

Ministry of Education

Office of the ADM

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2019: B11

MEMORANDUM TO: Directors of Education
Superintendents of Facilities
Superintendents of Business

FROM: Joshua Paul
Assistant Deputy Minister
Capital and Business Support Division

DATE: March 29, 2019

SUBJECT: **Interim Changes to Education Development Charges (EDC)**

Further to **Memorandum 2018: B15 Temporary Cap on Education Development Charge Rates**, I am writing to inform you of further amendments made to Ontario Regulation 20/98 (Education Development Charges – General) and Ontario Regulation 193/10 (Restricted Purpose Revenues) under the *Education Act*. These amendments will serve as an interim measure and provide school boards with the ability to propose modest EDC rate increases while the government continues to review the EDC policy framework.

Amendments to O. Reg. 20/98

The amendments to O. Reg. 20/98 will lift the current cap on EDC rates and replace it with restricted rate increases of:

- A maximum yearly increase of the greater of 5% or \$300 per residential unit; and
- A maximum yearly increase of 5% for non-residential rates.

Please note that these amendments do not restrict the ability of boards to pass bylaws for the full five-year term as set out in the *Education Act*. The amendments are effective as of March 29, 2019, and the amended regulation can be viewed on the e-Laws website at: <https://www.ontario.ca/laws>

Amendments to O. Reg. 193/10

The amendments to O. Reg. 193/10 will direct proceeds from the sale of land that was purchased using EDC funds back into school board EDC accounts. This will only apply to sites acquired after the regulation amendment is filed and which have not been used to provide pupil accommodation.

Land Acquisition

All school boards should continue to identify priority sites for acquisition. EDC-eligible boards are requested to notify their capital analyst prior to acquiring land. All requests for Land Priorities funding should continue to be made to the ministry through your capital analyst. The ministry is also requesting that school boards engage with municipal governments before purchasing land and before finalizing any plans regarding future school investments.

Ongoing EDC Policy Framework Review

The ministry's review of EDCs was launched in fall 2018 as part of the government's commitment to develop a Housing Supply Action Plan (HSAP). The consultation has included representatives from the education and municipal sectors as well as the housing development industry. Additional information on the HSAP can be found at www.ontario.ca/housingsupply.

The ministry would like to thank representatives of the Council of School Business Officials' (COSBO) Working Group, the EDC Technical Advisory Committee and all participants of the HSAP consultations for the invaluable feedback offered during consultations related to EDCs.

Further details regarding the outcome of the review and consultations will follow in the coming months.

For further information, please contact:

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Sincerely,

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