



quadrant advisory
group limited

Hamilton-Wentworth Catholic District School Board

Education Development Charges Background Study and Review of Education Development Charges Policies

Date: **March 18, 2019**



enhancing our living and
learning communities



FOREWORD

The following document fulfills section 257.61 of the Education Act which states “before passing an education development charge by-law, the board shall complete an Education Development Charges Background Study”. The following document contains the Education Development Charge (EDC) Background Study report for the Hamilton-Wentworth Catholic District School Board (HWCDSB).

The following document also contains the background report pertaining to a “Review of the Education Development Charges Policies” of the HWCDSB, consistent with the legislative requirements to conduct a review of the existing EDC policies of the Board prior to consideration of adoption of a successor EDC by-law.

Finally, this report includes a copy of the proposed EDC by-law which designates the categories of residential and non-residential development, as well as the uses of land, buildings and structures on which EDCs shall be imposed, in specifying the areas in which the established charges are to be imposed.

On October 12, 2018 the Province of Ontario passed O. Reg. 438/18 prohibiting school boards from enacting successor EDC by-laws that would impose any EDC rates higher than the current in-force by-law rates (which will be referred to as Interim By-law or ‘capped’ rates in this report), until such time as the Province has had an opportunity to review the EDC legislation. In the interim, this Background Study report and recommended EDC rates reflect the charges necessary to fund the net education land costs over the next 15 years. Any shortfalls in funding arising from the adoption of Interim By-law rates, or ‘capped’ rates, will have to be made up either from higher EDC rates in future or from provincial grants.

ACKNOWLEDGEMENTS

The consultants wish to acknowledge, with appreciation, the efforts of the school board staff in providing invaluable assistance throughout the study process.

Further, the consultants wish to acknowledge the assistance of Mr. Thomas Lazier, Ross & McBride LLP, legal counsel for the HWCDSB on education development charge matters; the expertise provided by Mr. Matt Van Huizen of Jacob Ellens & Associates Inc., on matters dealing with site valuation; as well as Tim Uyl, Vice President of Paradigm Shift Technology Group Inc. (PSTGI) for his company’s assistance in the development of the student enrolment projections and review area mapping.

The contents of this report, including the formats, spreadsheet models and model outcomes are the property of Quadrant Advisory Group Limited. The content may not be copied, published, distributed, downloaded, transmitted or converted, in any form, or by any means, electronic or otherwise, without the prior written permission of Quadrant Advisory Group Limited.

Contents

CHAPTER 1 - INTRODUCTION.....	1
1.1 Legislative Background.....	1
1.2 Hamilton-Wentworth Catholic District School Board EDC By-law	2
1.3 Policy Review Process and By-law Adoption Consultation Requirements	2
1.4 Legislative Requirements to Adopt a New EDC By-law	6
1.5 Eligibility to Impose Education Development Charges and Form A.....	7
1.6 Background Study Requirements.....	8
1.7 EDC Study Process.....	9
CHAPTER 2 - METHODOLOGICAL APPROACH	11
2.1 Planning Component.....	11
2.2 Financial Component:	14
CHAPTER 3 - JURISDICTION OF THE BOARD.....	17
3.1 Legislative Provisions	17
3.2 Analysis of Pupil Accommodation Needs by “Review Area”	17
CHAPTER 4 - RESIDENTIAL/NON-RESIDENTIAL GROWTH FORECAST	23
4.1 Background	23
4.1.1 Refining the Forecast of Net New Units.....	24
4.1.2 Forecast of Non-residential Gross Floor Area.....	24
4.2 Legislative Requirements.....	25
4.3 Residential Growth Forecast and Forms B and C	26
4.3.1 Historical Building Completions.....	26
4.3.2 Methodological Approach	28
4.3.3 Net New Units and Forms B and C.....	29
4.4 Non-Residential Growth Forecast and Form D	29
CHAPTER 5 - DEMOGRAPHIC TRENDS AND FUTURE ENROLMENT EXPECTATIONS	33
5.1 Demographic and Enrolment Trends.....	33
5.1.1 Overview	33
5.1.2 Population and Housing	34
5.1.3 Enrolment Overview and Apportionment.....	36
5.2 15-year Student Enrolment Projections and Projections of Pupil Accommodation Needs	36
5.2.1 Methodology.....	36

CHAPTER 6 - SITE REQUIREMENTS AND VALUATION	45
6.1 Legislative Requirements.....	45
6.2 Increased Site Size Requirements	47
6.3 Site Requirements.....	47
6.4 Land Valuation Approach for School Sites.....	48
6.5 Determining Site Acquisition Needs in Respect of Net Education Land Costs	48
6.6 Land Escalation over the Forecast Period.....	49
6.7 Site Preparation/Development Costs	50
CHAPTER 7 - EDUCATION DEVELOPMENT CHARGE CALCULATION	53
7.1 Growth Forecast Assumptions	53
7.2 EDC Pupil Yields.....	53
7.3 Determination of Net Growth-Related Pupil Place Requirement.....	54
7.4 Approved Capital Cost Per Pupil.....	56
7.5 Net Education Land Costs and Forms E, F and G	56
7.6 EDC Accounts	57
7.7 Cash Flow Analysis and Forms H1 and H2.....	61
7.8 Non-Residential Share.....	66
7.9 Education Development Charges.....	66
APPENDIX A - EDC SUBMISSION 2019.....	A-1
APPENDIX B - DRAFT EDC BY-LAW	B-1
APPENDIX C - BACKGROUND DOCUMENT PERTAINING TO A REVIEW OF THE EDUCATION DEVELOPMENT CHARGES POLICIES OF THE HAMILTON- WENTWORTH CATHOLIC DSB.....	C-1
C.1 HWCDSB Existing EDC By-law in the City of Hamilton-Wentworth.....	C-1
C.2 Overview of EDC Policies	C-1
C.3 Summary of By-law Appeals, Amendments and Complaints.....	C-15

Hamilton-Wentworth Catholic District School Board— 2019 Education Development Charge Background Study

EXECUTIVE SUMMARY

The purpose of this report is to provide background information with respect to the calculation of the Hamilton-Wentworth Catholic District School Board's (HWCDSB) Education Development Charges (EDCs) to be implemented in a new EDC by-law (subject to the Interim By-law provisions established by O. Reg. 438/18). The Board will seek input from the public, hold public meetings on Tuesday April 2, 2019 and give consideration to the public submissions prior to passage of education development charges proposed for Tuesday May 7, 2019.

On August 26, 2014 the HWCDSB adopted Education Development Charges By-law 14-1 implementation of the following rates as of August 31, 2014:

\$ 885.00 per residential dwelling unit, and

\$ 0.34 per square foot of non-residential gross floor area

and based on 85% recovery of net education land costs from new residential development.

The existing by-law is scheduled to expire on August 30, 2019 (given that the HWDSB by-law expires on August 30, 2019 and therefore establishes the earliest expiry date for the co-terminous Hamilton boards). Further, section 257.56 of the *Education Act* stipulates that an EDC by-law does not come into force before the 5th day after the date of by-law passage by the Board. Therefore, in order to ensure the continuation of education development charges as a source of funding growth-related student accommodation needs, the HWCDSB must adopt a successor by-law or by-laws no later than Friday August 23, 2019. However, the HWCDSB and Hamilton-Wentworth Catholic DSB (HWCDSB) are proposing to implement successor EDC by-laws on Monday July 1, 2019.

The primary purpose of any Board in implementing education development charges is to provide a source of funding for growth-related education land costs which are not funded by capital grant allocations under the Province's capital funding model.

EDCs may be set at any level, provided that:

- The procedures set out in the Regulation and required by the Ministry are followed and only growth-related net education land costs are recovered; and,
- No more than 40% of the applicable cost is financed via non-residential development (including non-exempt commercial, industrial and institutional development).

The EDC calculation is based on new pupils generated by new dwelling units within the City of Hamilton for which:

- building permits will be issued over the fifteen-year forecast period mid-2019 to mid-2034;
- students generated by new housing development who are accommodated in temporary capacity awaiting funding approval, construction & opening of new school spaces (it is noted that EDC revenue derived from the construction and subsequent occupation of this new housing development is sitting in the EDC account in anticipation of the acquisition and development of additional growth-related lands¹);
- additional land or site development costs are required to meet these growth-related student accommodation needs; and
- education development charges may be imposed on the new dwelling units (i.e. those that are not statutorily exempted from the payment of EDCs).

KEY EDC STUDY COMPONENTS

In determining what level of education development charges are necessary to fund future growth-related school site needs, the following key questions must be explored and answered:

- How many new housing units are expected to be constructed over the 15 years following by-law adoption and how many additional HWCDSB students will be generated by these new housing units;
- How many pupil places owned and operated by the HWCDSB are surplus to existing community enrolment needs, and therefore available to accommodate the new housing development within reasonable proximity to the new development (i.e. students' resident areas), over the long term;
- What portion of the Board's OTG capacity is being used to temporarily accommodate students generated by new housing development and for which a permanent accommodation has not yet been constructed (i.e. transitional site requirements);
- How much will it cost to acquire and service the land necessary to construct the additional pupil places necessitated by new housing development, and;
- How does the land acquisition strategy outlined in this report align with the Board's long-term capital plans and future Capital priority funding requests?

ELIGIBILITY TO ADOPT A SUCCESSOR EDC BY-LAW

In order to be eligible to adopt a successor EDC by-law the HWCDSB must demonstrate that it will either have a deficit in the EDC account as of June 30, 2019, or average enrolment over the next by-law period will exceed school capacity on either the elementary or secondary panel. The HWCDSB

¹ The EDC Guidelines (section 2.3.8 (1)) state that the determination of growth-related net education land costs 'may include school sites considered under a previous by-law but not yet acquired'.

is expected to have secondary enrolment in excess of capacity, as well as a deficit in the EDC account. As such, the HWCDSB qualifies to adopt a successor EDC by-law.

FORECASTING DEVELOPMENT

A forecast of new dwelling units and the projected number of HWCDSB students to be generated by new housing development in the area in which EDCs are to be imposed, over the 15-year forecast period, were derived from a consideration of:

- A review of the ‘Vacant Residential Land Area & Unit Potential, June 2018’ by former Regional municipality and Staging of Development Report 2017 Update Appendix “B”;
- City of Hamilton September 13, 2018 Growth Forecast prepared by Watson & Associates Economists Ltd. (population and housing) as part of the 2019 Development Charge Study, as the basis for the mid-2019 to mid-2031 forecast period;
- A review of the City of Hamilton Residential Land Needs Technical Working Paper, November 2016 as the basis for the mid-2031 to mid-2034 forecast period;
- The 2031A Growth Plan population forecasts as part of the Urban Hamilton Official Plan;
- Review of a draft 15-year EDC housing forecast during a July 24, 2018 meeting with City representatives, along with consideration of additional materials provided by the City of Hamilton;
- Downtown Hamilton Secondary and Planning and Design studies related to redevelopment and intensification;
- A review of the change in occupied dwellings by Census Tract;
- Development phasing data provided by the HWCDSB and the HWDSB; and,
- Historical housing completion data for the City of Hamilton.

A spatial matching of the HWCDSB elementary and secondary school attendance boundaries against development applications specifying dwelling unit type and location was undertaken in order to determine how many pupils would be generated by additional housing development. Board-specific pupil yields were applied to the forecast of new residential units within each school catchment area to determine how new residential development would impact future enrolment of individual HWCDSB schools.

The EDC 15-year housing forecast suggests that an additional 51,301 net new occupied dwelling units will be added to the existing housing stock in the City of Hamilton over the next fifteen years, at an average of 3,420 units per annum. Of the net additional dwelling units, approximately 33% are anticipated to be low density (single and semi-detached), 32% medium density (row houses, back-to-back townhouses, etc.), and the remaining 35% high density apartment units and stacked townhouses. The EDC housing forecast is net of demolitions and statutory exemptions.

The forecast of non-residential development is based on the following background information:

- City of Hamilton September 13, 2018 Growth Forecast prepared by Watson & Associates Economists Ltd. (employment and non-residential GFA) as part of the 2019 Development Charge Study, as the basis for the mid-2019 to mid-2031 forecast period, and interpolated for the mid-2031 to mid-2034 forecast period;
- A review of the 2008 to 2015 building permit data to determine what percentage of the industrial, commercial and institutional development would be exempted from the payment of education development charges.

The projection of additional non-residential gross floor area (GFA) over the 15-year forecast period (28,662,917 million additional square feet of “net” gross floor area) is applied to the portion of the net education costs that the HWCDSB intends to recover from non-residential development.

FORECASTING STUDENT ACCOMMODATION NEEDS

Consultant-prepared 15-year school enrolment projections are used to determine the number of growth-related school sites required as a result of anticipated enrolment growth within the Board’s jurisdiction. This enrolment growth may include holding pupils (i.e. growth-related pupils held in temporary capacity awaiting the construction of new pupil places) accounted for within their resident community and additional pupils to be generated by new dwelling units over the next 15 years. The information respecting projected enrolment and growth-related site needs is compared to, and aligned with, the Board’s long-term capital priority needs.

All elementary enrolment projections are “headcount enrolment” as this is reflective of the Provincial 2010 initiative respecting full-day kindergarten. Secondary enrolments are reflective of “average daily enrolment.” In addition, for the purpose of education development charges, the enrolment projections are prepared from the perspective of accommodating pupils in their home school areas over the long term (i.e., holding situations outside of the review area are transferred back to their resident area, and students from new housing development are presumed to be accommodated within their resident area over the long term) where the board anticipates the construction of additional pupil places to serve new housing development.

The derivation of by-school and by-grade enrolment projections consists of two distinct methodological elements. The first follows a retention rate approach to determine how the existing pupils of the Board (i.e. pupils residing in existing housing within the Board’s jurisdiction, as well as any pupils who reside outside of the Board’s jurisdiction and currently enrolled in schools operated by the Board) would move through each grade and transition from the elementary to the secondary panel, including any shifts in apportionment moving from elementary to secondary school programs (i.e. picking up or losing students to a co-terminous school board or the independent school system). This element of the enrolment projection methodology is known as the “**Requirements of the Existing Community.**” The EDC Regulation does not specifically require a school board to prepare a projection of Existing Community enrolment. Some of these pupils attend schools where temporary holding spaces have been provided in anticipation of the construction of new pupil places in their resident area, once capital funding approval is provided by the Province.

The length of time between the issuance of a building permit to construct a new home and the construction/opening of new pupil places necessary to serve new housing development is exacerbated under the current capital funding model, when compared to the NPP funding model that was in place when the existing EDC legislation was enacted. Increased high-density and residential development derived from intensified land uses further lengthens the time between building permit issuance and housing occupancy. Finally, the length of time necessary to accumulate sufficient pupils to warrant the construction of additional school capacity is further exacerbated where the pupils per household is low (e.g. the number of pupils required to fill a French-language school takes longer to materialize than an English-language school), or there is a delay in capital approvals to construct new pupil places (due to limited capital funding dollars; capital or consolidation moratoriums delaying the fulfillment of board-approved accommodation strategies).

As stated, the EDC Regulation does not specifically require a school board to prepare Existing Community enrolment projections, nor does it require a school board to count any existing capacity (temporary or permanent capacity) against the accommodation needs of enrolment generated from new housing development (provided that the school board had an EDC by-law in place at the time and that by-law recognized a need to acquire additional land to serve these growth-related pupil place requirements), where these growth-related pupils are awaiting the construction of additional capacity within their resident area. In other words, the school board is entitled to assume that these pupils have no long-term accommodation solution as yet and that the EDC funds generated by the construction of their associated new housing development is to be used to pay for the acquisition and development of the school sites necessary to build the additional school capacity. However, the EDC Guidelines contemplate the preparation of Existing Community enrolment projections in order to better understand growth-related land needs in the context of longer-term student accommodation strategies of the board.

The second part of the enrolment projection exercise is to determine how many pupils would be generated by additional housing development over the 15-year forecast period, and what portion of these pupils would potentially choose to attend schools of the Board. This element of the enrolment forecasting exercise is known as the “**Requirements of New Development.**”

The EDC Guidelines require that each projection element be examined separately and subsequently combined to determine total projected enrolment. The methodological approach to each element is examined in depth in Chapter 5.

Finally, the EDC Guidelines require that school boards use School Facilities Inventory System (SFIS) On-the-Ground (OTG) capacities, rather than functional capacities (which have a higher facility utilization factor) as the basis for determining available and accessible pupil places for EDC purposes.

The analysis undertaken in this background study is designed to ensure that the recovery of net education land costs is consistent with the longer-term capital priorities of the board, and that EDC collections match EDC expenditure requirements over time.

The capacity of the elementary and secondary facilities in the Board's existing inventory is reflective of the On-the-Ground (OTG) capacities approved by the Ministry for EDC purposes, including any permanent capacity that is in the design/construction process and is expected to open within the 2019/2020 school year.

The jurisdiction-wide mid-2019 to mid-2034 projections of enrolment indicate that, for the HWCDSB, the number of elementary pupils will increase by 4,389 (18,860 to 23,249) and secondary pupils will increase by 1,771 (10,195 – 11,965) students on a jurisdiction-wide basis.

Detailed student enrolment projections for each school are found in Appendix A.

The 15-year housing forecast has been attributed to each elementary and secondary school based on the location of proposed residential development vis-à-vis the school attendance boundaries approved by the Board. The Requirements of New Development, or ROND, is therefore determined on a school-by-school basis. The individual schools impacted by new housing development are subsequently reviewed to determine their ability to accommodate additional student enrolment from new development. Where it is determined that there is a need to acquire additional land to accommodate enrolment growth; the number of additional pupil places required, along with the potential cost to acquire and service the lands; is the key determinant to establishing projected net education land costs.

The determination of net growth-related pupil places (NGRPP) and associated growth-related site needs reflect:

- projected 2019 to 2034 enrolment growth within each of the 4 elementary and 1 secondary review areas, taking into consideration housing development by school and the extent to which individual school enrolment will be affected by that development, as well as;
- attribution of site sizes for new school sites based on the standards established by the Board;
- Site costs and site preparation/development costs reflect a combination of the Board's site acquisition experiences and appraisal research recently undertaken by Jacob Ellens & Associates Inc. on the Board's behalf.

REQUIREMENT TO ADOPT AN INTERIM EDC BY-LAW

On October 12, 2018 the Province of Ontario enacted O. Reg. 438/18 prohibiting school boards from enacting successor EDC by-laws that would impose any EDC rates higher than the current in-force by-law rates (referred to as Interim By-law or capped rates in this report), until such time as the Province has had an opportunity to review this legislation. In the interim, this Background Study report and recommended EDC rates reflect the charges necessary to fund the net education land costs over the next 15 years, regardless of the legislated rate 'cap'.

Other changes made with the enactment of O. Reg. 438/18 include:

- Several policy decisions that were the purview of Trustees as part of the EDC by-law adoption process have been restricted in the legislation – that is:
 - No ability to make changes in the residential/non-residential shares
 - No ability to consider the adoption of differentiated residential rates

where the policy decisions would result in an increase the EDC rates beyond the August 31, 2018 charges;

- No ability to consider the adoption of area specific charges
- EDC boards no longer have to adopt resolutions respecting any operating surplus or alternative accommodation arrangements that could be used to reduce the charge
- EDC boards aren't required to provide an explanation in the EDC Submission if they remove any available and surplus capacity from the calculation (e.g. spaces being used as temporary holding)

In the interim EDC boards with by-laws expiring prior to Fall of 2019 are proceeding to prepare EDC Background studies in order to determine the difference between the 'Interim By-law capped' rates and the 'calculated rates' necessary to recover 100% of the growth-related net education land costs. EDC boards are following the same process respecting stakeholder consultation and conducting public meetings, as well as seeking Ministry approval of the 15-year enrolment projections and number of school sites underlying the 'calculated rates'. Generally, EDC boards will seek to adopt 5-year by-laws with a view to amending the by-laws to increase the charges once the Provincial review is complete. Boards may need to keep track of the EDC funding shortfall during the period that 'capped' rates are in place. There is no directive at this time as to how the funding shortfall will be met: increased EDC rates, or provincial funding. Finally, any delay in funding approvals to construct new pupil places necessitated by enrolment pressures increases the level of temporary holding required and potentially the shortfall in EDC funding if this growth-related need is not built into future EDC rates.

RESULTING PROPOSED EDC RATES

As a result of undertaking all of the necessary research and completing the EDC submission, the proposed education development charge for the Hamilton-Wentworth Catholic DSB, where 85% of the costs are recovered from residential development, is as follows:

\$ 1,101 per residential dwelling unit

\$ 0.35 per square foot of non-residential gross floor area

This is in comparison to the \$885 per residential dwelling unit and \$0.34 per square foot on non-residential gross floor area adopted as part of the 2014 EDC by-law adoption process.

While the calculated EDC by-law rates are based on 85% residential recovery, and the Board may choose to retain this approach or may elect to allocate a different percentage of the charge to non-residential development (a minimum of 0% up to a maximum of 40%), but only after the Ministry of Education has completed a review of this legislation.

