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City of Brantford/Brant County Education Development Charge Proposed Amendment

Brant Haldimand Norfolk Catholic District School Board

Education Development Charge Amendment



WHY?

EDC legislation was revised after the Board passed its 2018 EDC By-law. At the time the Board passed its bylaw, the legislation in place only allowed the Board to pass a new EDC By-law with its existing (2013) EDC rates. Since then, legislation has been amended once again which has an impact on the Board's existing EDC By-law. There are 3 primary reasons why the Board will want to amend its existing By-law.

1. The EDC rate freeze has been lifted and replaced with a phased-in EDC approach. This means that the Board's existing EDC rate of \$912 per residential unit could be increased to the originally calculated rate of \$1,097 per residential unit.
2. The price of land in Brantford and Brant County has increased by approximately 30% since the 2018 EDC
3. Additional legislative exemptions that should be included into the existing By-law.



The Existing Education Development Charge (EDC)

The Board has an existing EDC by-law that covers the City of Brantford and Brant County.

The Board's existing EDC rate is:

- \$912 per residential unit.

The charge is allocated 100% to residential development and is applied uniformly to all types of development.

Legislative Changes: Historical Context



EDC Rate “Freeze” & Phase-In

- During 2017/18 EDC renewal process, certain changes were made to the legislation pertaining to EDCs. In particular, the Minister of Education enacted Ontario Regulation 438/18, which effectively froze EDCs at the rates that were in effect on August 31, 2018.
- In the Spring of 2019, further EDC legislative changes were made with the removal of the EDC rate freeze and the inclusion of a provisional phase-in of proposed EDC rates. School boards could increase existing residential EDC rates by \$300 or by 5% of the existing rate, whichever is greater.
 - In the second year of the by-law and in each subsequent year, the rate could be increased by another \$300 or 5% of the previous year’s EDC rate, whichever is greater.

Proposed 2021 EDC Amendment: Land Values



Board staff engaged an appraiser to review the price of land. The appraiser identified that the price of land had exceeded estimates and escalation rates from the 2018 EDC Background Study and provided the Board with new land values for their EDC eligible sites.

Municipality	2018 EDC By-law Land Values Per Acre	2021 EDC Amendment Land Values Per Acre	2018-21 % Difference
Brantford/Brant County	\$550,000-600,000	\$ 750,000	~30%

Proposed 2021 EDC Amendment: New Proposed Maximum Rates



As a result of the increase in land values, the 'maximum' rate for the EDC is proposed to be increased.

2018 Actual EDC Rate	2018 Proposed EDC Rate (Maximum Rate)	2021 Proposed EDC Rate (Maximum Rate)	Difference	% Difference
\$ 912	\$ 1,097	\$ 1,408	\$ 311	28%

Proposed Phase-In Of BHNCD SB Amended EDC Rates



Proposed EDC Phase-In Rates						
Existing Rate 2018/19	Year 1	Year 2	Year 3	Year 4	Year 5	New Proposed Maximum Rate
	October 21, 2018 - October 20, 2019	October 21, 2019 - October 20, 2020	October 21, 2020 - November 27, 2021	November 28, 2021 - October 20, 2022	October 21, 2022 - October 20, 2023	
\$ 912	\$ 912	\$ 912	\$ 912	\$ 1,212	\$ 1,408	\$ 1,408

*Subject to a \$300 per year maximum increase.



Additional Items and Next Steps

- In addition to amending the permitted annual increases to non-residential EDCs, Ontario Regulation 371/19 also implemented several mandatory exemptions from EDCs. The new exemptions can be found in the proposed amending by-law.
 - The Board proposes to further amend the 2018 EDC By-law to incorporate these exemptions into the By-law.
- The Board will consider passage of an amending EDC bylaw at the Board's November 23, 2021 public meeting. If the Board passes the bylaw, it will be in-force 5 days after passage.
- Notice of the passage of the amending bylaw as well as the amended EDC bylaw will be on the Board's website after passage.