

APRIL 25, 2016

WATERLOO REGION DISTRICT SCHOOL BOARD

NOTICE AND AGENDA

An **Education Development Charges Policy Review Meeting** of the Waterloo Region District School Board will be held in the Board Room, Floor 1, Building 2, Education Centre, 51 Ardelt Avenue, Kitchener, on **Monday, April 25, 2016, at 7:30 p.m.**

AGENDA

Call to Order

Chairperson

Approval of Agenda

Chairperson

Declarations of Conflict of Interest

Opening Remarks and New Business

1 Education Development Charges Policy Document

Reports from Consultants, Legal Counsel, Officials and Staff

Questions from Trustees

Delegations

Adjournment

**Report to Committee of the Whole
February 22, 2016**



**Waterloo Region
District School Board**

Inspired Learners – Tomorrow's Leaders

SUBJECT: Statements of the Board for the Implementation of Education Development Charges

ORIGINATOR: This report was prepared by Matthew Gerard, Superintendent, Business Services & Treasurer; Karen Newland, Controller, Financial Services; Dennis Cuomo, Manager of Planning and Shawn Callon, Principal Planner, in consultation with Coordinating Council.

PURPOSE/STRATEGIC PLAN:

To request approval of statements of the Board for the adoption of an Education Development Charge (EDC) By-law.

This report relates to the strategic directions of engaging students, families, staff and communities through the ongoing public approval process required of an Education Development Charge By-law, and promoting forward thinking in planning and exploring options for the future accommodation of students.

BACKGROUND:

In April 2011, the Waterloo Region District School Board and Waterloo Catholic District School Board approved the enactment of Education Development Charge By-laws and policies which provide a source of funding for new school sites as permitted under the Education Act. Education Development Charges may be set at any level provided that:

- the procedures set out in government regulation and required by the Ministry of Education are followed and only growth-related net education land costs are recovered;
- no more than 40% of the applicable costs are financed via non-residential development.

EDC By-laws may be in effect for no more than five years.

The renewed By-laws were enacted in June 1, 2011 and are due to expire June 1, 2016.

In anticipation of the passing of a fourth Education Development Charge By-law, the school boards are required, under Section 257.61 of the Education Act, to conduct a review of their existing policies and hold public meetings regarding that review.

STATUS:

In accordance with Ontario Regulation 20/98 (Education Development Charges - General), Part III, the Board is required to approve statements in relation to the following items:

1. Alternative Accommodation Arrangements

O. Reg s.9 (6): A statement of the board's policy concerning possible arrangements with municipalities, school boards or other persons or bodies in the public or private sector, including arrangements of a long-term or co-operative nature, which would provide accommodation for the new elementary school pupils and new secondary school pupils estimated under paragraph 3 of section 7, without imposing education development charges, or with a reduction in such charges.

O. Reg s.9(7): If a previous education development charge background study completed by the board included a statement under paragraph 6, a statement of how the policy referred to in the statement was implemented and, if it was not implemented, an explanation of why it was not implemented.

In 2011, the Board approved Board Policy 1007 - Education Development Charges - Alternative Accommodation.

In implementing this policy, the Board has pursued cooperative projects and alternatives to existing accommodation since the commencement of its last by-law and has found that few proposals are capable of accommodating new growth-related student accommodation needs due to one or more of the following:

- Required accommodation is in area of “greenfield” development where there are few existing alternatives in the form of renovating or leasing built accommodation;
- Land owners have not come forward to offer lands, in lieu of the payment of education development charges, that are of sufficient size and in the appropriate location to serve communities experiencing enrolment pressures;
- Timing is such that partnerships have not been able to match financing and construction constraints;
- Possible multi-use partnerships for new student accommodation have not proven to be cost-effective for the Board over the construction of free-standing facilities.
- Arrangements of a cooperative nature generally do not provide classroom accommodation (tend to be site facilities, change rooms, libraries, etc.)

Of the successful arrangements with municipalities and other partners, a more efficient development of the property or improved physical facilities and student programs is generally the result. For example, several elementary schools have been constructed with childcare centres; secondary schools have accommodated transit, multi-use sports fields, and internal community rooms (including change facilities). These are typically achieved with shared use of school-park campus sites and have not resulted in a reduction in or the sharing of land purchase costs.

This has been reflected in the current version of Board Policy 1007 – Education Development Charges – Alternative Accommodation attached as Appendix A.

2. Use of Surplus Operating Funds

O. Reg s.9(8): A statement from the board stating that it has reviewed its operating budget for savings that could be applied to reduce growth-related net education land costs, and the amount of any savings which it proposes to apply, if any.