The EDC forms for the Board were submitted to the Ministry of Education for approval, on March 6, 2019. Ministerial approval of the submission is required prior to by-law adoption.

In the event that the School Board chooses to enact a by-law levying education development charges on non-residential development (i.e. once the legislative cap is lifted), then the by-law will take substantially the form set out in Appendix B. The range of possible charges depends on the Board's choice of the percentage of the growth-related net education land cost that is to be funded by charges on residential development and the percentage, if any, that is to be funded by charges on non-residential development. The percentage that is to be funded by charges on non-residential development shall not exceed 40 percent, according to section 7, paragraph 8 of Regulation 20/98. The range of possibilities for the Board is set out below:

HAMILTON-WENTWORTH CATHOLIC DSB Proposed EDC Rates		
Non-Residential Share	Residential Rate	Non-Residential Rate
0%	\$1,295	\$0.00
5%	\$1,231	\$0.12
10%	\$1,166	\$0.23
15%	\$1,101	\$0.35
20%	\$1,036	\$0.46
25%	\$971	\$0.58
40%	\$777	\$0.93

CHAPTER 1 - INTRODUCTION

1.1 Legislative Background

Education development charges (EDCs) are charges which may be levied by a Board on residential, industrial, commercial and institutional development (excluding municipal, school, specified residential additions to existing units and replacement dwellings, as well as specific exemptions for industrial expansions of gross floor area and replacement non-residential development) pursuant to Division E of Part IX of the *Education Act*.

The charges relate to the net education land cost of providing additional land (school sites and/or site development costs) for growth-related pupils. Net education land costs are defined by the legislation to be:

- Costs to acquire land, or an interest in land, including a leasehold interest, to be used by the board to provide pupil accommodation;
- Costs to provide services to the land or otherwise prepare the site so that a building or buildings may be built on the site to provide pupil accommodation;
- Costs to prepare and distribute the EDC background studies;
- Interest on money borrowed to pay for land acquisition and site servicing;
- Costs to undertake studies in connection with land acquisition.

The HWCDSB EDC charges are collected at building permit issuance by the City of Hamilton, implementing the provisions of the Board's education development charge by-law.

Education development charges are the primary source of funding site acquisition needs for a school board experiencing growth within their jurisdiction.

Section 257.54 of the *Education Act* allows a board to "pass by-laws for the imposition of education development charges" if there is residential development in the jurisdiction of a board that would increase education land costs.

However, education development charges as a means of financing site acquisition costs are only available to boards who qualify under the legislation. To qualify, the Board's average projected enrolment over the five-year by-law period must exceed permanent capacity at the time of by-law passage on either the elementary or secondary panel, for the entire Board jurisdiction, or alternatively, the Board must demonstrate that it has an existing unmet financial need.

Further, Section 257.70 of the *Education Act*, enables a board to "pass a by-law amending an education development charge by-law." A by-law amendment allows a board the opportunity to assess circumstances where actual expenditures exceed cost estimates, to ensure full cost recovery and deal with short term cash flow shortfalls. If, for instance, recent site acquisition or site development costs are higher or lower than estimated in the existing by-law calculation, an amendment could be undertaken to incorporate these increased or decreased costs into the EDC rate structure(s). The same is true for by-law renewal, in that the transitional EDC account analysis

determines the relationship between EDC revenue raised and site acquisition/site development needs generated by enrolment growth. By-law amendment and renewal requires a reconciliation of the EDC account under section 7(5) of O. Reg. 20/98.

1.2 Hamilton-Wentworth Catholic District School Board EDC By-law

The Hamilton-Wentworth Catholic District School Board (HWCDSB) has imposed education development charges since 1999 under the legislative authority of the *Education Act*, R.S.O., 1990. In each of 1999, 2004, 2009 and 2014, the HWCDSB adopted jurisdiction-wide EDC by-laws that applied to the entire City of Hamilton. While the Board has historically had the legislative authority to consider the adoption of multiple area-specific by-laws, the total EDC rates by residential and non-residential development are lower when averaged across the jurisdiction.

1.3 Policy Review Process and By-law Adoption Consultation Requirements

In order to consider the adoption of a new EDC by-law, the Board must first undertake a review of its existing EDC policies, in accordance with the legislation. Section 257.60 sub-section (1) of the *Education Act* states that:

“Before passing an education development charge by-law, the board shall conduct a review of the education development charge policies of the board.”

Sub-section (2) goes on to state that:

“In conducting a review under subsection (1), the board shall ensure that adequate information is made available to the public, and for this purpose shall hold at least one public meeting, notice of which shall be given in at least one newspaper having general circulation in the area of jurisdiction of the board.”

As the Board has an existing EDC by-law in place, this section, therefore, has the effect of requiring a minimum of two public meetings to be held as part of consideration of a new education development charge by-law. The HWCDSB intends to conduct policy review, successor by-law EDC public meetings and by-law adoption meetings.

The purpose of the first public meeting is to ensure that adequate information is made available to the public relative to the Board’s review of the education development charge policies of the Board. This meeting will be held Tuesday April 2, 2019 at 5:00 PM at the HWCDSB Boardroom located at 90 Mulberry Street in Hamilton. Information respecting a review of the Board’s EDC policies is being made available to the public as part of this document. This information is titled, “Background Document Pertaining to a Review of the Education Development Charge Policies of the Hamilton-Wentworth Catholic District School Board” and is found in Appendix C of this document.

The Hamilton-Wentworth Boards met with development community stakeholders on September 10, 2018 and February 20, 2019 to review the basis for the proposed charges and to invite any comments.

The scheduling of the second public meeting requires that the proposed by-law and the new education development charge background study are made available to the public at least two weeks prior to the meeting, and to ensure that any person who attends the meeting “may make representations relating to the by-law” (s.257.63(2)). This meeting is also scheduled for Tuesday April 2, 2019 immediately following the 5:00 PM public meeting, and will also be held at the HWCDSB Board offices.

Finally, the HWCDSB Board is expected to consider the adoption of a new education development charge by-law on Tuesday May 7, 2019 5:00 PM at the HWCDSB Boardroom located at 90 Mulberry Street, Hamilton.

A copy of the “Notice of Public Meetings” is set out on the following page, followed by a summary table of the adopted EDC rates for all Boards with in-force EDC by-laws.



Hamilton-Wentworth Catholic District School Board
Believing, Achieving, Serving

**HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
NOTICE OF PUBLIC MEETINGS
EDUCATION DEVELOPMENT CHARGES
CITY OF HAMILTON**

**FIRST MEETING – POLICY REVIEW
TUESDAY, APRIL 2, 2019 @ 5:00 PM**

Father Kyran Kennedy Catholic Education Centre, 90 Mulberry Street, Hamilton

TAKE NOTICE that on April 2, 2019, the Hamilton-Wentworth Catholic District School Board will hold a public meeting pursuant to Section 257.60 of the *Education Act* at the location shown above. The purpose of the meeting will be to review the current education development charge policies of the Board and to solicit public input. Any person who attends the meeting may make a representation to the Board in respect of the policies. The Board will also consider any written submissions.

**SECOND MEETING – SUCCESSOR BY-LAW
TUESDAY, APRIL 2, 2019 @ 5:30 PM**

Father Kyran Kennedy Catholic Education Centre, 90 Mulberry Street, Hamilton

AND FURTHER TAKE NOTICE that on April 2, 2019, the Hamilton-Wentworth Catholic District School Board will hold a second public meeting at the same location. This meeting will be held pursuant to Section 257.63 of the *Education Act*. The purpose of the second public meeting is to consider the continued imposition of education development charges and a successor by-law and to inform the public generally about the Board's education development charge proposal. Any person who attends the meeting may make a representation to the Board in respect of the proposal. The Board will also consider any written submissions. All submissions received in writing and those expressed at the public meeting will be considered prior to the enactment of the education development charge by-law. On Tuesday, May 7, 2019, the Board will consider the enactment of a by-law imposing education development charges in the City of Hamilton. The education development charge background study required under Section 257.61 of the Act (including the proposed EDC by-laws) together with the policy review analysis required under Section 257.60 of the Act will be available on March 18, 2019 at the Board's administrative offices during regular office hours and on the Board's website at www.hwcdsb.ca.

**THIRD MEETING – IN CONSIDERATION OF BY-LAW ADOPTION
TUESDAY MAY 7, 2019 @ 5:00 PM**

Father Kyran Kennedy Catholic Education Centre, 90 Mulberry Street, Hamilton

AND FURTHER TAKE NOTICE that on Tuesday, May 7, 2019, the Hamilton-Wentworth Catholic District School Board will hold a third public meeting at the location shown above. The purpose of this meeting is to allow the Board to consider the enactment of a successor EDC by-law that will apply to development in the City of Hamilton. Any person who attends the meeting may make a representation to the Board in respect of this matter. Written submissions, filed in advance of the meeting, will also be considered.

All interested parties are invited to attend the public meetings. The Board would appreciate receiving written submissions one week prior to the public meetings so that they may be distributed to trustees prior to the meetings. Submissions and requests to address the Board as a delegation should be submitted to:

Hamilton-Wentworth Catholic District School Board
Attention: Mrs. Paola Pace-Gubekjian, Associate Director of Corporate Services
90 Mulberry Street Hamilton, Ontario L8N 3R9
Tel: 905-525-2930, Ext. 2309, Fax: 905-525-2914, Email: pacep@hwcdsb.ca

Any comments or requests for further information regarding this matter may be directed to the Board officials noted above.

Patrick J. Daly
Chairperson of the Board

David Hansen
Director of Education

EDUCATION DEVELOPMENT CHARGE BY-LAWS IN THE PROVINCE OF ONTARIO

Board	Effective Date of By-law	By-law Term	Area to which By-law Applies	Type of Charge ³	Res. Charge/ Unit	Non-Res. Charge/ Sq. Ft. of G.F.A.	% of Charge Attributed to Residential Development	% of Charge Attributed to Non-Residential Development
Algonquin & Lakeshore Catholic DSB	Oct-17	5 yrs	City of Kingston	A/S	\$254	\$0.00	100%	0%
Brant Haldimand Norfolk Catholic DSB	Oct-18	5 yrs	City of Brantford, County of Brant	A/S J/W/τ	\$912	\$0.00	100%	0%
Conseil des écoles publiques de l'Est de l'Ontario	Apr-14	5 yrs	City of Ottawa	J/W/τ	\$423	\$0.22	85%	15%
Conseil des écoles publiques de l'Est de l'Ontario	Mar-15	5yrs	United Counties of Prescott and Russell	J/W/τ	\$444	\$0.00	100%	0%
Conseil des écoles catholiques du Centre-Est ¹	Jan-16	5 yrs	City of Ottawa	J/W/τ	\$718	\$0.53	20%	80%
Dufferin-Peel Catholic DSB	Jun-14	5 yrs	Peel Region	J/W/τ	\$1,343	\$0.56	75%	25%
Durham Catholic DSB	May-14	5 yrs	Durham Region (excl. Clarington)	J/W	\$786	\$0.00	100%	0%
Durham DSB	May-14	5 yrs	Durham Region (excl. Clarington)	J/W	\$1,949	\$0.00	100%	0%
Greater Essex County DSB	May-14	5 yrs	City of Windsor	J/W/τ	\$305	\$0.00	100%	0%
Greater Essex County DSB	May-14	5 yrs	County of Essex and the Township of Pelee	J/W/τ	\$305	\$0.00	100%	0%
Halton Catholic DSB ²	Jul-18	1 yr	Halton Region	J/W	\$2,269	\$0.58	85%	15%
Halton DSB ²	Jul-18	1 yr	Halton Region	J/W	\$4,364	\$1.11	85%	15%
Hamilton-Wentworth Catholic DSB	Aug-14	5 yrs	City of Hamilton	J/W	\$885	\$0.34	85%	15%
Hamilton-Wentworth DSB	Aug-14	5 yrs	City of Hamilton	J/W	\$1,039	\$0.39	85%	15%
Kawartha Pine Ridge DSB	Jul-15	5 yrs	Clarington	A/S	\$1,028	\$0.24	90%	10%
Niagara Catholic DSB	Jun-15	5 yrs	fmr Lincoln County	J/W/τ	\$1,860	\$0.00	100%	0%
Niagara Catholic DSB	Jun-15	5 yrs	fmr Welland County	J/W/τ	\$172	\$0.00	100%	0%
Ottawa Catholic SB	Apr-14	5 yrs	City of Ottawa	J/W	\$466	\$0.34	80%	20%
Ottawa-Carleton DSB	Apr-14	5 yrs	City of Ottawa	J/W	\$723	\$0.52	80%	20%
Peel DSB	Jun-14	5 yrs	Peel Region	J/W	\$3,224	\$0.45	90%	10%
Peterborough, Victoria, Northumberland & Clarington Catholic DSB	Jul-15	5 yrs	Clarington	A/S	\$710	\$0.16	90%	10%
Simcoe Muskoka Catholic DSB	Oct-18	5 yrs	Simcoe County	J/W/τ	\$448	\$0.12	90%	10%
Simcoe County DSB	Oct-18	5 yrs	Simcoe County	J/W	\$1,311	\$0.35	90%	10%
Toronto Catholic DSB ²	Nov-18	1 yr	City of Toronto	J/W (with exempt areas)	\$1,493	\$1.07	75%	25%
Upper Grand DSB	Aug-14	5 yrs	Dufferin County	J/W/τ	\$832	\$0.00	100%	0%
Upper Grand DSB	Aug-14	5 yrs	Wellington County	J/W/τ	\$1,567	\$0.00	100%	0%
Waterloo Catholic DSB	Jun-16	5 yrs	Regional Municipality of Waterloo	J/W	\$653	\$0.32	80%	20%
Waterloo Region DSB	Jun-16	5 yrs	Regional Municipality of Waterloo	J/W	\$1,948	\$1.41	80%	20%
Wellington Catholic DSB	Aug-14	5 yrs	Wellington County	J/W	\$317	\$0.00	100%	0%
York Catholic DSB	Jul-14	5 yrs	York Region	J/W	\$991	\$0.17	90%	10%
York Region DSB ¹	Jul-14	5 yrs	York Region	J/W	\$5,416	\$0.90	90%	10%

¹ Amended Rates

- Conseil des écoles catholiques du Centre-Est - February 28, 2016 and York Region DSB - March 1, 2017

² Interim By-laws

- Halton DSB, HCDSB, TCDSB, BHNCDSB, SMCDSB and SCDSB

Updated November 2018

³ A/S = Area Specific; J/W = Jurisdiction-wide; τ = regional EDC rate

1.4 Legislative Requirements to Adopt a New EDC By-law

Section 257.54 of the *Education Act* states that “if there is residential development in the area of the jurisdiction of a board that would increase education land costs, the board may pass by-laws for the imposition of education development charges against land in its area of jurisdiction undergoing residential or non-residential development.”

In addition, section 257.61 requires that “before passing an education development charge by-law, the board shall complete an education development charge background study.”

Section 257.62 stipulates that “an education development charge by-law may only be passed within the one-year period following the completion of the education development charge background study.”

Section 10 of O. Reg 20/98 sets out “conditions that must be satisfied in order for a board to pass an education development charge by-law.” These conditions are:

1. The Minister has approved the Board’s estimates of the total new pupils over each of the fifteen years of the forecast period.
2. The Minister has approved the Board’s estimates of the number of school sites used by the Board to determine the net education land costs.
3. The Board has given a copy of the education development charge background study relating to the by-law (this report) to the Minister and each Board having jurisdiction within the area to which the by-law would apply.
4. The Board meets at least one of the following conditions:
 - Either the estimated average elementary or secondary enrolment over the five-year by-law period exceeds the respective total capacity that, in the Board’s opinion is available to accommodate pupils, throughout the jurisdiction, on the day that the by-law is passed, or
 - At the time of expiry of the Board’s last EDC by-law that applies to all or part of the area in which the charges would be imposed, the balance in the EDC account is less than the amount required to pay outstanding commitments to meet growth-related net education land costs, as calculated for the purposes of determining the EDCs imposed under that by-law.

The HWCDSB is eligible to adopt a successor EDC by-law given that the Board will have a deficit in the EDC account as of the day before the new by-law is proposed to be implemented, and is demonstrated in the following section.

1.5 Eligibility to Impose Education Development Charges and Form A

Form A of the EDC Submission set out below, demonstrates that the head count enrolment (i.e., includes full day kindergarten) over the proposed 5-year term of the EDC by-law (2019/2020 to 2023/2024), as measured in October and March of each academic year, is lower than the permanent capacity of the Board's existing inventory of school facilities, on the secondary panel. As a result, the HWCDSB meets the legislative "trigger" based on having enrolment in excess of capacity on either the elementary or secondary panels.

It is noted that the legislation allows the Board to utilize education development charges as a source of funding for additional site purchases due to enrolment growth on both panels (elementary and secondary), even if the Board meets the legislative "trigger" on only one panel.

However, there is a deficit balance in the HWCDSB EDC account in the order of \$14.0 million.

For the HWCDSB, the five year (2019/20 to 2023/24) average head count enrolment is 19,449 for the elementary panel and ADE average enrolment of 10,616 on the secondary panel. When these figures are compared to 20,880 permanent spaces in the Board's existing inventory of elementary facilities and 9,033 permanent spaces on the secondary panel, enrolment exceeds capacity on the secondary panel. In addition, the Board does qualify to adopt a successor by-law on the basis of having a deficit in the EDC account as of the day before the new by-law would come into force.

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD Education Development Charges Submission 2019 Form A - Eligibility to Impose an EDC

A.1.1: CAPACITY TRIGGER CALCULATION - ELEMENTARY PANEL

Elementary Panel Board-Wide Capacity	Projected Elementary Panel Average Daily Enrolment Headcount						Elementary Average Projected Enrolment less Capacity
	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Average Projected Enrolment Over Five Years	
20,880	18,919	19,236	19,497	19,673	19,922	19,449	-1,431

Board-wide Capacity reflects all Purpose-built Kindergarten rooms existing or approved for funding and loaded at 26 pupils per classroom

A.1.2: CAPACITY TRIGGER CALCULATION - SECONDARY PANEL

Secondary Panel Board-Wide Capacity	Projected Secondary Panel Average Daily Enrolment (ADE)						Secondary Projected Enrolment less Capacity
	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Average Projected Enrolment Over Five Years	
9,033	10,267	10,640	10,734	10,704	10,737	10,616	1,583

A.2: EDC FINANCIAL OBLIGATIONS (Estimated to June 30 2019)

Adjusted Outstanding Principal:	\$37,809,853
Less Adjusted EDC Account Balance:	\$23,829,001
Total EDC Financial Obligations/Surplus:	-\$13,980,852

1.6 Background Study Requirements

The following sets out the information that must be included in an education development charge background study and the appropriate chapter references from the enclosed report:

1. estimates of the anticipated amount, type and location of residential development for each year of the fifteen-year forecast period, as well as the anticipated non-residential forecast of gross floor area in the City of Hamilton - Chapter 4
2. the number of projected pupil places (Chapter 5) and the number of new sites and/or site development costs required to accommodate the projected pupil places. This may include school sites considered under a previous by-law but not yet acquired – Chapter 6
3. the number of existing pupil places available to accommodate the projected total number of new pupil places required in item #2 – Chapter 7 and Appendix A
4. for each school in the board's inventory, the number of existing pupil places and the number of pupils who attend the school, including holding pupils returned to their resident area if they board intends to accommodate them in their resident area over the long term – Appendix A
5. for every existing elementary and secondary pupil place in the board's jurisdiction that the board does not intend to use, an explanation as to why the board does not intend to do so – Chapter 7 (although this is no longer a legislative requirement)
6. estimates of the education land cost, the net education land cost, and the growth-related net education land costs required to provide the projected new pupil places in item #2, the location of the site needs, the acreage for new school sites, including the area that exceeds the maximum set out in section 2 of O. Reg. 20/98, and an explanation of whether the costs of the excess land are education land costs and if so, why - Chapter 6
7. the number of permanent pupil places the board estimates will be provided by the school to be built on the site and the number of those pupil places that the board estimates will be used to accommodate the new pupils in item #2 – Appendix A Form G summaries
8. 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 pupils in item #2, without imposing EDCs, or with a reduction in such charges; and a statement from the board indicating 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 (this is no longer a legislative requirement)

The HWCDSB has developed assumptions in the calculations on which its EDC by-law will be based. The legislation stipulates that an education development charge by-law may only be passed within the one-year period following the completion of the education development charge background study. This report, dated March 18, 2019 will be considered for receipt by the Board, as part of the meeting on June 10, 2019, which will also consider by-law adoption.

Further, this report will be forwarded to the Minister of Education and each co-terminous board, as per the legislative requirements.

1.7 EDC Study Process

Figure 1-1 provides an overview of the education development charge process to be followed when a board considers the adoption of its second (and any subsequent) EDC by-law under the *Education Act*, including the policy review process. The overview reflects the process in place prior to the announcement of the legislative review.

