities/capital-related costs remain a focus of advocacy for the Ontario Public School Boards' Association (OPSBA). Currently, Education Development Charges (EDCs) are levies on new construction in a municipality given to school boards solely to pay for new school sites, and are managed by the directives contained in Ontario Regulation 20/98: Education Development Charges – General.

For several years, our Association has been seeking changes to this regulation that would provide an increase in the charges to cover the actual cost of sites, and the flexibility to support boards experiencing particular areas of growth. Several member boards are dealing with unique circumstances, and as a result they are being challenged with capital and renewal costs for their aging schools. Many schools have needs that are serious and urgent, impacting the ability to meet current program requirements, including funding to adapt or change classrooms that are no longer suitable.

We recently commented on the subject of EDCs and Land Expropriation in our submission to Bill 108, *More Homes, More Choice Act* (May 2019). Regarding Land Expropriation Amendments, we stated our concern over increased ministerial oversight leading to project



delays and increased costs. With regard to EDCs, we were eager to learn more about the ministry's plans for "alternative projects" and if this would allow boards more creative capital solutions. We also re-stated the discrepancy between the EDC rates collected by boards and the huge growth in the cost of land.

For this current proposal, we have reviewed the proposed changes and coordinated our work with the Ontario Association of School Business Officials (OASBO). We support and endorse our education partner's submission and recommend the Ministry of Education carefully review the comments obtained from their group of technical experts who are either senior finance or planning staff within school boards.

In addition to the OASBO submission, OPSBA would like to offer the following comments based on the contents of the EDC Regulations Consultation Document and the Draft Site Acquisitions Guidelines Document:



- We do not support the restriction of a 5% rate increase for EDCs. The freeze imposed last year has had a huge impact on growth boards. School boards need an appropriate increase and a sustainable EDC rate to catch up and match the current and increasing costs of site acquisition, and construction. Land acquisitions continue to be at fair market value, whereas EDC rates are capped.
- School boards support the concept of “Alternate Projects” including the options of renting school spaces or leasing other buildings. We would recommend there be more discussion and information sharing as to what “other measures” could include beyond building “podium” schools above existing spaces, such as parking garages. Trustees have mentioned working together with municipalities about how to “fill in” spaces within communities. This could be a coordinated effort and incentivized by the government.
- We are concerned about the increased layer of oversight and ministry approvals. Many boards have indicated that this has slowed down their long term planning processes, created project delays, and increased costs. Trustees have suggested that municipalities be directed to prioritize approvals that concern school sites and construction as delays raise costs for the taxpayer.
- The current regulation and the inclusion of “Alternative Projects” does not address the real needs of some school boards that are experiencing areas of growth and are not able to implement EDCs. The requirement for a board's enrollment to exceed capacity does not work in practical terms for many large urban centres. Excess capacity when assessed on a district-wide basis, regardless of significant capacity pressures and challenges faced in many neighborhood schools puts some students in some boards at a disadvantage. There may be space somewhere in the board's jurisdiction, but it does not make sense for students and parents to be forced to spend an inordinate amount of travel time to school as a result of traffic in the urban core of cities. In addition, many urban centres are experiencing densification – families returning to live and work in city and town cores. The explosive increase in young families living in condominiums has created the need for a significant change in the Education Development Charges regulation to reflect this phenomena. These students should have access to schools that are reasonably close in terms of actual travel time as opposed to distance. The regulation also should be flexible so that it would permit monies to flow to school boards for capital projects other than new sites. The regulation needs to be amended to help support urgent school infrastructure needs and reduce overcrowding in high-growth areas.

- We believe most developers want to build in good communities with strong public assets that include our schools. We also believe most developers factor in the cost of EDCs when financing their projects.
- Finally, the delay in the release of the Pupil Accommodation Review Guidelines (PARG) has significantly impacted school board capital projects in that schools that should be closed often require significant repairs, the expected proceeds of disposition are not available for new construction, and there will be increased construction costs on projects that have been delayed because of the moratorium on school closures. We urge the Ministry of Education to release the PARG as soon as possible.

We thank you for your consideration of these comments and look forward to next steps in regulation amendments and the release of the Site Acquisition Guidelines.

Sincerely,

A handwritten signature in black ink that reads "Cathy Abraham". The signature is written in a cursive, flowing style.

Cathy Abraham, President, Ontario Public School Boards' Association

The Ontario Public School Boards' Association represents public district school boards and public school authorities across Ontario, which together serve more than 1.3 million public elementary and secondary students. The Association advocates on behalf of the best interests and needs of the public school system in Ontario. OPSBA is seen as the credible voice of public education in Ontario and is routinely called on by the provincial government for input and advice on legislation and the impact of government policy directions.