



SPECIAL COMMITTEE OF THE WHOLE (PUBLIC)
Report No. 24-002

16 January 2024

**New Education Development Charges By-Law (2024-2029) – Required
Public Meeting and Background Study**

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PURPOSE:

1. To provide information to support a legislatively required meeting in order to inform the public about the Board's Education Development Charge (EDC) proposals and to solicit input regarding a proposed new by-law which would cover the period between 2024-2029.

STRATEGIC LINKS:

2. Responsible resource use is one of the Board's four key value statements within the 2023-2027 Strategic Plan. Education Development Charges play a role in student accommodation and the effective management of enrolment pressures. Managing these issues properly contributes to student success and staff well-being.

CONTEXT:

3. Under the Ministry's education funding formula, the collection of EDCs is the main source of funding for growth-related net education land costs. These are costs incurred by a District to acquire land as a result of the need to build schools in areas of new development.

The District is currently in the midst of a consultative process with the coterminous boards which would result in the adoption of a new EDC By-law. The current by-law expires on 31 March 2024.

A required step in the process is the completion of an EDC Background Study. Section 257.61 of the legislation states that:

Before passing an education development charge by-law, the Board shall complete an education development charge background study.

The background study shall include:

- i) Estimates of the anticipated amount, type and location of residential and non-residential development;*
- ii) The number of projected new pupil places and the number of new schools required to provide those new pupil places;*
- iii) Estimates of the education land cost, the net education land cost and the growth-related net education land cost of the new schools required to provide the projected new pupil places;*
- iv) A description of any alternative projects that the board intends to allocate education development charges revenue towards;*
- v) A description of any localized education development agreements that the board intends to enter into; and*
- vi) Such other information as may be prescribed.*

The Board is also legislatively required to hold a meeting to inform the public and interested stakeholders about the new EDC proposals and to solicit input.

Please note that this EDC by-law renewal study process has been completed in conjunction with the three other local school boards.

KEY CONSIDERATIONS:

4. Education Development Charges Background Study (2024-2029 By-law)

Staff and the District's consultant, the Quadrant Advisory Group Limited, have now completed an Education Development Charges Background Study prepared in support of the consideration of a new by-law.

A copy of the study is available for download via the District's website by clicking Education Development Charges, under the Board of Trustees/Consultations tabs. A hardcopy version of the background study was also made available to the public upon request, beginning on 21 December 2023.

The study has been formally submitted to the Ministry of Education for approval in advance of the adoption of a new by-law. In addition, in accordance with the requirements of the legislation, copies of the background study were provided to the three coterminous school boards. A copy has also been made available to the Greater Ottawa Home Builders' Association (GOHBA).

5. Future School Requirements

The Education Development Charges Background Study includes the identification of 24 future elementary school sites and five future secondary school sites during the 15-year review period.

These sites are generally located in areas of the District where accommodation pressures exist and where ground-oriented residential development is forecasted to be strong. Suburban growth areas where sites are required outside of the greenbelt include Kanata, Stittsville (Fernbank), South Nepean, Riverside South, Findlay Creek, Orleans and Tewin.

The background study document also includes the identification of sites in a number of rural locations (the Villages of Greely, Manotick and Richmond) and one urban location (Wateridge Village – Rockcliffe).

6. Calculated and Capped EDC Rates

The background study contains a calculated EDC of \$1,988 per new residential unit and \$1.76 per new square foot of non-residential development. These figures are based on a continued residential/non-residential percentage split of 80/20.

The calculated charges represent an increase from the existing by-law’s charge of \$787.00 per new residential unit and \$0.58 per new square foot of non-residential development.

The background study also contains the capped annual EDC rates, based on the maximum allowable annual increases which are defined in the EDC legislation:

	Curren t EDC Rates	Year 1 April 1, 2024 to March 31, 2025	Year 2 April 1, 2025 to March 31, 2026	Year 3 April 1, 2026 to March 31, 2027	Year 4 April 1, 2027 to March 31, 2028	Year 5 April 1, 2028 to March 31, 2029
Capped By-law Residential Rates	\$787	\$1,087	\$1,387	\$1,687	\$1,987	\$1,988
Capped By-law Non- Residential Rates	\$0.58	\$0.68	\$0.78	\$0.88	\$0.98	\$1.08

Also included in the background study is a forecasted value of \$990,000 per acre for land required for school sites (up from \$430,000 per acre in 2019). This figure is estimated for by-law renewal in early March 2024.

The assumed cost to prepare sites for the construction of new schools and additions has also increased, from an estimate of \$126,000 per acre in 2019 to \$179,700 in 2024. This calculated figure is based on an historical averaging of costs incurred.

7. Additional Notes

Please note that the enrolment projections contained in the background study have been calculated using a specific methodology required in the provincial regulations. As such, these projections are specific to the EDC calculation and may differ from those prepared by District staff.

It should also be noted that individual school capacities shown in the study may differ from those shown in the District’s enrolment report as they are legislatively required to reflect Ministry On-the-Ground (OTG) figures. Capacities will also include any additional space which will be created over the next few years at schools as a result of the completion of major capital projects.

Consideration of the adoption of a new OCDSB EDC By-law is currently scheduled to take place at Committee of the Whole on 5 March 2024 and by Board on the same evening.

RESOURCE IMPLICATIONS:

8. The collection of EDCs is the main source of funding for costs incurred by the District to acquire land or prepare sites as a result of the need to build new pupil places due to growth.

At the time of its scheduled expiry at the end of March 2024, the Board's By-law is estimated to have resulted in the collection of over \$27 million in EDCs. Without the implementation of these charges, the above costs would have to be funded from an alternative source.

COMMUNICATION/CONSULTATION ISSUES:

9. In order to consider the adoption and implementation of a new EDC By-law the District is required to follow a legislatively governed consultative process. This process includes the holding of a minimum of two public meetings and for each, the provision of formal notice.

An advertisement was published in the Ottawa Citizen on 15 December 2023 which provided notice to members of the public regarding the special Committee of the Whole meeting taking place on 16 January 2024. This notice indicated that the District's EDC Background Study would be made available to the public on or before 22 December 2023.

A copy of the study was posted on the Board's website on 20 December 2023. Hard copies of the document were also made available upon request to members of the public on 21 December 2023. Copies of the study have also been provided to key stakeholders.

A study page for the EDC by-law renewal consultation has been available on the District website since November 2023. The webpage includes supporting background information, key dates in the adoption process and copies of previously submitted reports and memoranda. The page also includes a study email address where public feedback respecting the by-law and the consultation process can be sent. To date, no input from the public has been received.

GUIDING QUESTIONS:

10. The following questions are provided to support discussion of this item by Committee:
 - Is the process through which the Board will consider the adoption of a new 2024 Education Development Charges By-law clear?
 - Are there concerns or questions regarding the information contained in the District's recently completed Education Development Charges Background Study?

- Are there changes to policies the Board would like to contemplate as part of the consideration of a new by-law?

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