Figure 1-1
Overview of Education Development Charges Process and Proposed Timelines

PHASE ONE DETERMINING ELIGIBILITY	PHASE TWO ANALYSIS OF NGRELC ¹	PHASE THREE CONSIDERATION OF OTHER SOURCES TO MEET THE NEEDS	PHASE FOUR MINISTRY SUBMISSION	PHASE FIVE STAKEHOLDER CONSULTATION PROCESS	PHASE SIX BY-LAW ADOPTION & IMPLEMENTATION
A. Capacity Tagger Evaluation	A. 15-year Estimate of Amount, Type and Location of Residential Development and Non-Residential GFA Projections (net of statutory exemptions)	A. Board adopt Operating Surplus and Alternative Accommodation Policies & Statement of How Policies Implemented	A. Completion of Ministry Forms (EDC Submission)	A. Informal Public Consultation with Stakeholders	A. Liaison with Area Municipal Representatives re By-law Interpretation, Implementation & Collection Issues
B. EDC Account Analysis - determine sites proposed to be acquired & sites acquired, along with unfunded Net Education Land Costs	B. Prepare 15-year student enrolment projections - Existing Community Requirements plus Requirements of New Development	B. Determine Operating Budget Savings which Could be Applied to Reduce the Charge, if any	B. Complete Background Study and Forward to Ministry, Co-terminous Boards & Stakeholders who have provided notification	B. Conduct Public Meeting (s) including Policy Review Public Meeting	B. Board Consideration of Public Input and Calculation Revisions as necessary
C. EDC Financial Obligations Evaluation	C. Review Area Analysis to Determine Schools Impacted by New Housing Development	C. Preparation & Public Distribution of Policy Review document	C. Ministry of Education Review & Approval Process (40 business days review period)	C. Review of Public Submissions	C. Additional Public Meeting at Discretion of Board
	D. Forecast of Net Growth-related Pupils and Determine # of Sites, Site Expansions and/or Site development Costs by Location				D. By-law Adoption
	E. Estimate Growth-related Net Education Land Costs (net of any surplus EDC account funds)				E. By-law Implementation
	F. Apportion Costs between Residential and Non-residential Development (Board policy decision)				F. Notice of By-law Passage & Appeal Date, Preparation of EDC Pamphlet

1. NGRELC - Net growth-related Education Land Costs

PAGE LEFT INTENTIONALLY BLANK

CHAPTER 2 - METHODOLOGICAL APPROACH

The following chapter outlines the methodology utilized to undertake the background analysis which underlies the proposed education development charge.

There are two distinct aspects to the model. The first is the planning component, which is comprised primarily of the dwelling unit projections over a fifteen-year period, the pupil yield analysis, the determination of the requirements of new development, enrolment projections for the existing community (i.e. in order to derive total enrolment needs over the forecast period), the determination of net growth-related pupil places by review area and the identification of additional site requirements due to growth. The second component, which is the financial component, encompasses the determination of the charge (undertaken in the form of a cashflow analysis), including identification of the site acquisition, site development and study costs, projected expenditure timing, determination of revenue sources and assessment of borrowing impact.

A description of each step in the calculation process is set out below.

2.1 Planning Component

Step 1 - Determine the anticipated amount, type, and location of residential development over the 15-year period (i.e., building permits to be issued) and for which education development charges would be imposed during the mid-2019 to mid-2034 forecast period.

A forecast of new dwelling units in the area in which EDCs are to be imposed, over the 15-year forecast period, was derived giving consideration to:

- A review of the ‘Vacant Residential Land Area & Unit Potential, June 2018’ by former Regional municipality and Staging of Development Report 2017 Update Appendix “B”;
- City of Hamilton September 13, 2018 Growth Forecast prepared by Watson & Associates Economists Ltd. (population and housing) as part of the 2019 Development Charge Study, as the basis for the mid-2019 to mid-2031 forecast period;
- A review of the City of Hamilton Residential Land Needs Technical Working Paper, November 2016 as the basis for the mid-2031 to mid-2034 forecast period;
- The 2031A Growth Plan population forecasts as part of the Urban Hamilton Official Plan;
- Review of a draft 15-year EDC housing forecast during a July 24, 2018 meeting with City representatives, along with consideration of additional materials provided by the City of Hamilton;
- Downtown Hamilton Secondary and Planning and Design studies related to redevelopment and intensification;
- A review of the change in occupied dwellings by Census Tract;
- Development phasing data provided by the HWCDSB and the HWCDSEB; and,
- Historical housing completion data for the City of Hamilton.

A spatial matching of the HWCDSB elementary and secondary school attendance boundaries against development applications specifying dwelling unit type and location was undertaken in order to determine how many additional pupils would be generated by additional new housing development. Board-specific pupil yields were applied to the forecast of new residential units within each school catchment area to determine how new residential development would impact future enrolment.

A spatial matching of the HWCDSB elementary and secondary school attendance boundaries against development applications specifying dwelling unit type and location was undertaken in order to determine how many pupils would be generated by additional housing development. Board-specific pupil yields were applied to the forecast of new residential units within each school catchment area to determine how new residential development would impact future enrolment of individual HWCDSB schools.

The EDC 15-year housing forecast suggests that an additional 51,301 net new occupied dwelling units will be added to the existing housing stock in the City of Hamilton over the next fifteen years, at an average of 3,420 units per annum. Of the net additional dwelling units, approximately 33% are anticipated to be low density (single and semi-detached), 32% medium density (row houses, back-to-back townhouses, etc.), and the remaining 35% high density apartment units and stacked townhouses. The EDC housing forecast is net of demolitions and statutory exemptions.

The forecast of non-residential development is based on the following background information:

- City of Hamilton September 13, 2018 Growth Forecast prepared by Watson & Associates Economists Ltd. (employment and non-residential GFA) as part of the 2019 Development Charge Study, as the basis for the mid-2019 to mid-2031 forecast period, and interpolated for the mid-2031 to mid-2034 forecast period:
- A review of the 2008 to 2015 building permit data to determine what percentage of the industrial, commercial and institutional development would be exempted from the payment of education development charges.

The projection of additional non-residential gross floor area (GFA) over the 15-year forecast period (28,662,917 million additional square feet of “net” gross floor area) is applied to the portion of the net education costs that the HWCDSB intends to recover from non-residential development.

Step 2- The draft by-law structure is based on a jurisdiction-wide rather than an area-specific approach to the by-law structure. The policy reasons for this choice are outlined in Appendix C. The elementary and secondary review areas generally match the current attendance boundaries of each HWCDSB school (except where students permanently attend programs outside of the Review Area). Review Area boundaries continue to consider the accommodation of pupils in their resident areas over the longer term, as well as man-made barriers including major arterial roads, railway crossings and industrial areas, municipal boundaries, travel distances within the Board’s transportation policies, program requirements, etc., consistent with long term capital priorities of the Board.

Step 3 - Utilize the School Facilities Inventory information to determine the Ministry-approved OTG (On-the-Ground) capacities and the number of portables and portapaks (temporary space) for each existing elementary and secondary facility. Adjust the OTG capacity for pupil spaces to account for any changes to school capacity as result of community partnerships, child care initiatives, etc., and approved by the Ministry of Education as reductions to the SFIS OTG capacity.

Steps 4 through 6 - Determine the Board's projections of enrolment, by school, by grade, by program over the fifteen-year forecast period. Enrolment projections that distinguish the pupil requirements of the existing community (elementary to secondary retention, the number of future Kindergarten subscriptions, and the by-grade advancement of the existing student population) from the pupil requirements of new development (the number of pupils anticipated to be generated by new development within the Board's jurisdiction and over the next 15 years) were prepared by the consultants and reviewed by Board Planning staff. Finally, the enrolment analyses assume that any pupils temporarily accommodated outside of their resident attendance area in anticipation of the construction of new school capacity are returned to their resident area and form part of the growth-related accommodation needs where consistent with long term capital priorities.

Steps 7 and 9 - Determine the number of pupil places "available" to accommodate enrolment growth resulting from the construction of new housing development. The Board is entitled to exclude any available pupil places that in the opinion of the Board, could not reasonably be used to accommodate enrolment growth. Schools within each Review Area are distinguished between those that have and will be impacted by the future construction of additional homes within their attendance boundaries, from those that are not. The determination of 15-year growth-related needs aligns with the Board's longer-term student accommodation needs as well as Capital Priority funding requirements.

Subtract any available and surplus pupil places in existing facilities from Year 15 total enrolment, to determine the net growth-related pupil place requirements. Determine net growth-related pupil places by review area and within each review area in accordance with the timing and location of growth.

Step 8 - Complete Form A of the EDC Submission to determine eligibility to impose education development charges. This involves a detailed analysis of the EDC account and the need to provide a transaction history in accordance with the legislation, as well as the need to project the balance in the account as of the day prior to implementation of the successor EDC by-law.

Step 10 - Determine the number of additional school sites and/or site development costs required to meet the net growth-related pupil place needs and the timing of proposed expenditures. Where the needs can be met through additions to existing facilities and where no additional land component is required, no sites are identified. However, in the latter circumstances, there may be site development costs incurred in order to accommodate enrolment growth. These costs will be included in the determination of "growth-related net education land costs" where appropriate. In addition, the Board may acquire lands adjacent to existing school sites in order to accommodate enrolment growth. Finally, the acquisition of lands may be part of redevelopment strategies or may involve the acquisition of lands declared 'surplus' by co-terminous school boards, and may require replacement of outdated infrastructure if required by the municipality as part of site plan approval.

Where there are transitional growth-related costs – that is: the new school or addition has not been constructed as yet, but the Board has previously expended site acquisition and/or site preparation costs from the EDC account, there is a need to reduce the future net education land costs by the amount previously funded, in order to avoid any double counting.

Step 11 - Determine the additional sites or acreage required and the basis upon which the HWCDSB can acquire the lands.

2.2 Financial Component:

Step 1 - Identify the land acquisition costs (on a per acre basis) in 2019 dollars in accordance with the land valuations outlined in the appraisal report. Where purchase and sale agreements have been finalized, incorporate the agreed-upon price.

Step 2 - Identify site development, site preparation and applicable study costs specified under 257.53(2) of the *Education Act*.

Step 3 - Apply an appropriate indexation factor to site preparation/development costs to recognize increased labour and material costs over the 15-year forecast period. Apply an appropriate land escalation factor to site acquisition costs, over the term of the by-law (i.e. 5 years).

Step 4 - Determine what amounts, if any, should be applied to reduce the charge as a result of the following:

1. The Board's policy on alternative accommodation arrangements;
2. The Board's policy on applying any operating budget surplus to reduce net education land costs (although these two policies are no longer required under O. Reg.438/18);
3. Any surplus funds in the existing EDC account which should be applied to reduce the charge.

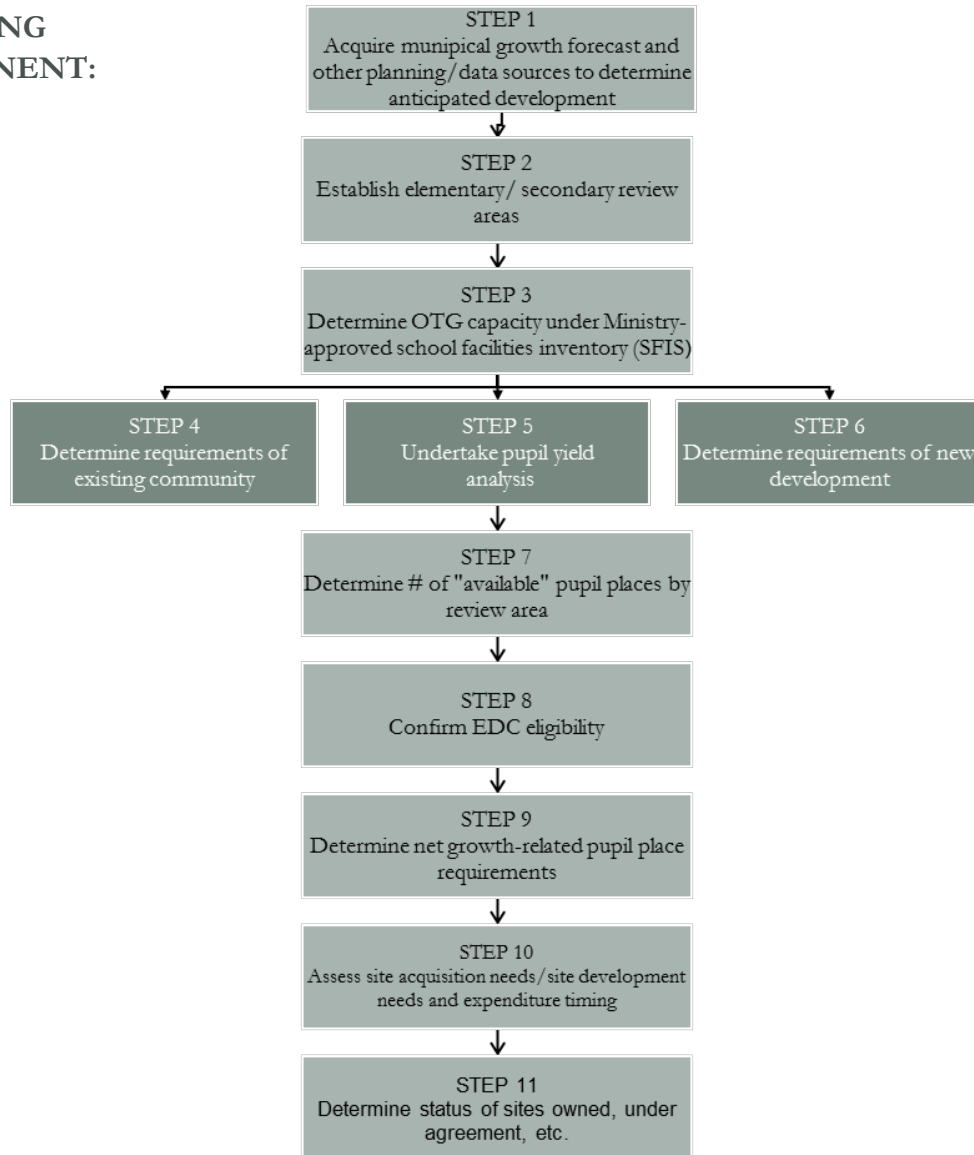
Or determine if there is a negative balance in the account that needs to be applied to the EDC rates derived for the following by-law period.

Step 5 - Determine the quantum of the charge (both residential and non-residential if the Board intends to have a non-residential charge), considering borrowing impact (particularly where there is a significant deficit EDC account balance) and EDC account interest earnings by undertaking a cashflow analysis of the expenditure program over the 15-year forecast period. The cashflow analysis is consistent with a line of credit repayment approach, specifying the interest rate to be paid and the payback period.

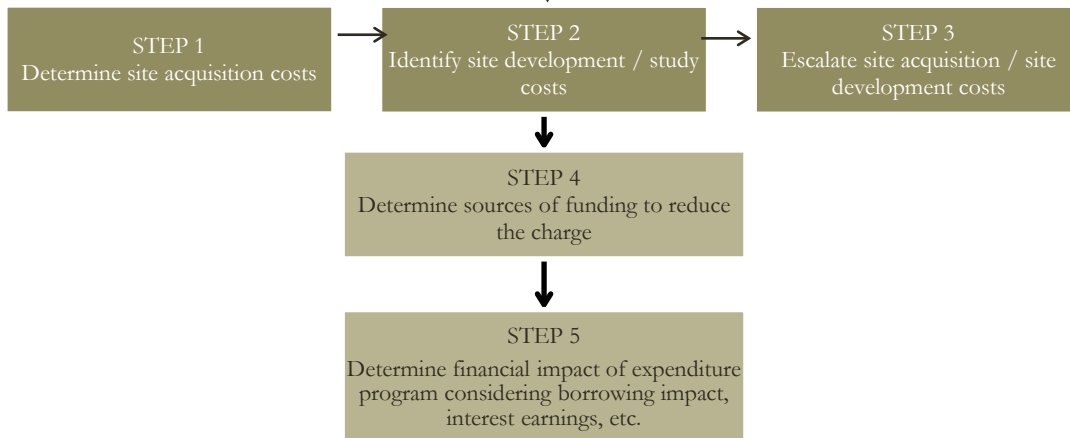
FIGURE 2-1

EDC METHODOLOGICAL APPROACH

PLANNING
COMPONENT:



FINANCIAL



¹Step 7 - Available pupil places, that, in the opinion of the Board, could reasonably be used to accommodate growth (section 7.3 of O. Reg 20/98 as amended)

PAGE LEFT INTENTIONALLY BLANK

CHAPTER 3 - JURISDICTION OF THE BOARD

3.1 Legislative Provisions

Section 257.54(4) of the *Education Act* states that “an education development charge by-law may apply to the entire area of the jurisdiction of a board or only part of it.”

Despite this, “an education development charge by-law of the board shall not apply with respect to land in more than one region” if the regulations divide the area of the jurisdiction of the board into prescribed regions.

Finally, “education development charges collected under an education development charge by-law that applies to land in a region shall not, except with the prior written approval of the Minister, be used in relation to land that is outside that region” and “money from an EDC account established under section 16(1) of O. Reg. 20/98 may be used only for growth-related net education land costs attributed to or resulting from development in the area to which the EDC by-law applies” (as amended by O. Reg. 193/10).

The determination of proposed EDC rates found within this report is based on a singular jurisdiction-wide by-law charging structure. Should the Board wish to consider area-specific EDC rates, a new background study, Ministry approval process and public consultation process would be required.

Maps 3-1 and 3-2 found at the end of this chapter, outline the geographic jurisdiction analyzed in this EDC Background report and the elementary and secondary Review Areas used to determine growth-related education land costs.

3.2 Analysis of Pupil Accommodation Needs by “Review Area”

In order to attribute the number of pupil places that would be “available and accessible” to new development, within the areas in which development occurs, the Board’s jurisdiction has been divided into sub-areas, referred to in the EDC submission as “Review Areas.” Within each Review Area, schools are distinguished between those that have been, and will be impacted by new housing development requiring the construction of additional pupil places and those that are not. This distinction reflects school boards’ intention to accommodate students within their resident area over the longer term, where appropriate. The separation of growth versus non-growth is also consistent with the way in which municipal development charge growth-related infrastructure projects are defined. For example, surplus capacity at one library branch does not negate the need for additional library branches where new population growth warrants an expansion of library services in a new development area.

The total OTG capacity of all existing permanent accommodation is considered to be the total available capacity of the Board for instructional purposes and required to meet the needs of the existing community, as a first priority. Subsequently, the school board is entitled to recognize and

remove any capacity that is not available to be used to accommodate growth-related pupils, provided that an explanation is given for the exclusion (although this is no longer a legislative requirement). As such, the use of permanent accommodation spaces within a review area is based on the following parameters:

1. The needs of the existing community (at the end of the 15-year forecast period) must take priority over the needs resulting from new development in the construction of additional pupil places.
2. Pupils generated from new development for the schools impacted by new housing construction fill any surplus available OTG capacity within their resident catchment area, where appropriate.
3. Pupils generated from new development within the review area must take priority over the “holding” accommodation needs of other review areas.

The remaining pupil spaces required as a result of new development within the review area, or net growth-related pupil place requirements, are to be potentially funded through education development charges.

The review area concept within education development charges is based on the premise that pupils should, in the longer term, be able to be accommodated in permanent facilities within their resident area; therefore, any existing available capacity anywhere within the jurisdiction, or within the broader Review Area is not necessarily the most cost-effective long-term solution to accommodating pupils generated by the construction of new homes. For the purposes of the calculation of education development charges described in this report, pupils of the Board who currently attend school facilities outside of their resident area, have been transferred back if the holding situation is considered to be temporary in nature. Further these holding pupils may make up a portion of the growth-related site needs if they are as a result of new homes constructed and the identification of future school site needs as part of a predecessor EDC by-law, consistent with the EDC Guidelines.

There are four important principles to which the consultants have adhered to in undertaking the EDC calculation on a review area basis:

1. Capacity required to accommodate pupils from existing development should not be utilized to provide “temporary” or “holding” capacity for new development over the longer term; and
2. Pupils generated by new development should not exacerbate a board’s current accommodation problems (i.e., an increasing portion of the student population being housed in portables for longer periods of time); and
3. Board transportation costs should be minimized; and
4. Determining where housing development has occurred, or is, expected to occur, and the specific school enrolments affected by this residential development.

The rationale for the review area boundaries for the elementary and secondary panels of the Board also gives consideration to the following criteria:

1. A desire by the Board to align feeder school patterns as students move from Kindergarten to elementary and secondary programs;
2. Current Board-approved school attendance boundaries;
3. Travel distances to schools consistent with the Board's transportation policies;
4. Former municipal boundaries;
5. Manmade or natural barriers (e.g. existing or proposed major arterial roadways, expressways such as Lincoln Alexander Parkway, Highway 20, QEW and Highway 6, railway crossings, industrial areas, river valleys, major environmental lands, etc.);
6. Distance to neighbouring schools.