Board Finance staff has reviewed its operating budgets for the 2011-16 fiscal years for savings that could be applied to reduce growth-related net education land costs, and has found none. Likewise the Board does not anticipate savings from operating budgets in future years available for that purpose due to funding constraints in other areas.

COMMUNICATIONS:

The required statements will be released to the consultant, Ameresco, Inc., for inclusion in the EDC background study. A notice of the April 2016, Joint Special Board meeting to deal with issues pertaining to the EDC background study will be posted shortly.

Through its consultant, implementation strategies and policies will be brought forward for Board consideration. These include:

- the application of area-wide charges versus municipal specific charges;
- the application of charges to non-residential and residential development and associated percentage of charge versus residential only application;
- additional residential exemptions or non-residential exemptions, and,
- the term of the by-law.

This information is contained within the consultant’s background study, which will be distributed to trustees and the Ministry of Education. These draft documents will be available for review by the public at the respective administration offices of both boards no later than March 16, 2016.

FINANCIAL IMPLICATIONS:

No financial implications at this time.

RECOMMENDATION:

It is recommended:

That the following statements, in accordance with Ontario Regulation 20/98 Section 9(1), and Sections 257.60(1) and Section 257.60(2) of the Education Act be approved:

- 1. The Waterloo Region District School Board reaffirms its commitment to Board Policy 1007 - Education Development Charges - Alternative Accommodation, which has been implemented as set out in the report titled, "Statements of the Board for the Implementation of Education Development Charges", dated February 22, 2016.**
- 2. The Waterloo Region District School Board has reviewed its operating budgets for the 2011-2016 fiscal years for savings that could be applied to reduce growth-related net education land costs, and has found none available for that purpose. The Board does not anticipate savings from operating budgets in future years due to funding constraints in other areas.**

 Director of Education



Board Policy 1007

EDUCATION DEVELOPMENT CHARGES – ALTERNATIVE ACCOMMODATION

Legal References:	<i>Education Act, Division E. Education Act, subsection 257.60 (1) & (2) Education Act Ontario Regulation 20/98 subsection 9. (1) 6 and 9 (1) 7.</i>
Related References:	<i>Board Policy 1011 - Community Planning and Facility Partnerships Board Policy 1007 - Education Development Charges – Alternative Accommodation Board Policy 4002 – Community Use of Schools Administrative Procedure 4990 – Facility Partnerships Community Planning and Partnerships Guideline, Ministry of Education (March 2015)</i>
Effective Date:	<i>June 1, 2016</i>
Revisions:	<i>February 22, 2016</i>
Reviewed:	

1. Preamble

- 1.1. The Board has pursued cooperative projects and alternatives to proposed accommodation since the commencement of its last by-law and has found that few options are capable of accommodating new growth related students and/or reducing Education Development Charges due to one or more of the following:
 - 1.1.1. Required accommodation is in area of “greenfield” development where there are few existing alternatives in the form of renovating or leasing built accommodation;
 - 1.1.2. Proponents of new development have not been receptive, as partners, to alternatives to the Board’s current form of school accommodation;
 - 1.1.3. Timing is such that partnerships have not been able to match financing and construction constraints;
 - 1.1.4. Possible multi-use partnerships for new student accommodation have not proven to be cost-effective for the Board over the construction of free-standing facilities.
 - 1.1.5. Arrangements of a cooperative nature generally do not provide classroom accommodation (tend to be site facilities, change rooms, libraries, etc.)
- 1.2. Of the successful arrangements with municipal and other partners, a more efficient development of the property or improved physical facilities is generally the result. For example, several elementary schools have been constructed with childcare centres; secondary schools have accommodated transit, multi-use sports fields, and internal community rooms (including change facilities). These are typically achieved with shared use of school-park campus sites and have not resulted in a reduction in or the sharing of land purchase costs.

2. Policy Direction

- 2.1. It is the policy of the Waterloo Region District School Board to consider possible arrangements with municipalities, school boards, or other persons or bodies in the public or private sector, including arrangements of a long-term or cooperative nature, which would provide accommodation for the new elementary school pupils and new secondary school pupils who are resident pupils of the Board, subject to the following:

- 2.1.1. The arrangement must be proven to be cost effective and advantageous for the Board compared to other possible arrangements including acquisition of a school site and the construction of a free-standing structure;
 - 2.1.2. The arrangement shall comply with any guidelines issued by the Ministry of Education;
 - 2.1.3. The Board shall secure appropriate covenants and/or retain sufficient governance authority over the use of the facility to ensure that it is able to deliver the appropriate educational program to its students.
 - 2.2. While the Board will consider possible alternative accommodation arrangements, this is not a commitment of the Board to any specific project(s).
3. Expiry Date
- 3.1 This policy expires on June 1, 2021.