Secondary review areas are normally larger in size than elementary review areas due to the former having larger school facilities and longer transportation distances. Typically, a cluster of elementary schools are "feeder" schools for a single secondary facility.

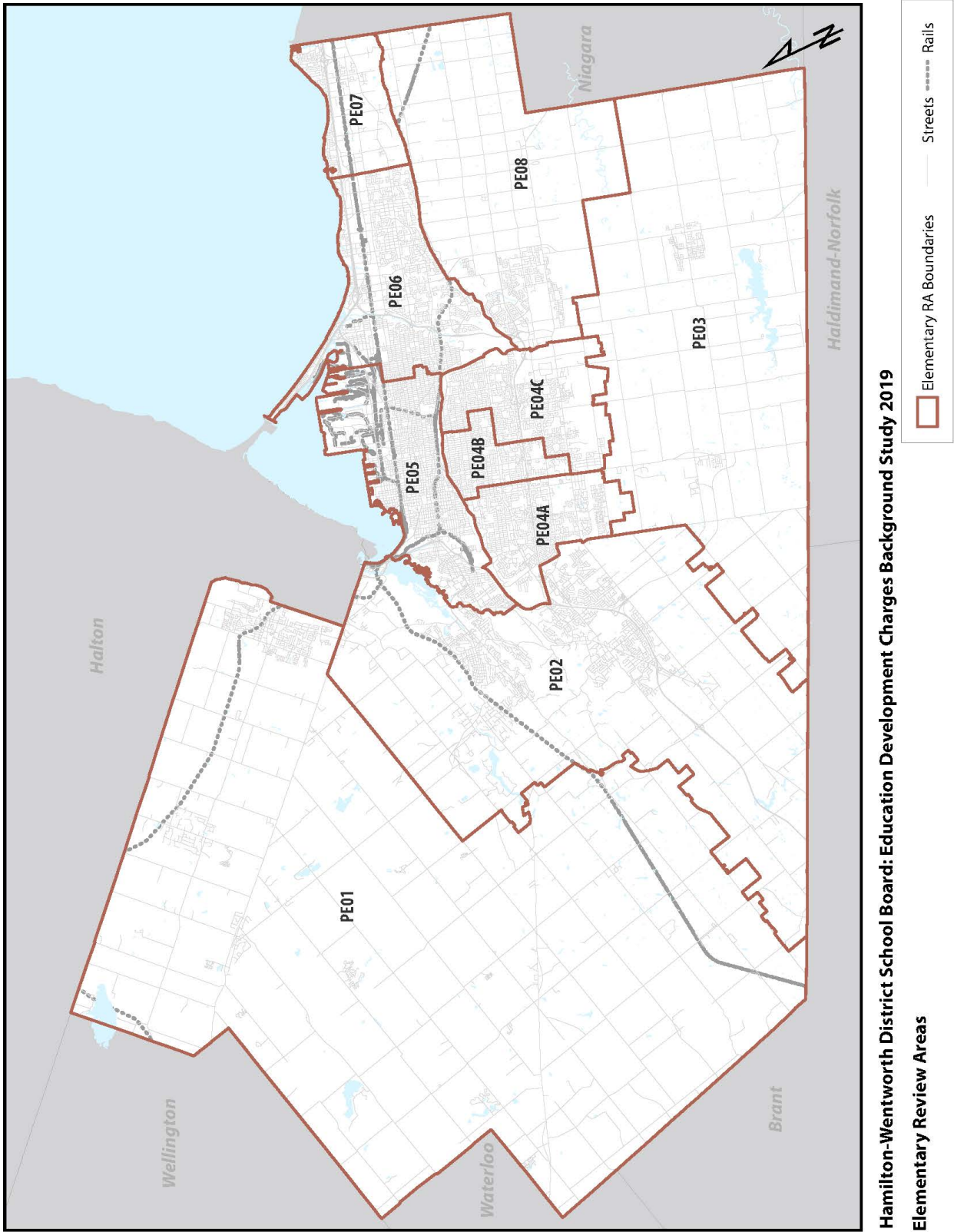
For the purpose of the jurisdiction-wide approach to calculating education development charges, the Hamilton-Wentworth Catholic District School Board has 4 elementary review areas and 1 secondary review area as listed in Table 3-1, and as shown on Maps 3-1 and 3-2, at the end of the chapter. Each review area has been further subdivided in order to determine the net growth-related pupil place need. The Board could have split the 2014 EDC Review Areas to create additional Review Areas, however, this would have had the same effect in terms of assessing EDC growth-related site needs. The detailed development application database enables the Board to specify which existing and proposed school sites will be impacted by new housing development. The determination of net growth-related pupil place needs is therefore concentrated on the school sites where additional site acquisition and/or site development costs would be required to accommodate enrolment growth, and for which Board staff have identified an accommodation need.

It is noted that undertaking the determination of additional site requirements using a review area and a sub review-area approach is consistent with the way in which future capital construction needs for the Board will be assessed over the long term.

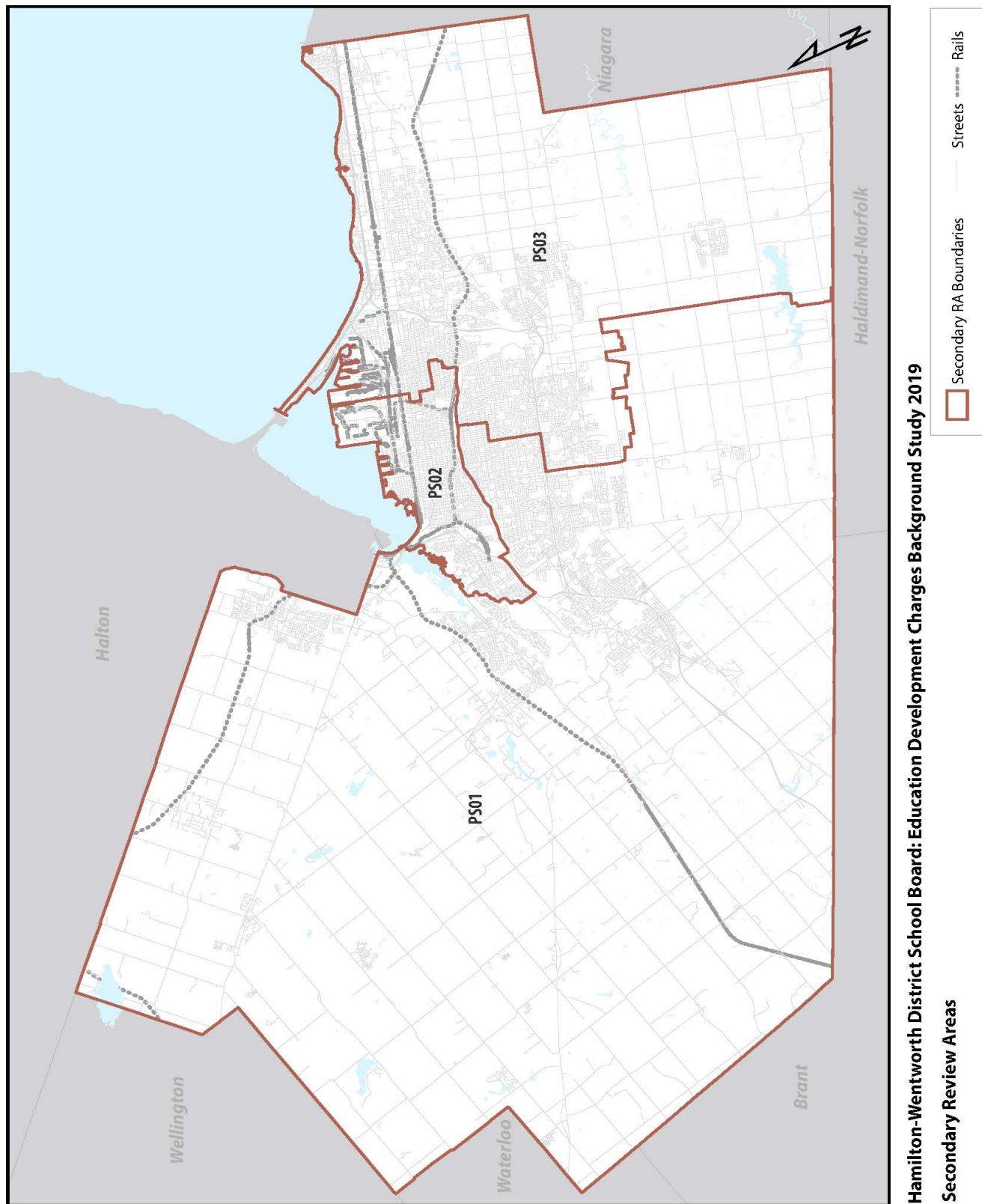
Table 3-1: HWCDSB Elementary and Secondary Review Areas

ELEMENTARY REVIEW AREAS		SECONDARY REVIEW AREAS	
1	CE01 - Ancaster, Dundas & Flamborough	1	CS01 - City of Hamilton
2	CE02 - Glanbrook, Mount Hope, Binbrook & Upper Stoney Creek		
3	CE03 - Lower Hamilton & Stoney Creek		
4	CE04 - Hamilton Mountain		

Elementary and secondary overview maps are provided as follows:



Map 3-1: Hamilton-Wentworth Catholic District School Board **Elementary** Review Areas



Map 3-2: Hamilton-Wentworth Catholic District School Board **Secondary** Review Areas

PAGE LEFT INTENTIONALLY BLANK

CHAPTER 4 - RESIDENTIAL/NON-RESIDENTIAL GROWTH FORECAST

4.1 Background

This section of the report deals with the 15-year forecast of residential and non-residential development for the mid-2019 to mid-2034 forecast period. The legislative requirements respecting EDC growth forecasts cite the need to identify the anticipated timing, location, and type of residential development, which are critical components of the overall EDC process due to the inextricable link between new units and new pupil places. The location of development is particularly important to the determination of additional growth-related site needs. Therefore, every effort was made to consider the most recent residential and non-residential forecast information available.

The consultants compiled a draft 15-year EDC forecast of net new units and subsequently consulted with the City before refining the forecasts. While DC growth forecasts are focused on municipal-wide development potential and growth-related municipal infrastructure needs generated by residential and non-residential development, the EDC housing forecast takes into consideration the impact on future student accommodation needs at a school-by-school level. As such, a detailed annual forecast of occupied dwelling units was undertaken by HWCDSB school and by density type, utilizing development pipeline data supplied by both school boards, as well as other Hamilton forecasting reports of population, housing and employment projections at a macro level.

While the EDC legislation requires that the by-law rates be based on a 15-year forecast of building permits to which EDC charges would apply, the detailed housing forecast is also designed to address how net migration, re-gentrification due to aging population, shifts in perspectives on density choices and housing space needs, along with government housing policies and affordability, will affect housing occupancy over the longer term. While the EDC forecast of occupied dwelling units is based on units for which building permits will be issued once the by-law is implemented, the determination of longer-term accommodation needs is based on the construction and occupancy of those units, and the lag between building permit issuance and housing occupancy is increased when it involves land redevelopment and intensified land uses.

A forecast of new dwelling units in the area in which EDCs are to be imposed, over the 15-year forecast period, were derived giving consideration to:

- 1) A review of the 'Vacant Residential Land Area & Unit Potential, June 2018' by former Regional municipality and Staging of Development Report 2017 Update Appendix "B";
- 2) City of Hamilton September 13, 2018 Growth Forecast prepared by Watson & Associates Economists Ltd. (population and housing) as part of the 2019 Development Charge Study, as the basis for the mid-2019 to mid-2031 forecast period;
- 3) A review of the City of Hamilton Residential Land Needs Technical Working Paper, November 2016 as the basis for the mid-2031 to mid-2034 forecast period;
- 4) The 2031A Growth Plan population forecasts as part of the Urban Hamilton Official Plan;

- 5) Review of a draft 15-year EDC housing forecast during a July 24, 2018 meeting with City representatives, along with consideration of additional materials provided by the City of Hamilton;
- 6) Downtown Hamilton Secondary and Planning and Design studies related to redevelopment and intensification;
- 7) A review of the change in occupied dwellings by Census Tract;
- 8) Development phasing data provided by the HWCDSB and the HWDSB; and,
- 9) Historical housing completion data for the City of Hamilton.

A spatial matching of the HWCDSB elementary and secondary school attendance boundaries against development applications specifying dwelling unit type and location was undertaken in order to determine how many additional pupils would be generated by new housing development. Board-specific pupil yields were applied to the forecast of new residential units within each school catchment area to determine how new residential development would impact future enrolment.

4.1.1 Refining the Forecast of Net New Units

A draft dwelling unit forecast covering the period mid-2019 through mid-2034 was prepared utilizing the most recent DC forecast of occupied dwelling units.

The draft dwelling unit forecast was shared with representatives for the City of Hamilton during a July 24, 2018 meeting in order to discuss the potential for residential land development within the City in moving from the 27,000 (approximate) units that were in the development approvals process at the time, to more than 50,000 units necessary to fulfill the City's population target in the Official Plan.

The EDC 15-year housing forecast suggests that an additional 51,301 net new occupied dwelling units will be added to the existing housing stock in the City of Hamilton over the next fifteen years, at an average of 3,420 units per annum. Of the net additional dwelling units, approximately 33% are anticipated to be low density (single and semi-detached), 32% medium density (row houses, back-to-back townhouses, etc.), and the remaining 35% high density apartment units and stacked townhouses. The EDC housing forecast is net of demolitions and statutory exemptions.

In order to determine the location, type and timing of units, a detailed housing forecast by school was created utilizing the development applications data being tracked by the Hamilton-Wentworth boards. Minor adjustments to the timing and density mix were required to match the Hamilton-Wentworth overview forecast and sub totals by municipality and by density type. A spatial matching of the adjusted development data to the attendance boundaries of each HWCDSB and HWDSB school enabled the consultants to determine the extent to which any particular school would be impacted by future housing development over the mid-2019 to mid-2034 forecast period.

4.1.2 Forecast of Non-residential Gross Floor Area

The forecast of non-residential development is based on the following background information:

- City of Hamilton September 13, 2018 Growth Forecast prepared by Watson & Associates Economists Ltd. (employment and non-residential GFA) as part of the 2019 Development Charge Study, as the basis for the mid-2019 to mid-2031 forecast period, and interpolated for the mid-2031 to mid-2034 forecast period:
- A review of the 2008 to 2015 building permit data to determine what percentage of the industrial, commercial and institutional development would be exempted from the payment of education development charges.

The projection of additional non-residential gross floor area (GFA) over the 15-year forecast period (28,662,917 million additional square feet of “net” gross floor area) is applied to the portion of the net education costs that the HWCDSB intends to recover from non-residential development.

4.2 Legislative Requirements

As the legislation permits school boards to collect education development charges on both residential and non-residential development, both must be considered as part of the growth forecast as follows:

“An EDC background study shall include estimates of the anticipated amount, type and location of residential and non-residential development.”; (Section 257.61(2) of the *Education Act*)

“Estimate the number of new dwelling units in the area in which the charges are to be imposed for each of the 15 years immediately following the day the by-law comes into force.”; (O. Reg. 20/98), Section 7(2)

“If charges are to be imposed on non-residential development, the board shall determine the charges and the charges shall be expressed as either:

(a) a rate applied to the gross floor area (GFA) of the development;

(b) a rate applied to the declared value of development.” (O. Reg. 20/98), Section 7(10)

“If the board intends to impose different charges on different types of residential development, the board shall determine the percentage of the growth-related net education land cost to be funded by charges on residential development, and that is to be funded by each type of residential development.” (O. Reg. 20/98), Section 9.1

“The Board shall choose the percentage of the growth-related net education land costs that is to be funded by charges on residential development and the percentage, if any, that is to be funded by the charges on non-residential development. The percentage that is to be funded by non-residential development shall not exceed 40 percent.” (O. Reg. 20/98), Section 7(8))

The EDC Guidelines state that “boards are encouraged to ensure that projections for growth are consistent with that of municipalities.”

4.3 Residential Growth Forecast and Forms B and C

4.3.1 Historical Building Completions

The CMHC Housing Now (Starts and Completions Survey) January – December housing completions data indicates that almost 32,000 residential units have been completed in the City of Hamilton since 2001, or an average of 1,815 annually. Approximately 60% of the units were single and semi-detached; 32% were multiples including townhomes and apartments in duplexes; and 8% apartments.

Table 4-1
City of Hamilton

Historical Housing Unit Completions by Density Type

Average for Years	Single & Semi Detached	Multiples ¹	Apartments ²	Total
2001	1,232	404	77	1,713
2002	1,476	657	122	2,255
2003	1,257	304	41	1,602
2004	1,142	360	79	1,581
2005	1,042	454	38	1,534
2006	1,201	570	152	1,923
2007	1,336	551	123	2,010
2008	1,148	484	30	1,662
2009	816	741	221	1,778
2010	1,063	776	63	1,902
2011	1,134	514	67	1,715
2012	1,255	671	387	2,313
2013	1,100	585	33	1,718
2014	998	602	137	1,737
2015	1,092	723	225	2,040
2016	806	651	310	1,767
2017	816	735	348	1,899
Jan-Jun 2018	279	326	-	605
Total Units	19,193	10,108	2,453	31,754
% of Total Units	60.4%	31.8%	7.7%	100.0%
Annual Average	1,097	578	140	1,815
5-year Average (2013-2017)	962	659	211	1,832
% of Total Units	52.5%	36.0%	11.5%	100.0%

Source: CMHC Housing Now (Starts and Completions Survey) January - December

Notes: 1. Includes townhomes and apartments in duplexes

2. Includes bachelor, 1 bedroom and 2 plus bedroom apartments

TABLE 4-2
HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
Education Development Charges Submission 2019
Forms B/C - Dwelling Unit Summary
PROJECTION OF NET NEW DWELLING UNITS ¹

	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Year 6 2024/ 2025	Year 7 2025/ 2026	Year 8 2026/ 2027	Year 9 2027/ 2028	Year 10 2028/ 2029	Year 11 2029/ 2030	Year 12 2030/ 2031	Year 13 2031/ 2032	Year 14 2032/ 2033	Year 15 2033/ 2034	Total All Units
City of Hamilton																
Single & Semi-detached Townhouses, Row Housing, etc.	654	859	852	899	930	894	984	1,245	1,308	940	1,539	1,539	1,296	1,443	1,383	16,765
Apartment including Stacked Townhouses	902	1,127	1,253	1,213	1,338	1,368	1,247	1,037	846	974	1,084	1,103	1,028	1,079	1,114	16,713
Total	1,067	888	1,020	1,069	1,068	1,161	1,199	1,354	1,482	1,722	1,177	1,158	1,277	1,078	1,103	17,823
CE01 - Ancaster, Dundas & Flamborough																
Single & Semi-detached Townhouses, Row Housing, etc.	245	346	364	469	410	345	369	387	266	258	256	329	308	311	311	4,974
Apartment including Stacked Townhouses	274	380	422	308	205	200	158	174	122	65	-	46	31	132	132	2,649
Total	51	261	187	156	260	161	220	193	193	203	198	187	227	229	40	2,766
CE02 - Glanbrook, Mount Hope, Binbrook & Upper Stoney Creek																
Single & Semi-detached Townhouses, Row Housing, etc.	238	338	226	253	274	242	334	471	501	461	785	810	753	790	771	7,247
Apartment including Stacked Townhouses	315	458	427	441	518	690	645	418	352	344	521	513	479	479	491	7,091
Total	-	125	444	438	98	97	125	89	73	117	121	135	40	40	-	1,942
CE03 - Lower Hamilton & Stoney Creek																
Single & Semi-detached Townhouses, Row Housing, etc.	100	95	143	54	36	26	23	187	357	135	433	302	160	259	211	2,521
Apartment including Stacked Townhouses	250	254	228	288	435	280	158	158	82	483	485	469	462	412	391	4,835
Total	766	378	265	364	599	781	791	1,009	1,135	1,402	858	836	1,010	809	1,063	12,066
CE04 - Hamilton Mountain																
Single & Semi-detached Townhouses, Row Housing, etc.	71	80	119	123	210	281	258	200	184	86	65	98	75	83	90	2,023
Apartment including Stacked Townhouses	63	35	176	176	180	198	286	287	290	82	78	75	56	56	100	2,138
Total	250	124	124	111	111	122	63	63	81	-	-	-	-	-	-	1,049
Total	384	239	419	410	501	601	607	550	555	168	143	173	131	139	190	5,210

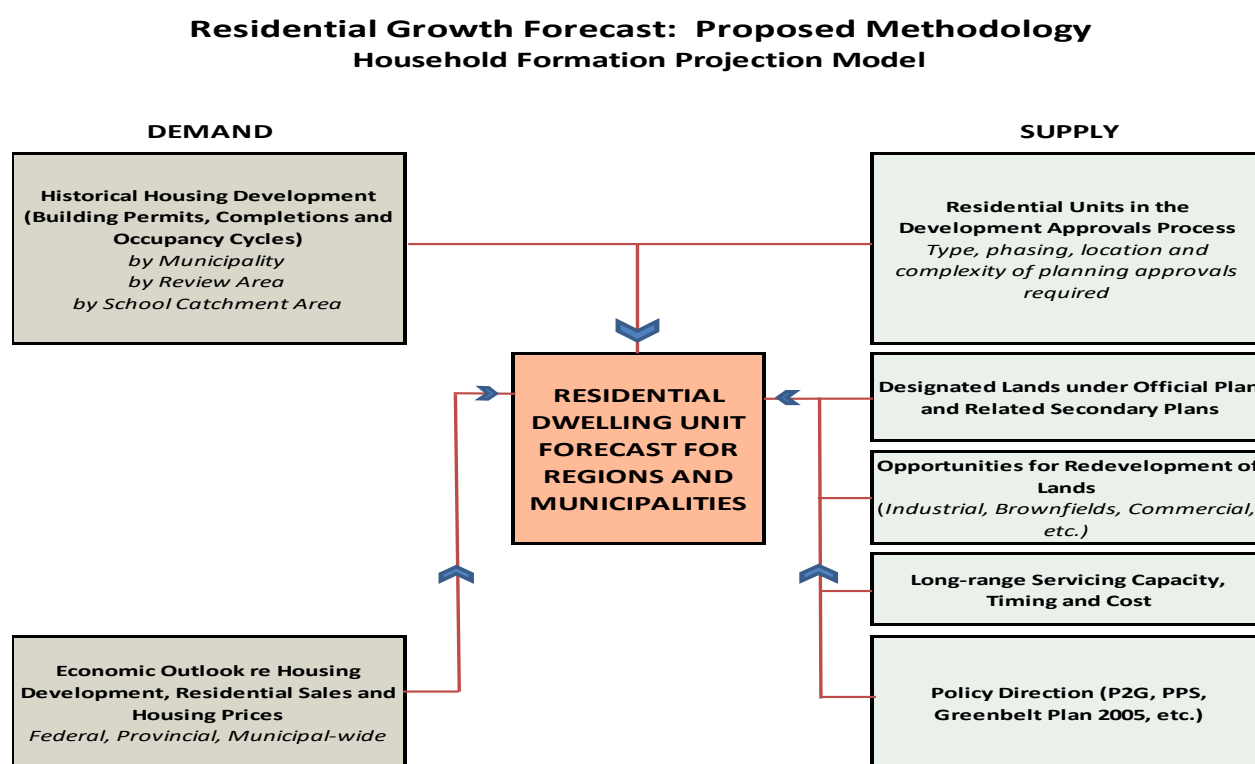
Notes: 1. Assumed to be net of demolitions and conversions.

Grand Total Gross New Units in By-Law Area	51,719
Less: Statutorily Exempt Units in By-Law Area	418
Total Net New Units in By-Law Area	51,301

4.3.2 Methodological Approach

Municipal forecasts of residential development generally give consideration to: underlying demographic trends, timing and location of infrastructure emplacement, local planning policies (Official Plan and Secondary Plans), Provincial planning policies, considerations of demand (including recent and projected real estate market conditions and recent historical construction statistics) and supply (land supply and absorption rates), staging of units in the development approvals process, government housing policies affecting housing affordability, etc. Figure 4-1 illustrates a typical household formation projection methodology.

FIGURE 4-1



Statutory Residential Exemptions:

Additional Dwelling Unit Exemption –

Section 257.54 (3) of the *Education Act* exempts, from the imposition of education development charges, the creation of two additional dwelling units within an existing single detached dwelling (i.e. the conversion of a single unit to a duplex or triplex), or one additional dwelling unit within a semi-detached, row dwellings and other residential building. A reduction of 418 medium density units, or 2.5% of the total medium density units has been made to the EDC dwelling unit forecast. A more detailed review of building permit data where permits were approved for accessory units in ground-related housing would assist in refining this assumption.

Replacement Dwelling Unit Exemption –

Section 4 of O. Reg 20/98 requires that the Board exempt from the payment of education development charges, the ‘replacement, on the same site, a dwelling unit that was destroyed by fire, demolition or otherwise, or that was so damaged by fire, demolition or otherwise as to render it uninhabitable’, provided that the replacement building permit is issued within two years that the dwelling unit was destroyed or became uninhabitable. The forecast of net new units is net of demolitions.

4.3.3 Net New Units and Forms B and C

Table 4-3 summarizes the City of Hamilton housing forecast by unit type for the mid-2019 to mid-2034 period. The table also provides a summary of the housing forecast by HWCDSB elementary and secondary review area.

TABLES 4-3 (FORM E)

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD

Education Development Charges Submission 2019

Elementary Panel

Review Area	Total Cumulative 15 Year New Net Unit Projections (1)	% Total Forecast Municipal Residential Growth (2)	SINGLE and SEMI- DETACHED	MEDIUM DENSITY	APARTMENTS (includes purpose- built seniors housing and student housing) & STACKED TOWNS	TOTAL UNITS
CE01 - Ancaster, Dundas & Flamborough	10,389	20%	4,974	2,649	2,766	10,389
CE02 - Glanbrook, Mount Hope, Binbrook & Upper Stoney Creek	16,280	32%	7,247	7,091	1,942	16,280
CE03 - Lower Hamilton & Stoney Creek	19,422	38%	2,521	4,835	12,066	19,422
CE04 - Hamilton Mountain	5,210	10%	2,023	2,138	1,049	5,210
TOTAL	51,301	100%	16,765	16,713	17,823	51,301

Secondary Panel

Review Area	Total Cumulative 15 Year New Net Unit Projections (1)	% Total Forecast Municipal Residential Growth (2)	SINGLE and SEMI- DETACHED	MEDIUM DENSITY	APARTMENTS (includes purpose- built seniors housing and student housing) & STACKED TOWNS	TOTAL UNITS
CS01 - City of Hamilton	51,301	100.0%	16,765	16,713	17,823	51,301
TOTAL	51,301	100.0%	16,765	16,713	17,823	51,301

4.4 Non-Residential Growth Forecast and Form D

The non-residential growth forecast (Tables 4-5 and 4-6) indicates that a total of 48,551,110 square feet of non-residential gross floor area (GFA) space and additions is anticipated for the City of Hamilton over the 15-year forecast period. Industrial and institutional additions, municipal and school board properties, which are exempt under the legislation, are expected to total 19,888,193 square feet of GFA over that same time period. Therefore, an education development charge by-law can be applied against a net of 28,662,917 square feet of net gross floor area.

The non-residential growth forecast was derived from City of Hamilton September 13, 2018 Growth Forecast prepared by Watson & Associates Economists Ltd. (employment and non-residential GFA) as part of the 2019 Development Charge Study, as the basis for the mid-2019 to mid-2031 forecast period, and interpolated for the mid-2031 to mid-2034 forecast period.

A review of the 2008 to 2015 building permit data was used to determine what percentage of the industrial, commercial and institutional development would be exempted from the payment of education development charges.

Table 4-5 summarizes Form D of the EDC Submission:

TABLE 4-5
HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
Education Development Charges Submission 2019
Form D - Non-Residential Development

D1 - Non-Residential Charge Based On Gross Floor Area (sq. ft.)

Total Estimated Non-Residential Board-Determined Gross Floor Area to be Constructed Over 15 Years From Date of By-Law Passage	48,551,110
Less: Board-Determined Gross Floor Area From Exempt Development	19,888,193
Net Estimated Board-Determined Gross Floor Area	28,662,917

Table 4-6
City of Hamilton
Non-Residential Forecast of Net Gross Floor Area

Forecast of Space Construction, New and Additions (sq ft)					
	Year	Industrial	Commercial/Populati on Related	Institutional	Total
Projected (based on May, 2017 DC Forecast)	2019/20	1,450,100	761,500	667,600	2,879,200
	2020/21	1,450,100	761,500	667,600	2,879,200
	2021/22	1,450,100	761,500	667,600	2,879,200
	2022/23	1,450,100	761,500	667,600	2,879,200
	2023/24	1,450,100	761,500	667,600	2,879,200
	2024/25	1,450,100	761,500	667,600	2,879,200
	2025/26	1,450,100	761,500	667,600	2,879,200
	2026/27	1,450,100	761,500	667,600	2,879,200
	2027/28	1,450,100	761,500	667,600	2,879,200
	2028/29	1,892,050	907,150	704,200	3,503,400
	2029/30	2,334,000	1,052,800	740,800	4,127,600
	2030/31	2,334,000	1,052,800	740,800	4,127,600
	2031/32	2,050,687	925,006	650,878	3,626,570
	2032/33	2,050,687	925,006	650,878	3,626,570
	2033/34	2,050,687	925,006	650,878	3,626,570
Average Annual		1,717,500	842,800	676,500	3,236,700
TOTAL NEW SPACE (SQ FT)		25,763,010	12,641,267	10,146,833	48,551,110
As a % of GFA		53.1%	26.0%	20.9%	100.0%
Less Statutorily Exempt GFA		7,728,903	5,056,507	7,102,783	19,888,193
% Exempt GFA		30%	40%	70%	
Net Projected GFA		18,034,107	7,584,760	3,044,050	28,662,917

PAGE LEFT INTENTIONALLY BLANK

CHAPTER 5 - DEMOGRAPHIC TRENDS AND FUTURE ENROLMENT EXPECTATIONS

5.1 Demographic and Enrolment Trends

The Hamilton-Wentworth Catholic District School Board provides exemplary educational opportunities to more than 29,000 students board-wide. The HWCDSB has a 2018-19 preliminary (based on September 2018 enrolments) enrolment of 29,055 students' jurisdiction-wide (18,860 elementary headcount and 10,195 secondary ADE) and currently operates 48 elementary and 8 secondary schools within the Board's jurisdiction.

5.1.1 Overview

The consultants were retained to prepare long term (i.e., 15-year) enrolment projections for the Board. The analysis set out herein examines both historic demographic and enrolment trends within the Board's jurisdiction. The determination of 15-year enrolment projections uses a spatial matching of historical HWCDSB student data with MPAC housing data (i.e. by period of occupancy and density type), in order to derive the number of HWCDSB pupils to be generated by new housing development and to determine appropriate by school, by grade, by program (e.g. French Immersion) enrolments over the 2019/20 through 2033/34 school years.

The key elements of historical trends (both demographic and enrolment) are examined below. Firstly, ***demographic trends*** are assessed in terms of:

What has been the ***change in pre-school and school age population***, for the jurisdiction as a whole, and for sub-geographies within the Board's jurisdiction? Many school boards can, and will experience areas of school age population growth, offset by areas of decline. Further, it is possible to experience growth in secondary school age children due to in-migration, but a decline in elementary school age population.

More importantly, what has been the ***change in pre-school and school age population per household***? It is possible to experience significant new housing construction and yet experience a decline in school age population per household due to an aging population driving the demand for a portion of the new housing. As noted throughout this report, it is possible to experience an increase in children per household in high-rise developments due to reduced housing affordability.

How have ***migrations trends*** changed, as a whole and by age cohort? How has the economy affected the in-migration and out-migration of female persons between the ages of 20 to 35 (i.e., those who account for the majority of the household births)? Has the ***ethnic make-up of the migrant population*** changed and, if so, how might this affect projected enrolment for a Catholic board or a French-language board in particular? What is the ***religious affiliation of the migrant population***? It should be noted that religion is only asked every second Census undertaking.

How has the ***birth rate*** (i.e., the number of children born annually) and the ***fertility rate*** (i.e., the number of children a female is likely to have in her lifespan) changed for particular age cohorts? For

example, in many areas, the birth rate has declined in recent years, while the fertility rate in females over the age of 35 has been increasing. Generally, the data indicates that, for the majority of the Province, women are initiating family formation later on in life and, in turn, having fewer children overall.

Secondly, *enrolment trends* are assessed in terms of:

How has the *grade structure ratio* (i.e., the number of pupils entering Junior Kindergarten versus the number of students graduating Grade 8) of the Board changed?

Have changes in *program delivery* affected the Board's enrolment patterns (e.g., introduction of French Immersion programs)?

How has the Board's *share of elementary/secondary enrolment* changed vis-à-vis the co-terminous boards and private school/other enrolment?

5.1.2 Population and Housing

Statistics Canada population and dwelling unit data related to the 2006, 2011 and 2016 Census undertakings is provided in Table 5-1. This data provides insights into demographic for the City as a whole. This information is one of the sources of the school and pre-school age population trends discussed herein as they relate to the HWCDSB's jurisdiction.

Table 5-1 compares the pre-school and school age population between the 2006-2011 and 2011-2016 Census periods, illustrating the changing trends which will impact future enrolment growth for the Board.

As shown in the table, from a City-wide perspective, the pre-school age population (ages 0-4) increased by 1,278 persons between 2006 and 2016. The elementary school age population (ages 5-14) decreased by 4,075 persons, and the secondary school age population (ages 15-19) decreased by 2,724 persons. Areas within the City experiencing increases in school-age population are: Stoney Creek, Ancaster, Dundas, western portion of Hamilton Mountain and Flamborough East.

In terms of future shifts in age structures within the HWCDSB jurisdiction, the percentage of the neighbourhood population over the age of 65 years, as a % of the total population, is one of the indicators of future re-gentrification and re-occupancy of dwellings. As to the impact on future HWCDSB enrolment, that is something to be monitored over time.

		2006 census				2011 census				2016 census				Change							
		0 to 4 years		5 to 9 years		10 to 14 years		15 to 19 years		0 to 4 years		5 to 9 years		10 to 14 years		15 to 19 years		Census 2006-2016 change	Census 2006-2016 change	Census 2006-2016 change	Census 2006-2016 change
		years	years	years	years	years	years	years	years	years	years	years	years	years	years	years	years	Total	0 to 4 years	5 to 14 years	15 to 19 years
Total City of Hamilton		26,940	29,410	33,530	34,910	27,535	28,160	30,510	36,360	28,218	29,369	29,495	32,186	536,920	1,278	(4,075)	(2,724)				
Chedoke-Cootes		1,425	1,305	1,325	1,845	1,340	1,230	1,255	1,945	1,373	1,343	1,254	1,761	29,850	(52)	(33)	(84)				
Downtown		1,945	1,485	1,465	2,030	1,750	1,350	1,200	2,245	1,478	1,142	1,008	1,243	33,600	(467)	(800)	(787)				
Hamilton Centre		2,270	2,450	2,675	2,660	2,520	2,160	2,230	2,570	2,390	2,349	2,101	2,266	41,205	120	(675)	(394)				
East Hamilton		1,885	2,170	2,405	2,355	1,925	1,765	2,025	2,330	2,046	1,968	1,853	2,084	38,595	161	(754)	(271)				
Red Hill		2,165	2,200	2,435	2,560	2,165	2,200	2,435	2,560	2,135	2,051	2,051	2,218	41,855	(30)	(533)	(342)				
East Mountain		2,135	2,330	2,785	2,825	1,995	2,140	2,340	2,775	2,010	2,126	2,203	2,512	38,650	(125)	(786)	(313)				
Central Mountain		3,230	3,690	4,425	4,400	3,265	3,410	3,915	4,455	2,373	2,468	2,515	2,943	47,460	(857)	(3,132)	(1,457)				
West/Central Mountain		2,655	2,980	3,315	3,405	2,460	2,865	3,075	4,085	1,793	1,931	2,069	2,242	34,485	(862)	(2,295)	(1,163)				
Upper Stoney Creek		1,520	1,750	2,000	2,050	1,445	1,610	1,835	2,005	1,869	1,898	1,984	2,128	28,760	349	133	78				
Lower Stoney Creek		1,085	1,215	1,580	1,705	1,000	1,135	1,255	1,605	1,824	2,121	2,158	2,121	37,215	739	1,485	416				
Glanbrook		1,500	1,530	1,760	1,645	2,730	2,330	2,080	2,055	1,906	1,932	1,525	1,245	25,415	406	166	(400)				
Ancaster		1,665	1,985	2,410	2,585	1,740	2,210	2,345	2,710	2,256	2,724	2,979	3,022	42,560	591	1,308	437				
Dundas		1,085	1,335	1,645	1,705	1,035	1,210	1,400	1,700	1,379	1,662	1,839	2,087	35,365	294	521	382				
Western Mountain		795	990	1,170	1,190	700	920	1,100	1,215	1,643	1,883	2,156	2,293	34,230	848	1,879	1,103				
Flamborough East		1,580	1,995	2,135	1,950	1,465	1,625	2,020	2,105	1,744	1,771	1,799	2,020	27,675	164	(560)	70				
Total Growth Pre-school & School-age Population in Wards Experiencing Increases																			3,671	5,492	2,486

5.1.3 Enrolment Overview and Apportionment

Historical elementary and secondary enrolments (2011/12 to 2017/18) for the HWCDSB and HWCDB have been summarized in Table 5-2. This table summarizes the change in elementary and secondary enrolment for each Board over this time period, as well as apportionment shares (i.e. the percentage of students who choose to attend HWCDSB schools). The information is taken from the Ministry-reported enrolments and found in the annual Funding Projections report for each Ontario school board.

HWCDSB elementary enrolment as a percentage of total co-terminous enrolment has decreased from 35.17% in 2011/12 to 34.38% in 2017/18, while secondary has increased from 38.0% to 41.48%.

TABLE 5-2

Change in Apportionment Share 2011/12 to 2017/18 based on Ministry of Education Enrolment Reports							
Elementary	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
HWCDSB	31,113	30,885	31,013	34,336	34,346	35,107	35,383
HWCDB	16,878	16,876	16,846	18,699	18,545	18,557	18,537
HWCDSB Share %	64.83%	64.67%	64.80%	64.74%	64.94%	65.42%	65.62%
HWCDSB Share %	35.17%	35.33%	35.20%	35.26%	35.06%	34.58%	34.38%
Secondary	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
HWCDSB	16,715	16,289	15,535	14,801	14,391	13,895	13,902
HWCDB	10,245	10,172	9,842	9,763	9,709	9,697	9,856
HWCDSB Share %	62.00%	61.56%	61.22%	60.25%	59.71%	58.90%	58.52%
HWCDSB Share %	38.00%	38.44%	38.78%	39.75%	40.29%	41.10%	41.48%

5.2 15-year Student Enrolment Projections and Projections of Pupil Accommodation Needs

The end of this chapter summarizes the elementary and secondary 15-year EDC enrolment projections for the HWCDSB.

5.2.1 Methodology

The derivation of by-school and by-grade enrolment projections consists of two distinct methodological elements. The first, which is consistent with industry standards, follows a retention rate approach to determine how the existing pupils of the Board (i.e. pupils residing in existing housing within the Board's jurisdiction, as well as any pupils who reside outside of the Board's jurisdiction but attend schools of the Board) would move through each grade and transition from the elementary to the secondary panel, including any shifts in apportionment moving from elementary to secondary school programs (i.e. picking up or losing students to a co-terminous

school board). This element of the enrolment projection methodology is known as the “Requirements of the Existing Community.”

The second part of the projection exercise is to determine how many pupils would be generated by additional housing development over the forecast period, and what portion of these pupils would potentially choose to attend schools of the Board. This element of the forecasting exercise is known as the “Requirements of New Development.” In an EDC context, students that were designated as part of the Requirements of New Development enrolment forecast become part of the Existing Community enrolment forecast in moving from one by-law period to another. Some of these pupils generated by new housing development are directed to schools where temporary holding spaces have been provided in anticipation of the construction of new pupil places in their resident area, once capital funding approval is provided by the Province.

The EDC Guidelines require that each projection element be examined separately and subsequently combined to determine total projected enrolment. The methodological approach to each element is examined in depth below.

Requirements of the Existing Community

The enrolment projections of the existing community are intended to reflect the predicted change in enrolment pertaining to housing units that have previously been constructed (including new homes that were constructed and for which additional land requirements were identified in a previous by-law but not acquired as yet) and occupied within the Board’s jurisdiction. Existing community projections may also include some pupils who live outside of the Board’s jurisdiction, but attend schools of the Board.

The key components of the existing community projection model are outlined in Figure 1.

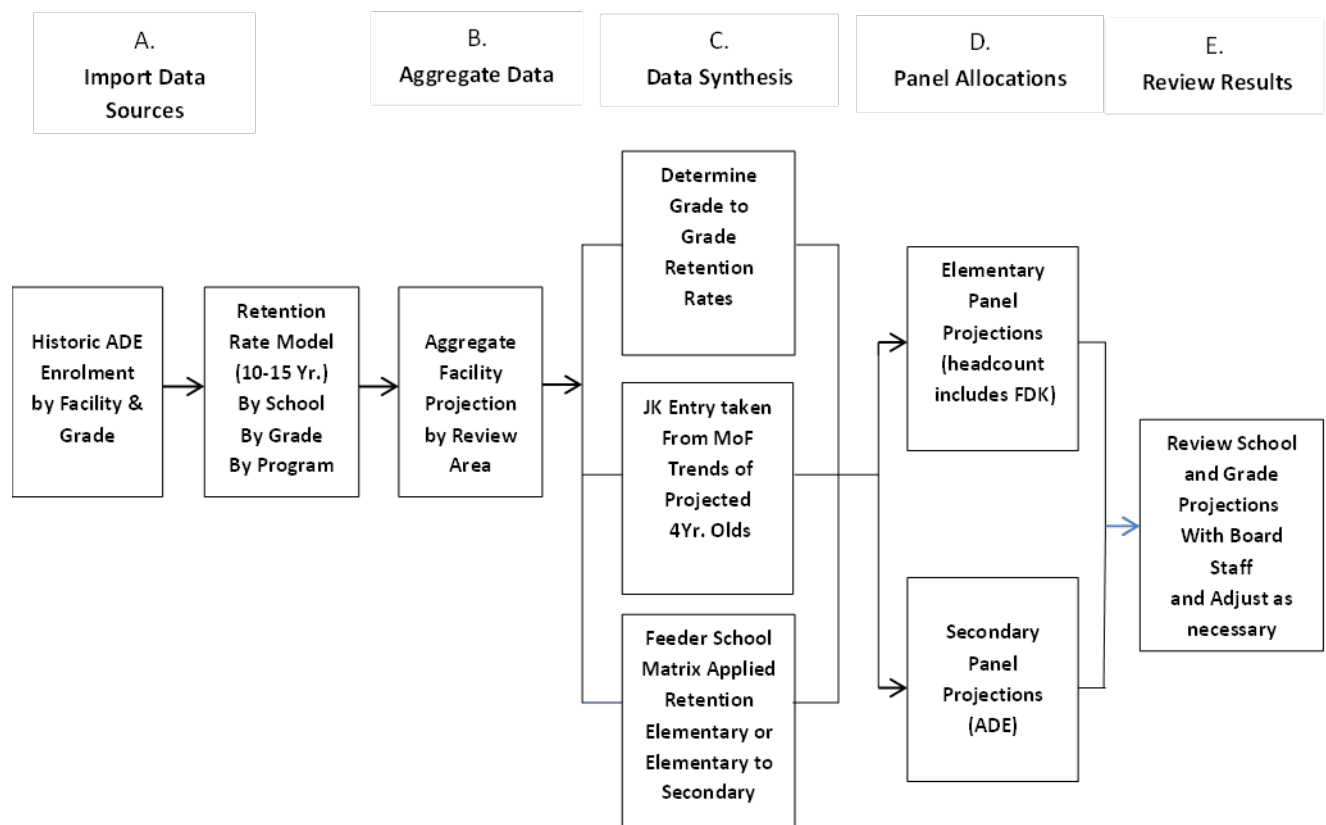
1. Enrolment projections disaggregated by sub-geography (i.e., review areas) and by school.
2. Historic average daily enrolment by school, by grade and by program (e.g. French Immersion). This information is provided by the Board and includes initial Fall 2018 enrolments. The enrolment summaries are used to determine how changes in the provision of facilities and programs, as well as school choice, have affected student enrolment to date. This information also provides perspectives on how board apportionment has changed throughout the jurisdiction and by sub-area. This information further provides an indication of holding situations where pupils are provided with temporary accommodation awaiting the construction of additional pupil spaces.
3. Historic retention rates by school, by grade and by program -- has the number of students moving through from grade to grade been more or less than previous years? Have changes to program offering affected the Board’s share of enrolment at any particular school, or more recent retention rates of any school or particular grade?
4. Feeder school retentions for each elementary and secondary school -- this includes pupils feeding into specialized programs (e.g., French Immersion, Gifted, etc.) and from elementary schools into secondary schools. Typically Grade 8 students are directed to a preferred

secondary school based on a board's attendance boundaries. However, "open access" policies at the secondary level often permit students to attend their school of choice (which could include a co-terminous board's secondary school or a private school).

5. Historical enrolment anomalies and the ability to document unusual shifts in enrolment at any individual school due to changes in program, staffing, transportation policies, capital improvements, etc.
6. Review the draft total enrolment projections of the co-terminous Hamilton boards against multiple population projection sources including Ministry of Finance.
7. Review student holding situations with each Hamilton board and make adjustments to reflect future changes to attendance boundaries as new pupil paces are constructed.
8. Review draft enrolment projections by school, by grade and by program with each Board and compare to Board-prepared student enrolment projections. Adjust retention and subscription assumptions for individual schools where necessary.

FIGURE 1

PUPIL REQUIREMENTS OF THE EXISTING COMMUNITY



Requirements of New Development

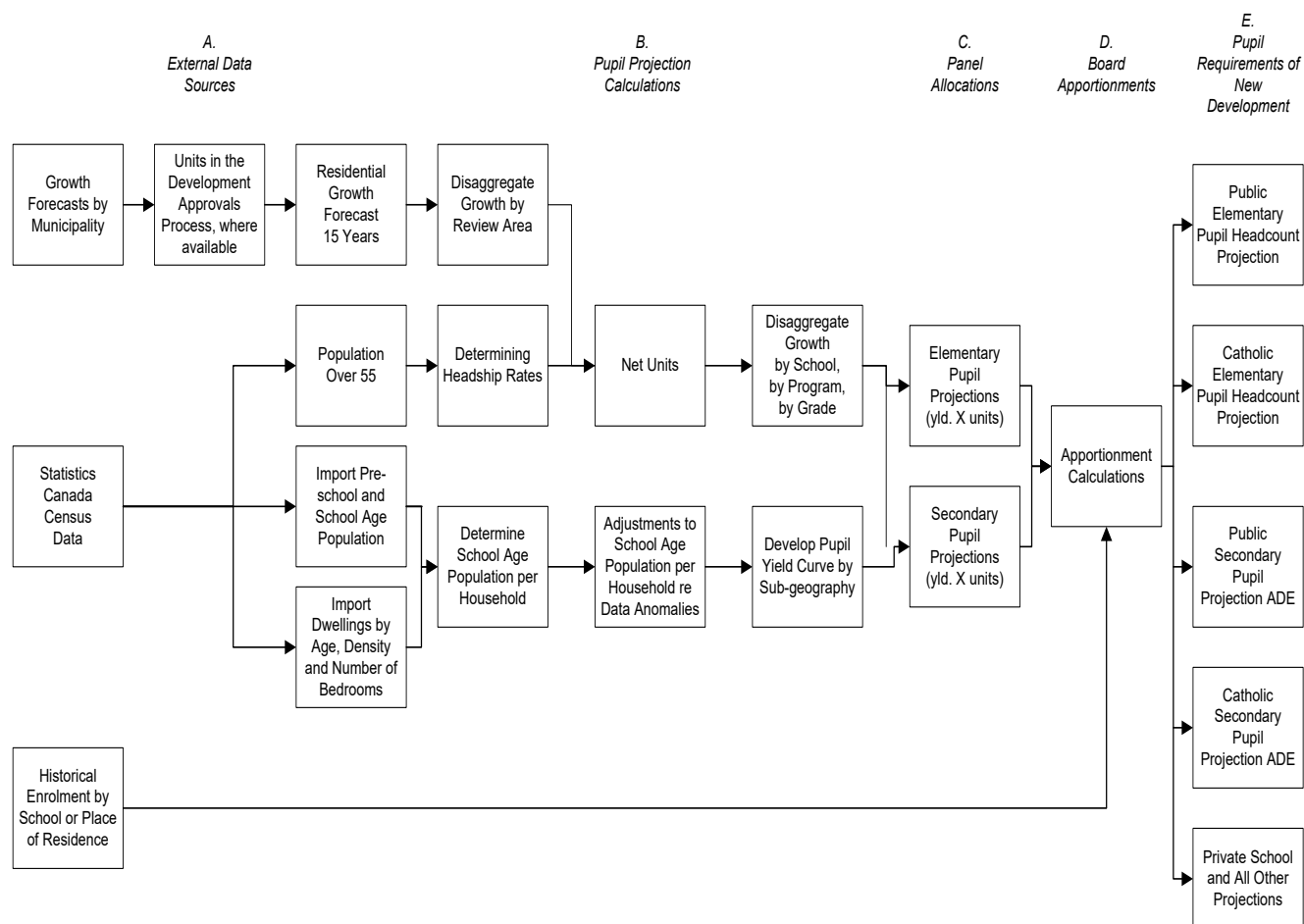
The projected enrolment supporting the “Requirements of New Development” is intended to determine the number of pupils that would occupy new housing development, and the percentage of these pupils that are likely to attend schools of the Board. Some of these pupils may be subsequently held in existing schools of the Board, awaiting the opening of new resident-area schools or construction of additional pupil places.

It is relevant to note that there is a difference between the timing associated with the requirement to determine the number of net new units to which the payment of EDCs would apply and the timing of the occupancy of the new units and associated impact on student enrolment. The lag between building permit issuance, construction and occupancy of the units and subsequent increases in student enrolment is even more pronounced where the housing development involves land redevelopment and intensified land uses.

The key components of the new development projection model are outlined in Figure 2.

1. Units in the development approvals process – a spatial matching of the development data to Board-approved HWCDSB attendance boundaries is used as one of the considerations in deriving the detailed fifteen-year housing forecast by school resident area and by unit type.
2. Pupil yield cycles derived from historical HWCDSB student data spatially matched to MPAC housing data by period of housing construction over the last 15-years (to derive 15-year pupil yield cycles), by density type and by Review Area. The pupil yields cycles were subsequently applied to each of the development applications comprising the housing forecast by school.
4. Age-specific Ministry of Finance (MoF) population projections for the City of Hamilton were reviewed and the historical HWCDSB apportionment share applied to the MoF forecasts to determine the order of magnitude of projected enrolment increases, consistent with fertility and net migration assumptions underlying the MoF projections. The total enrolment projections (i.e. Requirements of New Development plus Requirements of the Existing Community) were peer reviewed against the MoF projections.
5. Figure 2 outlines the methodological approach in assessing the Requirements of New Development.

FIGURE 2
PUPIL PLACE REQUIREMENTS OF NEW DEVELOPMENT: CONCEPTUAL SCHEMATIC



The New Unit Pupil Yield Cycle

Figure 3 translates the impact of the single detached unit occupancy trend to a conceptual representation of the pupil yield cycle for these types of dwelling units. This figure illustrates a typical yield cycle for a new single detached dwelling unit, commencing at initial occupancy of the unit. In reality, there are several variables that affect the overall pupil yield cycle. Firstly, most new communities are constructed over periods of 5 to 15 years, so that the aggregated overall pupil yield of even a community comprised entirely of single detached units will represent an amalgamation of units at different points on the pupil yield cycle. It should be noted that new communities are generally comprised of:

- Units constructed and occupied at different times;
- Development of varying densities (low, medium or high);
- There are particular types of units with low “initial” yield occupancies (e.g., adult lifestyle, recreational, granny flats, etc.).

The second variable is that there are basically two pupil yield cycles that have historically affected single detached units in newer communities: the primary cycle, which occurs over the (approximate) first 15-20 years of community development; and the sustainable cycle, which occurs after that point.

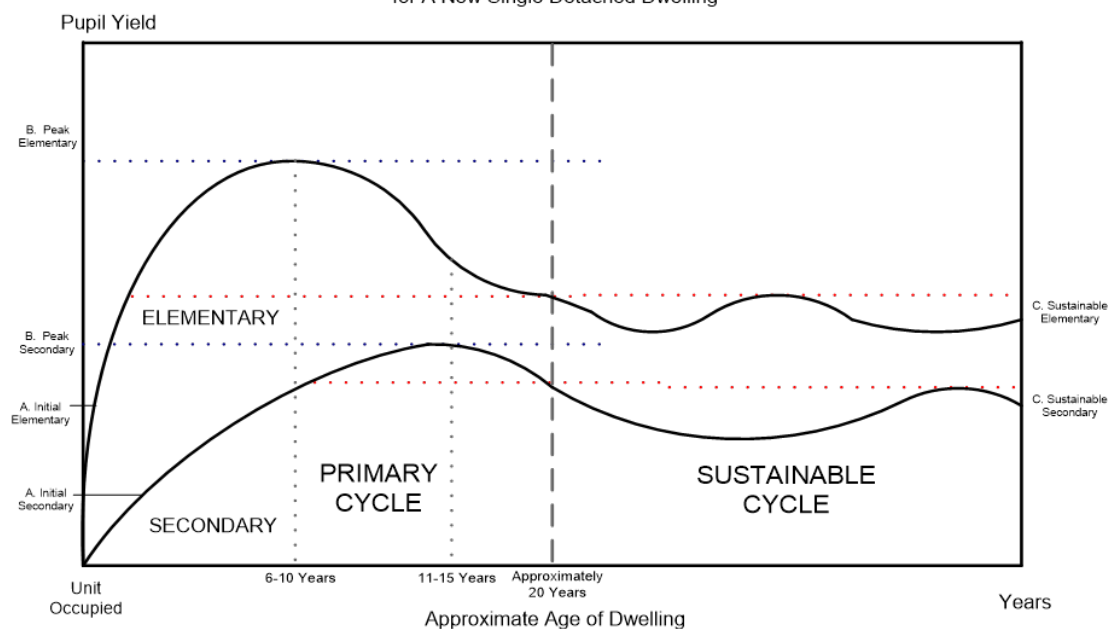
The primary yield cycle for elementary pupil yields in new single detached units generally peaks within the first 7 to 10 years of community development, depending on the timing of occupancy of the units. Recent demographic and occupancy trends, however, suggest that the family creation process is being delayed as many families are postponing having children and also having fewer children (as witnessed by declining fertility rates). However, the age structure of the immigrant population can have a compelling impact on pupil yields.

“Peak” yields may remain relatively constant over several years, particularly in periods of sustained economic growth. Eventually, however, the elementary yield would gradually decline until it reaches the end of the initial yield cycle and moves to the first stage of the sustainable yield cycle. The initial yield cycle of secondary pupil generation peaks in approximately Years 12 to 15 of new community development (depending on the timing of occupancy of the units), and experiences a lower rate of decline than the elementary panel, before reaching the sustainable yield cycle.

The second phase, the sustainable yield cycle for both the elementary and secondary panels appears to maintain the same peaks and valleys. However, the peak of the sustainable cycle is considerably lower than the primary peak for the community.

Accordingly, the overall blended pupil yield for a single community will incorporate the combination of these factors. Pupil yields applicable to different communities will vary based on these (and other) demographic factors. Pupil generation in the re-occupancy of existing dwelling units can vary from its initial occupancy. For these reasons, an overall pupil yield generally reflects a weighting (i.e. the proportion of low, medium and high-density units constructed each year) and blending of these variables. There is a need to track how neighbourhoods with an increased aged population and increases due to net migration, will change over time.

Figure 3
Conceptual Representation of the Pupil Yield Cycle
for A New Single Detached Dwelling

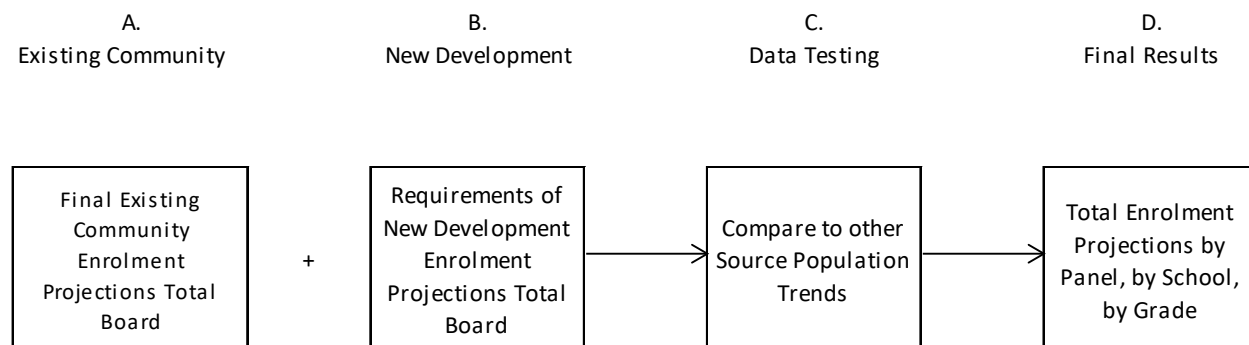


Total Student Enrolment Projections

The projected “requirements of the existing community” are added to the total “requirements of new development” by school and by grade, to determine total projected enrolment over the forecast period, as shown in Figure 4.

This information is reviewed in detail with Board staff. The enrolments are adjusted, where necessary.

FIGURE 4



5.2.2 Summary of Board Enrolment Projections

Summaries of the total 15-year EDC enrolment, for the HWCDSB, are provided in Table 5-3 and for the elementary and secondary panels. The total EDC elementary enrolment projections indicate that by the end of the 15-year forecast period, the Board will have a total enrolment of 44,244 students for an increase of 8,310 students from the projected 2018/19 enrolment of 35,934. The Board is expected to experience an increase of about 854 students in the existing community, which is projected to be enhanced by an additional 7,456 pupils from new housing development, which is an overall pupil yield of 0.1453.

For secondary students, the HWCDSB EDC projections forecast a decrease of 52 students in the existing community and 2,084 additional students to come from new development over the next 15 years. This results in total projected Year 15 enrolment of 16,203 students, or an increase of about 2,084 students from the projected 2018/19 enrolment, which is an overall pupil yield of 0.0406.

Table 5-3

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD

Historical and Projected Enrolment

Elementary Panel	Current 2018/ 2019	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Year 6 2024/ 2025	Year 7 2025/ 2026	Year 8 2026/ 2027	Year 9 2027/ 2028	Year 10 2028/ 2029	Year 11 2029/ 2030	Year 12 2030/ 2031	Year 13 2031/ 2032	Year 14 2032/ 2033	Year 15 2033/ 2034
Existing Community	18,860	18,653	18,632	18,552	18,394	18,276	18,193	18,114	18,075	17,955	17,849	17,690	17,494	17,209	16,868	16,476
Requirement of New Development		266	604	945	1,279	1,646	2,066	2,516	3,012	3,530	3,977	4,582	5,169	5,690	6,251	6,773
Total	18,860	18,919	19,236	19,497	19,673	19,922	20,259	20,630	21,087	21,486	21,827	22,271	22,664	22,898	23,119	23,249

4,389

Secondary Panel	Current 2018/ 2019	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Year 6 2024/ 2025	Year 7 2025/ 2026	Year 8 2026/ 2027	Year 9 2027/ 2028	Year 10 2028/ 2029	Year 11 2029/ 2030	Year 12 2030/ 2031	Year 13 2031/ 2032	Year 14 2032/ 2033	Year 15 2033/ 2034
Existing Community	10,195	10,172	10,429	10,401	10,258	10,160	10,154	10,007	9,717	9,559	9,385	9,287	9,296	9,267	9,327	9,344
Requirement of New Development	-	95	212	332	446	577	736	910	1,096	1,295	1,459	1,703	1,948	2,168	2,401	2,621
Total	10,195	10,267	10,640	10,734	10,704	10,737	10,890	10,917	10,813	10,854	10,843	10,991	11,244	11,435	11,728	11,965

1,771

CHAPTER 6 - SITE REQUIREMENTS AND VALUATION

6.1 Legislative Requirements

The steps set out in section 7 of O. Reg. 20/98 for the determination of an education development charge, require the Board to “...estimate the net education land cost for the elementary/secondary school sites required to provide pupil places for the new school pupils.”

Section 257.53(2) specifies the following as education land costs if they are incurred or proposed to be incurred by a Board:

1. Costs to acquire land or an interest in land, including a leasehold interest, to be used by the board to provide pupil accommodation.
2. Costs to provide services to the land or otherwise prepare the site so that a building or buildings may be built on the land to provide pupil accommodation.
3. Costs to prepare and distribute education development charge background studies as required under this Division.
4. Interest on money borrowed to pay for costs described in items 1 and 2.
5. Costs to undertake studies in connection with an acquisition referred to in item 1.

Only the capital component of costs to lease land or to acquire a leasehold interest is an education land cost.

Under the same section of the Act, the following are not education land costs:

1. Costs of any building to be used to provide pupil accommodation;
2. Costs that are attributable to excess land of a site that are “not education land costs.” (section 2 subsection 1 of O. Reg. 20/98).

However, land is not excess land if it is reasonably necessary,

- (a) to meet a legal requirement relating to the site; or
- (b) to allow the facilities for pupil accommodation that the board intends to provide on the site to be located there and to provide access to those facilities.

The exception to this is:

- (a) land that has already been acquired by the board before February 1, 1998, or
- (b) land in respect of which there is an agreement, entered into before February 1, 1998, under which the board is required to, or has an option to, purchase the land.

Finally, the Regulation specifies the following site sizes:

Elementary schools	
Number of Pupils	Maximum Area (acres)
1 to 400	4
401 to 500	5
501 to 600	6
601 to 700	7
701 or more	8

Secondary Schools	
Number of Pupils	Maximum Area (acres)
1 to 1000	12
1001 to 1100	13
1101 to 1200	14
1201 to 1300	15
1301 to 1400	16
1401 to 1500	17
1501 or more	18

In some cases, school boards may agree to smaller site sizes where they are situated adjacent to parkland that is partially or wholly available for school program usage (i.e. preferably on an exclusive use basis during the school day). However, municipalities may be reluctant to allow shared usage of this land. The school board would likely be required to participate in cost sharing responsibilities related to operating costs and risk management.

In some instances, Boards may require site sizes in excess of the maximum prescribed above, in that a portion of the school site may be undevelopable (e.g. environmentally sensitive lands, woodlots, etc.). French-language school boards may acquire larger school sites in anticipation of creating school campuses (i.e. two schools on one site offering JK-12 programs). Changes to program

offering may translate into larger school buildings footprints, increased playfield space, parking spaces, site access, etc. that would require larger school sites. The EDC legislation deals with the acquisition of school sites exceeding the acreage benchmarks outlined above. School site sizes need to be determined on a site-specific basis and may be more or less than specified in the table above.

6.2 Increased Site Size Requirements

The EDC Guidelines (Section 2.3.8) require that “when the area of any of the proposed sites exceeds the site designations in this table (i.e. table above), justification as to the need for the excess land is required.” Given that the Regulation standards have not been updated since 1998, larger site sizes than specified by the Regulation benchmark may be required to account for changing municipal parking standards and the impact of programs such as PCS, FDK and on-site daycare, greater site access needs, playfield space and pens, parking requirements; the potential to accommodate increased portables and a larger building footprint. Where school site sizes include undevelopable table lands or slopes, irregular-shaped lots with limited street frontage; or lands that cannot be severed and sold off; or include the requirement for larger site sizes to address program or municipal site plan requirements; the entire site size can be considered EDC-eligible, provided that the appropriate explanation is given in the EDC Background Study report. The HWCDSB has had long-standing practices respecting school site sizes. It should be noted that the number of elementary acres per 100 pupils underlying the EDC calculation is slightly higher than the Regulation standard (1.0 to 1.165 pupils per acre) at 1.135, and the secondary acres per 100 pupils (1.0 to 1.25 pupils per acre) is 1.168, which is lower than the Regulation standard.

6.3 Site Requirements

The site requirements arising from new residential development in each review area indicate the cumulative number of new pupil places required by Year 15 of the forecast period, and for which there is insufficient permanent pupil places to accommodate all projected students. Further, new sites may not be required where the Board intends to construct additions to existing facilities to meet all or a portion of the requirements of new development over the forecast period (although, in some cases the acquisition of adjacent property and demolition of existing buildings may be required). Even in a greenfield situation, school additions constructed to accommodate enrolment growth may require additional site development (e.g. grading, soil remediation, upgrading utility services, removal of portables, demolition of existing buildings, etc.).

Boards generally acquire sites a minimum of two years in advance of opening a new school facility, in order to ensure that there is sufficient time allowed for site servicing and preparation, facility design, contract tendering, building construction and the capital allocation process. The length of time required to approve development plans, acquire land for school sites, assess site preparation needs, and commence school construction can consume a decade or more, particularly where multi-use developments or redevelopment of lands are proposed. Aligning funding, acquisition and site development timing is particularly challenging in an intensified urban development environment.

6.4 Land Valuation Approach for School Sites

The co-terminous Hamilton-Wentworth school boards retained the appraisal services of Jacob Ellens & Associates Inc. to undertake an analysis of the growth-related land acquisition costs “proposed to be incurred” (section 257.53(2) of the Education Act) by the Board over the fifteen-year forecast period. Specifically, the appraisers were requested to provide a short narrative appraisal report for each of their sites and the sites are to be evaluated as if development approval is in place or based on imminent (1-2 years) development if a change in policy is anticipated (i.e. Rezoning, Official Plan changes). In addition, the reports are to include an annual estimated land escalation rate to be applied to the market value in order to sustain the site acquisition of the site over the next five (5) years. This assignment was to be completed in accordance with Canadian Standards of the Uniform Standards of Professional Appraisal Practice (CUSPAP) regarding real estate consulting and reporting. Appraisal reports were requested for four (4) HWCDSB and two (2) sites. A hypothetical analysis was undertaken to opine a land valuation for a seventh site - the Elfrida area, even though this area is primarily farmland at present.

The following is an excerpt from the appraisal report:

“In the appraisal of the subject property, only the Direct Comparison approach to value has been used. The “Cost” and “Income” approaches have not been included in the report. As the property under valuation is a vacant land site, neither of these approaches are applicable in this instance. The “Direct Comparison” approach is typically used by buyers, sellers and agents and is most applicable in the appraisal of the subject property.

The Direct Comparison Approach studies the interaction of buyers and sellers in the marketplace. This approach has also been traditionally referred to as the comparative approach and involves a process of comparing the subject property in all respects to similar properties. Sales of comparable properties are gathered, analyzed and adjusted to reflect value to the subject. Adjustments are made for differences such as market conditions, size, location and condition of properties.”

6.5 Determining Site Acquisition Needs in Respect of Net Education Land Costs

Assumed site acquisition costs underlying the calculation of the education development charge may fall into categories:

1. parcels of land in the midst of being acquired as part of land assembly strategies;
2. future site acquisitions specified under option agreement between the Board and a landowner;
3. future site requirements either reserved or designated in a secondary plan, or whose exact location is, as yet undetermined;

4. lands being acquired from co-terminous school boards who have declared the lands surplus to their needs (must be acquired at 'fair market value' as specified in the legislation);
5. acquisitions of land parcels through friendly or non-friendly expropriations;
6. future sites, identified by a municipality as part of a secondary plan or other planning process, or sites identified as part of joint venture projects;
7. expansions of existing sites to allow for the construction of additional capacity and program amenities;
8. future land purchases proposed to be incurred by a board (section 257.53(2)), where the acquisition of said land is delayed due to land servicing, the capital funding approvals process, or the planning approvals.

The appraisers concluded the following land valuations for the purposes of assessing future EDC site expenditure requirements:

HWDSB and HWCDSB EDC Land Valuation Analysis **SHORT APPRAISAL CONCLUSIONS AS OF November 23, 2018**

Example Properties ¹ for Valuation	Valuation Price per Acre
1. Binbrook - 3169 Fletcher Road - East Side of Fletcher, South side of Binbrook Rd	\$ 600,000
2. Nash Neighbourhood - First Rd W and Green Mountain Rd (NW Corner) (25T-201301 - Red Hill, Ph.2 (aka Red Hill, Ph.3/4))	\$ 750,000
3. Winona - Part of 257 Jones Rd – West side Jones Rd, East side of Fruitland, South of Barton	\$ 600,000
4. Waterdown - Part of 448 Skinner Rd (south) (T Number 200513 – Waterdown Bay)	\$ 1,250,000
5. Mount Hope -9255 Airport Road, Block 367 Plan 25T-200723	\$ 700,000
6. Upper Stoney Creek and/or Binbrook - Future Site	\$ 600,000
7. Part of 75 Highway 20 East (Elfrida Neighbourhood, Stoney Creek) (Hypothetical Analysis)	\$ 750,000

Source: Individual Short Appraisal Analyses prepared by Jacob Ellens & Associates Ltd.

1. Note the example properties are representative of the general future residential development area and not necessarily designated school sites.

6.6 Land Escalation over the Forecast Period

The Appraiser's Report estimates an annual land escalation rate to be applied to the acreage values in order to sustain the likely site acquisition costs over the next 5 years. In arriving at an escalation factor to be applied to the next 5-year horizon, the Appraisers considered the recent historical general economic conditions and land value trends over the 2014 to 2018 period. As such, the Appraisers recommended an escalation factor of 5.0% per annum for the purposes of projecting the land values over the five-year by-law period.

6.7 Site Preparation/Development Costs

Site preparation/development costs are “costs to provide services to the land or otherwise prepare the site so that a building or buildings may be built on the land to provide pupil accommodation.”

Site preparation/development costs are funded through three different sources. First, there is an expectation that the owner of the designated school site will provide:

- site services to the edge of the property’s limit;
- rough grading and compaction; and
- a site cleared of debris;

in consideration of being paid “fair market value” for the land. Where un-serviced land is acquired by the board, the cost to “provide services to the land” is properly included in the education development charge. In the case of redevelopment school sites site preparation costs may include soils remediation, demolition of existing buildings on the site, servicing infrastructure that requires replacement due to age (e.g. water services, sewer services, gas and utilities, transformers, etc.), on-site storm water management, off-site sidewalk, crosswalk and traffic upgrades, road service remediation etc.

As noted earlier in this Chapter, site preparation costs in intensified development situations could include the costs of constructing underground parking spaces required to serve the school, under certain circumstances.

The third and final source of financing site preparation/ development costs is education development charges (i.e. for ‘eligible’ school boards). Through discussion with the development community, the boards and the Ministry, a list (although by no means an exhaustive list) of EDC “eligible” site preparation/ development costs in a greenfields situation has been determined.

6.7.1 Eligible Site Preparation/Development Costs in a Greenfields Situation

EDC eligible site preparation/development costs in a greenfields development area include:

- an agent or commission fee paid to acquire a site or to assist in negotiations to acquire a site;
- costs to fulfill municipal requirements to properly maintain the school site prior to construction of the school facility;
- land appraisal reports and legal fees;
- transportation studies related to site accessibility;
- soils tests;
- environmental studies related to the condition of the school site;

- preliminary site plan/fit studies;
- stormwater management studies related to the site;
- archaeological studies precedent to site plan approval of the site;
- planning studies aimed at ensuring municipal approval of the site plan;
- expropriation costs;
- site option agreement costs;
- rough grading, removal of dirt and rubble, engineered fill;
- removal of buildings on the site;
- land transfer taxes.

Finally, as noted above, in situations where a Board is acquiring un-serviced land for the purposes of siting a school facility, or the local municipality requires upgraded site services related to site access and student safety, eligible costs could additionally include:

- site servicing costs;
- temporary or permanent road access to the site;
- power, sanitary, storm and water services to the site;
- off-site services required by the municipality (e.g. sidewalks).

6.7.2 Conclusions re Average Site Preparation Costs per Acre

The Boards concluded that an average of \$87,700 per acre (based on the historical expenditure details set out below) for both elementary and secondary school sites is reasonable based on the Boards' experiences over the previous and current by-law terms.

An escalation factor of 2% per annum for site preparation/development costs has been applied, which is slightly lower than the average annual Consumer Price Index over the last 15 years. Site preparation/development costs are escalated annually over the fifteen-year forecast period.

The Form Gs of the EDC Submission, set out in Appendix A, outline the assumed cost per acre (expressed in 2019 dollars), the assumed total land costs escalated to the year of site acquisition, or the end of the proposed by-law period, whichever is sooner, the site development costs and associated financing costs for each site required to meet the needs of the net growth-related pupil places.

HAMILTON-WENTWORTH DSB & HAMILTON-WENTWORTH CATHOLIC SCHOOL BOARD

AVERAGE SITE PREPARATION COSTS PER ACRE

	Current Review Area Reference	EDC Eligible Site Name	Year School Constructed	Site Size in acres	Net Site Preparation Costs to Date	Net Site Preparation Costs Per Acre	Net Site Preparation Costs per Acre 2019\$	Total Site Preparation Costs 2019\$
1.	CE01	Guardian Angels, Hamborough	2001	13.24	\$ 207,348	\$ 15,660.73	\$ 23,417.10	\$ 310,042.38
2.	CE01	Immaculate Conception (New Ancaster)	2010	6.50	\$ 151,867	\$ 23,364.15	\$ 28,874.11	\$ 187,681.71
3.	CE01	St. Thomas the Apostle CES, (East Waterdown)	2012	5.89	\$ 1,637,092	\$ 277,944.31	\$ 329,249.12	\$ 1,939,277.30
4.	CE02	New Binbrook	2019	6.02	\$ 439,860	\$ 73,066.45	\$ 74,630.07	\$ 449,273.00
5.	CE02	Our Lady of the Assumption (Summit Park), Binbrook	2017	5.26	\$ 862,849	\$ 164,039.73	\$ 174,798.06	\$ 919,437.81
6.	CE02	St. Mathew CES (Binbrook #1)	2009	4.97	\$ 416,076	\$ 83,717.51	\$ 105,674.61	\$ 525,202.83
7.	CE03	Holy Name of Jesus CES, Hamilton	2011	1.61	\$ 104,800	\$ 65,093.17	\$ 78,758.62	\$ 126,801.38
8.	CE03	Immaculate Heart of Mary, Lower Stoney Creek	2005	13.32	\$ 589,257	\$ 44,238.51	\$ 60,776.87	\$ 809,547.90
9.	CE03	St. Gabriel CES, Winona	2015	5.73	\$ 1,210,818	\$ 211,312.04	\$ 234,911.09	\$ 1,346,040.53
10.	CS01	Bishop Ryan CSS, 1824 Rymal Rd., Hamilton	2013	17.92	\$ 583,828	\$ 32,579.69	\$ 37,784.87	\$ 677,104.80
11.	CS01	Bishop Tonnas CSS, 100 Panabaker Dr. Ancaster	2004	18.66	\$ 360,276	\$ 19,307.40	\$ 27,093.02	\$ 505,555.67
13.	PE02	Tiffany Hills, Ancaster	2013	6.24	\$ 1,277,876	\$ 204,787.82	\$ 237,506.28	\$ 1,482,039.19
14.	PE04C	Summit Park, Hamilton Mountain East	2014	8.04	\$ 577,794	\$ 71,864.93	\$ 81,600.36	\$ 656,066.93
TOTALS				113.40	\$ 8,419,741	\$ 74,248	\$ 87,602	\$ 9,934,071

Value to be Included in 2019 EDC Submission	\$ 87,700
---	-----------

CHAPTER 7 - EDUCATION DEVELOPMENT CHARGE CALCULATION

The basis for the calculation of the jurisdiction-wide schedule of education development charges for the Hamilton-Wentworth Catholic District School Board is documented in the Board's Education Development Charges Submission to the Ministry of Education and found in Appendix A.

7.1 Growth Forecast Assumptions

The net education land costs and EDC calculations for the Board were based on the following forecast of net new dwelling units for the mid-2019 to mid-2034 period, as detailed in Chapter 4 of this report:

RESIDENTIAL:

Net New Units	51,301
Average units per annum	3,420

NON-RESIDENTIAL:

The forecast of non-residential (includes commercial, industrial and institutional development) building permit value over the mid-2019 to mid-2034 period, as detailed in Chapter 4 of this report, is summarized as follows:

Net Gross Floor Area (GFA)	28,662,917 square feet
Average annual GFA	1,910,861 square feet

7.2 EDC Pupil Yields

In addition, the Board's education development charge calculations were based on assumptions respecting the number of pupils generated, per dwelling unit type (with separate pupil yields applied to each type), by municipality, and by panel (elementary versus secondary) from new development, as set out in the Review Area Form Fs in Appendix A and described in detail in Chapter 5 of this report.

Table 7-1 sets out the EDC pupil yields utilized to determine the number of pupils generated from new development and the yields attributable to the HWCDSB based on a spatial matching of HWCDSB student data and MPAC housing data. A 'zero' yield was applied to student housing and purpose-built seniors housing units.

TABLE 7-1

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD**Education Development Charges Submission 2019****Elementary Panel****HWCDSB EDC 2019 Weighted Blended Pupil Yields**

Review Area	Total Cumulative 15 Year New Net Unit Projections (1)	SINGLE and SEMI- DETACHED	MEDIUM DENSITY	APARTMENTS (includes purpose- built seniors housing and student housing) & STACKED TOWNS	TOTAL UNITS
CE01 - Ancaster, Dundas & Flamborough	10,389	0.2114	0.0668	0.0080	0.1204
CE02 - Glanbrook, Mount Hope, Binbrook & Upper Stoney Creek	16,280	0.3096	0.1398	0.0080	0.1997
CE03 - Lower Hamilton & Stoney Creek	19,422	0.2962	0.1227	0.0080	0.0740
CE04 - Hamilton Mountain	5,210	0.3222	0.0823	0.0080	0.1605
TOTAL	51,301	0.2800	0.1159	0.0080	0.1320

Secondary Panel

Review Area	Total Cumulative 15 Year New Net Unit Projections (1)	SINGLE and SEMI- DETACHED	MEDIUM DENSITY	APARTMENTS (includes purpose- built seniors housing and student housing) & STACKED TOWNS	TOTAL UNITS
CS01 - City of Hamilton	51,301	0.1013	0.0539	0.0012	0.0511
TOTAL	51,301	0.1013	0.0539	0.0012	0.0511

7.3 Determination of Net Growth-Related Pupil Place Requirement

The determination of the number of growth-related pupil places eligible for EDC funding involves three key steps. The analysis required to complete each of these steps was undertaken for each of the growth forecast sub-areas, or review areas, discussed in Chapter 3. Generally, the steps required to determine the number of net growth-related pupil places by review area, are as follows:

1. Populate each Review Area model with each of the schools having attendance boundaries within the individual Review Area.
2. Determine the Requirements of New Development (ROND), which is the number of pupils generated from the dwelling units forecasted to be constructed over the 15-year forecast period.
3. Determine the Requirements of the Existing Community (although this is not a legislative requirement) which is the projected enrolment (i.e. headcount enrolment for the elementary panel and ADE enrolment for the secondary panel) over the 15-year forecast period. This projection of the Requirements of the Existing Community includes pupils generated from new housing development in previous EDC by-law periods (now considered pupils of the existing community) that continue to be temporarily accommodated in existing schools awaiting additional pupil places to be constructed in

their resident area. The EDC Guidelines remind school boards to include these pupils in the determination of growth-related net education land costs where they were recognized under a previous by-law but the growth-related lands have not been acquired as yet. Any capacity used to accommodate these students is not deducted in determining growth-related needs where the accommodation situation is temporary in nature. In other words, these students do have any assigned capacity until such time as their permanent accommodation is constructed, where the construction of the additional pupil places is consistent with the board's long-term capital priorities and recognized in a previous EDC by-law.

4. Distinguish between the Review Area schools having new residential development within the school's attendance boundary and for which additional student accommodation will be required, and schools having little or no residential development or sufficient surplus spaces that in the opinion of the board, can be used to accommodate the increase in enrolment.
5. Finally, subtract any residual surplus and available pupil places that, in the opinion of the board, are available to accommodate pupils generated by new housing development. The ROND attributable to schools for which no additional accommodation solution is required are not part of the determination Net Growth-related Pupil Places (NGRPP).
6. In determining the NGRPP entitlement going forward account for all additional school capacity previously funded from capital allocations, including projects that will be constructed and operational in the year following by-law adoption, and for which the Board is in the process of acquiring land necessary, or has recently acquired land necessary to create a new school site or school site expansion. Any expenditures made from the EDC account to pay for these transitional needs must be deducted from the determination of net education land costs so as to avoid any potential for double-counting.
7. The net growth-related pupil place entitlement is subsequently incorporated into the Form G to determine the appropriate net education land costs based on aligning the EDC identified needs with the HWCDSB's long-term student accommodation strategies.

Determining Net Growth-related Pupil Place Requirements

Table 7-2 sets out the projected net growth-related pupil place requirements (assuming a jurisdiction-wide approach to the calculation), including the determination of the requirements of the new development and the requirements of the existing community, by panel for the Hamilton-Wentworth Catholic District DSB.

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD

TABLE 7-2
Summary Determination of Net Growth-Related Pupil Places

	JK-8	Gr 9-12	TOTALS
OTG Capacity	20,880	9,033	29,913
Projected 2033/2034 Enrolment (Existing Community)	16,476	9,344	25,820
Requirements of New Development 2033/2034 (Headcount Elementary)	6,773	2,621	9,395
Less: NGRPP to be Accommodated in Existing Facilities	(3,771)	(1,166)	(4,937)
# of NGRPP Included in EDC Rate	3,002	1,455	4,457

7.4 Approved Capital Cost Per Pupil

Paragraphs 4-10 of Section 7 of O. Reg. 20/98 set out the steps involved in moving from growth-related new school pupils to obtain “the growth-related net education land costs.” Generally, these steps are as follows:

1. Estimate the net education land cost for the elementary and secondary school sites required to provide new pupil places.
2. Estimate the balance of the existing EDC account, on the day prior to inception of the new EDC by-law, if any. If the balance is positive, subtract the balance from the net education land costs. If the balance is negative, add the balance (in a positive form) to the net education land costs. In estimating the balance in the account, the Board is entitled to account for actual rather than projected growth-related needs.
3. Determine the portion of the charges related to residential development and to non-residential development if the Board intends to impose a non-residential charge.
4. Differentiate the residential development charge by unit type if the Board intends to impose a variable residential rate. Instructions setting out the methodological approach to differentiate the residential charge can be found in the Education Development Charge Guidelines (Spring 2002) prepared by the Ministry of Education.

7.5 Net Education Land Costs and Forms E, F and G

The total net education land costs for the Hamilton-Wentworth Catholic District School Board including escalation of land over the term of the by-law (five years), site acquisition costs, site

development costs, associated financing costs and study costs, less any EDC account balances, are \$ 66,449,884 to be recovered from 51,301 “net” new units.

EDC Submission (Form E, F and G):

The Review Area sheets set out in Appendix A detail the following information for each elementary and secondary Review Area:

- the cumulative number of forecasted new dwelling units by type;
- the weighted/blended pupil yield by unit type and the number of growth-related pupil places generated by the 15-year housing forecast (Forms E and F);
- the existing schools within each review area, the SFIS # and the OTG capacity for EDC purposes, as well as the number of portables and the acreage for each school site;
- the projected existing community enrolment;
- the cumulative requirements of new development and the determination of the number of available and surplus pupil places;
- the number of net growth-related pupil places (i.e. the number of eligible pupil places);
- comments detailing each Board’s capital priorities, and the determination of the number of NGRPP;
- a description of the growth-related site acquisition needs, the number of eligible acres, the anticipated cost per acre, the site preparation costs, financing costs and total education land costs (Form G).

7.6 EDC Accounts

Section 7(5) of O. Reg. 20/98 (as amended by 473/98 and O. Reg. 193/10) states that:

“The Board shall estimate the balance of the education development charge reserve fund, if any, relating to the area in which the charges are to be imposed. The estimate shall be an estimate of the balance immediately before the day the board intends to have the by-law come into force.”

“The Board shall adjust the net education land cost with respect to any balance estimated. If the balance is positive, the balance shall be subtracted from the cost. If the balance is negative, the balance shall be converted to a positive number and added to the cost.”

Table 7-3 summarizes the EDC account collections to from September 1, 1999 to June 30, 2019 for the Hamilton-Wentworth Catholic District DSB. The collections cover the period which corresponds to implementation of the original EDC by-law - to projected collections to June 30, 2019, and includes collections from residential development, as well as any proceeds from the disposition of surplus properties (i.e., to the extent that the disposed of site was previously

funded through education development charges), any interest earned on the account to date, any interest expense on account deficits to date and any refunds or overpayments during this time period. The total collections for the period September 1, 1999 to August 31, 2018 are \$22,154,001 as shown in Table 7-3.

Section 7(5) of O. Reg 20/98 requires that a board estimate the EDC account collections and eligible expenditures on the day immediately before the day the board intends to have the new by-law come into force. This “estimate” is typically undertaken several months in advance of the implementation of the new by-law. Actual collections for the period September through June during the last 3 years was used as the basis for estimating additional EDC collections for the September 1, 2018 to June 30, 2019 period. Additional revenue of \$1,675,000 is assumed, prior to successor by-law implementation.

Table 7-3 also calculates the “estimated” EDC account balance as of June 30, 2019 which is the day before the in-force date of the proposed by-law. The total EDC collections as at June 30, 2019 are estimated to be \$23,829,001. When EDC expenditures are taken into consideration for the same time period, the account balance as of June 30, 2019 is projected to be a deficit of \$ 13,980,852.

TABLE 7-3
HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
EDC ACCOUNT RECONCILIATION - EDC Collections

September 1, 1999 to June 30, 2019 Continuity Statement to Determine Current EDC Account Balance and any Unfunded Financial Obligations

Date	EDC Collections	Cumulative EDC Collections
<i>EDC Revenue September 1, 1999 to August 31, 2000 (less refunds & interest expense plus accrued interest)</i>	\$ 514,047.00	\$514,047.00
<i>EDC Revenue September 1, 2000 to August 31, 2001 (less refunds & interest expense plus accrued interest)</i>	\$ 812,274.33	\$1,326,321.33
<i>EDC Revenue September 1, 2001 to August 31, 2002 (less refunds & interest expense plus accrued interest)</i>	\$ 663,135.26	\$1,989,456.59
<i>EDC Revenue September 1, 2002 to August 31, 2003 (less refunds & interest expense plus accrued interest)</i>	\$ 555,006.00	\$2,544,462.59
<i>EDC Revenue September 1, 2003 to August 31, 2004 (less refunds & interest expense plus accrued interest)</i>	\$ 644,777.00	\$3,189,239.59
<i>EDC Revenue September 1, 2004 to August 31, 2005 (less refunds & interest expense plus accrued interest)</i>	\$ 656,220.00	\$3,845,459.59
<i>EDC Revenue September 1, 2005 to August 31, 2006 (less refunds & interest expense plus accrued interest)</i>	\$ 679,627.00	\$4,525,086.59
<i>EDC Revenue September 1, 2006 to August 31, 2007 (less refunds & interest expense plus accrued interest)</i>	\$ 997,673.66	\$5,522,760.25
<i>EDC Revenue September 1, 2007 to August 31, 2008 (less refunds & interest expense plus accrued interest)</i>	\$ 764,433.00	\$6,287,193.25
<i>EDC Revenue September 1, 2008 to August 31, 2009 (less refunds & interest expense plus accrued interest)</i>	\$ 415,335.00	\$6,702,528.25
<i>EDC Revenue September 1, 2009 to August 31, 2010 (less refunds & interest expense plus accrued interest)</i>	\$ 1,457,139.00	\$8,159,667.25
<i>EDC Revenue September 1, 2010 to August 31, 2011 (less refunds & interest expense plus accrued interest)</i>	\$ 1,252,862.00	\$9,412,529.25
<i>EDC Revenue September 1, 2011 to August 31, 2012 (less refunds & interest expense plus accrued interest)</i>	\$ 1,297,859.00	\$10,710,388.25
<i>EDC Revenue September 1, 2012 to August 31, 2013 (less refunds & interest expense plus accrued interest)</i>	\$ 1,237,698.00	\$11,948,086.25
<i>EDC Revenue September 1, 2013 to August 31, 2014 (less refunds & interest expense plus accrued interest)</i>	\$ 1,646,411.00	\$13,594,497.25
<i>EDC Revenue September 1, 2014 to August 31, 2015 (less refunds & interest expense plus accrued interest)</i>	\$ 2,313,461.00	\$15,907,958.25
<i>EDC Revenue September 1, 2015 to August 31, 2016 (less refunds & interest expense plus accrued interest)</i>	\$ 1,763,438.00	\$17,671,396.25
<i>EDC Revenue September 1, 2016 to August 31, 2017 (less refunds & interest expense plus accrued interest)</i>	\$ 2,563,944.00	\$20,235,340.25
<i>EDC Revenue September 1, 2017 to August 31, 2018 (less refunds & interest expense plus accrued interest)</i>	\$ 1,918,661.00	\$22,154,001.25
Plus:		
Projected EDC Collections September 1, 2018 - June 30, 2019	\$1,675,000.00	
Total Net EDC Collections September 1, 1999 to June 30, 2019		\$23,829,001.25
Projected EDC Account Balance as of June 30, 2019		-\$13,980,851.79

Table 7-4 determines the eligible EDC expenditures for the Board and details site acquisition costs, “net” site preparation and development costs, and study costs. The analysis outlines all EDC expenditures since September 1, 1999 and to August 31, 2018, as well as Board-approved

expenditures to June 30, 2019. The consultants worked with Board staff to reconcile all expenditures since the original by-law adoption; ensure all expenditure entries were EDC-eligible and removed any ineligible expenditures; determined the percentage site eligibility based on the reconciliation of growth-related entitlement. The portion of the expenditures eligible to be funded through education development charges is shown within each by-law period and a cumulative EDC account balance is determined.

The EDC-eligible expenditures to date total \$37,809,853.

TABLE 7-4
HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
EDC ACCOUNT RECONCILIATION - EDC Expenditures

	Date	Property Acquired	Property Size (acres)	Site Acquisition Cost per Acre	Site Preparation Costs per Acre	Review Area Reference 2019	% Growth-related	EDC Expenditures	Cumulative Expenditures	% of EDC Eligible Site Costs Funded to Date	Unfunded Financial Obligations Cumulative	Site Acquisition Costs	Site Preparation or Study Costs
By-law #1 September 1, 1999 to August 30, 2004	EDC Expenditures September 1, 1999 to August 30, 2004												
		Study Costs					100%	\$ 41,830.00	\$ 41,830	100.0%	\$ -	\$ -	\$ 41,830.00
	2001/02	Guardian Angels, Hamborough	13.24	\$ 41,101	\$ 15,661	CE01	100%	\$ 751,528.00	\$ 793,338	100.0%	\$ -	\$ 544,800.00	\$ 207,538.00
	2003/04	Bishop Thomas CSS, 100 Parabaker Dr., Ancaster	18.66	\$ 117,134	\$ 3	CS01	100%	\$ 2,395,881.25	\$ 3,189,239	100.0%	\$ -	\$ 2,173,881.25	\$ 222,000.00
By-law #2 September 1, 2004 to August 31, 2009	EDC Expenditures August 31, 2004 to August 30, 2009												
	2005/06 &												
	2007/08	Immaculate Heart of Mary, Lower Stoney Creek	13.32	\$ 40,021	\$ 44,239	CE03	100%	\$ 700,025.00	\$ 3,890,162	100.0%	\$ -	\$ 150,070.00	\$ 550,055.00
	2005/06	Bishop Thomas CSS, 100 Parabaker Dr., Ancaster	18.66	N/A	N/A	CS01	100%	\$ 150,107.00	\$ 4,040,269	100.0%	\$ -	\$ 11,851.00	\$ 138,276.00
	2005/06	St. Therese of Lisieux, Hamilton Mountain	5.93	\$ 797	\$ -	CE04	100%	\$ 4,728.00	\$ 4,044,997	100.0%	\$ -	\$ 4,728.00	\$ -
	2005/06 &												
	2007/08 &												
	2008/09	St. Matthew CES (Bentbrook #1)	4.97	\$ 307,566	\$ 83,718	CE02	100%	\$ 1,935,766.00	\$ 5,980,763	100.0%	\$ -	\$ 1,528,603.00	\$ 407,163.00
	2008/09	Immaculate Conception (New Ancaster)	6.50	\$ 545,922	\$ 23,364	CE01	100%	\$ 40,819.00	\$ 6,021,582	100.0%	\$ -	\$ 40,819.00	\$ -
	2008/09	Bishop Ryan CSS, 1824 Rymal Rd., Hamilton	17.92	N/A	N/A	CS01	100%	\$ 1,000,718.00	\$ 7,022,300	100.0%	\$ -	\$ 1,000,718.00	\$ -
		Adjustment					100%	\$ 1.00	\$ 7,022,301	100.0%	\$ -	\$ 1.00	\$ -

TABLE 7-4 cont'd
HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
EDC ACCOUNT RECONCILIATION - EDC Expenditures

	Date	Property Acquired	Property Size (acres)	Site Acquisition Cost per Acre	Site Preparation Costs per Acre	Review Area Reference 2019	% Growth-related	EDC Expenditures	Cumulative Expenditures	% of EDC Eligible Site Costs Funded to Date	Unfunded Financial Obligations Cumulative	Site Acquisition Costs	Site Preparation or Study Costs
By-law #3 September 1, 2009 to August 31, 2014	EDC Expenditures August 31, 2009 to August 30, 2014												
		Study Costs						\$ 63,333.00	\$ 7,085,634	100.0%	\$ -	\$ -	\$ 63,333.00
		Adjustment						\$ 2.00	\$ 7,085,636	100.0%	\$ -	\$ 2.00	\$ -
	2009/10 & 2010/11	Immaculate Conception, Ancaster	6.50	N/A	N/A	CE01	100%	\$ 3,659,541.00	\$ 10,745,177	100.0%	\$ -	\$ 3,507,674.00	\$ 151,867.00
	2009/10	St. Matthew CES Babbrook	4.97	N/A	N/A	CE02	100%	\$ 8,913.00	\$ 10,754,090	100.0%	\$ -	\$ -	\$ 8,913.00
	2009/10 & 2010/11 & 2011/12 & 2012/13												
	2009/10 & 2010/11 & 2011/12 & 2012/13	St. Thomas the Apostle CES, (East Watforddown)	5.89	\$ 550,911	\$ 277,944	CE01	100%	\$ 4,847,477.00	\$ 15,601,567	100.0%	\$ -	\$ 3,244,864.00	\$ 1,402,613.00
	2009/10 & 2010/11 & 2011/12 & 2012/13 & 2013/14	Immaculate Heart of Mary, Lower Stoney Creek	13.32	N/A	N/A	CE03	100%	\$ 422,124.00	\$ 16,023,691	100.0%	\$ -	\$ 395,000.00	\$ 27,124.00
	2011/12	St. Gabriel CES, Winona	5.73	\$ 513,270	\$ -	CE03	100%	\$ 2,941,037.00	\$ 18,964,728	100.0%	\$ -	\$ 2,941,037.00	\$ -
	2009/10 & 2010/11 & 2013/14	Bishop Ryan CSS, 1824 Rymal Rd., Hamilton	17.92	N/A	N/A	CS01	100%	\$ 8,616,474.00	\$ 27,581,202	43.5%	\$ (3,752,201)	\$ 8,035,688.00	\$ 580,786.00
	2010/11	Annunciation of Our Lord	5.71	\$ -	\$ 232	CE04	100%	\$ 1,327.00	\$ 27,582,529	0.0%	\$ (3,753,528)	\$ -	\$ 1,327.00
	2010/11 & 2013/14	Holy Name of Jesus CES, Hamilton	1.61	\$ 179,605	\$ 65,093	CE03	100%	\$ 326,945.00	\$ 27,909,474	0.0%	\$ (4,080,473)	\$ 289,309.00	\$ 37,636.00
	2010/11	St. Anthony Daniel	6.80	\$ -	\$ 272	CE04	100%	\$ 1,851.00	\$ 27,911,325	0.0%	\$ (4,082,324)	\$ -	\$ 1,851.00
	2011/12	St. Thomas More CSS	15.00	\$ -	\$ 625	CS01	100%	\$ 9,376.00	\$ 27,920,701	0.0%	\$ (4,091,700)	\$ -	\$ 9,376.00
By-law #4 September 1, 2014 to June 30, 2019	EDC Expenditures August 31, 2014 to June 30, 2019												
		Study Costs						\$ 24,857.00	\$ 27,945,558	0.0%	\$ (4,116,557)	\$ -	\$ 24,857.00
		Other Eligible Costs						\$ 17,787.00	\$ 27,963,345	0.0%	\$ (4,134,344)	\$ -	\$ 17,787.00
	2014/15	Immaculate Heart of Mary, Lower Stoney Creek	13.32	N/A	N/A	CE03	100%	\$ 11,280.00	\$ 27,974,625	0.0%	\$ (4,145,624)	\$ -	\$ 11,280.00
	2014/15 & 2015/16 & 2016/17 & 2017/18	Our Lady of the Assumption (Summit Park), Babbrook	5.26	\$ 716,696	\$ 164,040	CE02	100%	\$ 4,632,670.00	\$ 32,607,295	0.0%	\$ (8,778,294)	\$ 3,709,821.00	\$ 862,849.00
	2017/18	New Babbrook	6.02			CE02	100%	\$ 3,854,300.00	\$ 36,461,595	0.0%	\$ (12,632,594)	\$ 3,414,440.00	\$ 439,860.00
	2014/15 & 2015/16	St. Gabriel CES, Winona	5.73	\$ -	\$ 211,312	CE03	100%	\$ 1,210,818.00	\$ 37,672,413	0.0%	\$ (13,843,412)	\$ -	\$ 1,210,818.00
	2014/15	Holy Name of Jesus CES, Hamilton	1.61	N/A	N/A	CE03	100%	\$ 67,164.00	\$ 37,739,577	0.0%	\$ (13,910,576)	\$ -	\$ 67,164.00
	2014/15	St. Thomas the Apostle CES, (East Watforddown)	5.89	N/A	N/A	CE01	100%	\$ 34,479.00	\$ 37,774,056	0.0%	\$ (13,945,055)	\$ -	\$ 34,479.00
	2015/16	Bishop Ryan CSS, 1824 Rymal Rd., Hamilton	17.92	N/A	N/A	CS01	100%	\$ 3,042.00	\$ 37,777,098	0.0%	\$ (13,948,097)	\$ -	\$ 3,042.00
	Board-approved EDC Expenditures September 1, 2018 to June 30, 2019												
	2018/19	New Babbrook	6.02			CE02	100%	\$ 26,355.44	\$ 37,803,454	0.0%	\$ (13,974,452)	\$ -	\$ 26,355.44
	2018/19	Other Eligible Costs					100%	\$ 6,399.35	\$ 37,809,853	0.0%	\$ (13,980,852)	\$ -	\$ 6,399.35
	Total Expenditures March 27, 2001 to June 30, 2018								\$ 37,809,853.04			\$ 31,052,666.25	\$ 6,724,432.00

7.7 Cash Flow Analysis and Forms H1 and H2

Table 7-5 set outs a fifteen-year cashflow analysis of the proposed capital expenditure program for school sites.

The quantum of the charge is determined on the basis of an 85%/15% residential/non-residential share, for the Board. As well, a sensitivity analysis is provided, for various non-residential ratios ranging between 0% and 40%.

Where EDC collections in any given year are insufficient to cover the cost of EDC expenditures, then interim financing in the form of a Line of Credit has been applied, with an interest rate of 3.2% consistent with recent experience elsewhere.

The cash flow methodology is consistent with that undertaken by municipalities for DC studies and is described as follows:

Cash Flow Assumptions:

- site acquisition costs are assumed to escalate by 5.0% to Year 5 of the forecast period;
- site development costs are assumed to escalate at 2.00% per annum consistent with the background information provided in Chapter 6;
- site acquisition costs are inflated only over the term of the by-law period (five years); site development costs are escalated over the full fifteen-year forecast period;
- the Education Development Charge account accrues 2.25% interest earnings per annum;
- interim financing requirements are assumed to come from the Board's internal working capital up to \$7.0 million per year.

PAGE LEFT INTENTIONALLY BLANK

Scenario Comments:	
HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD	
BOTH PANELS	

Cashflow Assumptions	
A. EDC Account interest earnings (per annum)	2.25%
B. Credit Line Borrowing Rate	3.20%

FORM H2 - Using Municipal DC New Occupied Dwellings PPUs					
Type of Development (Form B/C)	Net New Units	Total Requirements of New Development	Distribution Factor	Net Education Land Cost by Development Type	Differentiated Residential EDC Per Unit
Low Density	16,765	6,392	57.01%	\$ 32,198,767.83	\$ 1,921
Medium Density	16,713	2,839	23.26%	\$ 13,139,123.55	\$ 786
High Density	17,823	164	19.73%	\$ 11,144,509.61	\$ 625
TOTALS	51,301	9,395	100%	\$ 56,482,401.00	\$ 1,101

HAMILTON-WENTWORTH CATHOLIC DSB Proposed EDC Rates		
Non-Residential Share	Residential Rate	Non-Residential Rate
0%	\$1,295	\$0.00
5%	\$1,231	\$0.12
10%	\$1,166	\$0.23
15%	\$1,101	\$0.35
20%	\$1,036	\$0.46
25%	\$971	\$0.58
40%	\$777	\$0.93

	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Year 6 2024/ 2025	Year 7 2025/ 2026	Year 8 2026/ 2027	Year 9 2027/ 2028	Year 10 2028/ 2029	Year 11 2029/ 2030	Year 12 2030/ 2031	Year 13 2031/ 2032	Year 14 2032/ 2033	Year 15 2033/ 2034
Revenues															
1 Alternative Accommodation Arrangements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2 Operating Budget Surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 Credit Line Borrowing	\$ 7,500,000	\$ -	\$ -	\$ -	\$ -	\$ 8,000,000	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ -
4 Subtotal	\$ 7,500,000	\$ -	\$ -	\$ -	\$ -	\$ 8,000,000	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ -
5 Estimated EDC Revenue (Residential) Per Unit \$ 1,101	\$ 2,887,923	\$ 3,164,274	\$ 3,440,625	\$ 3,502,281	\$ 3,672,936	\$ 3,768,723	\$ 3,776,430	\$ 4,003,236	\$ 4,003,236	\$ 4,003,236	\$ 4,183,800	\$ 4,183,800	\$ 3,964,701	\$ 3,963,600	\$ 3,963,600
6 Estimated EDC Revenue (Non-Residential) Per Sq.Ft \$ 0.35	\$ 591,096	\$ 591,096	\$ 591,096	\$ 591,096	\$ 591,096	\$ 591,096	\$ 591,096	\$ 591,096	\$ 591,096	\$ 719,244	\$ 847,391	\$ 847,391	\$ 744,530	\$ 744,530	\$ 744,530
7 Subtotal EDC Revenue	\$ 3,479,019	\$ 3,755,370	\$ 4,031,721	\$ 4,093,377	\$ 4,264,032	\$ 4,359,819	\$ 4,367,526	\$ 4,594,332	\$ 4,594,332	\$ 4,722,480	\$ 5,031,191	\$ 5,031,191	\$ 4,709,231	\$ 4,708,130	\$ 4,708,130
8 Total Revenue	\$ 10,979,019	\$ 3,755,370	\$ 4,031,721	\$ 4,093,377	\$ 4,264,032	\$ 12,359,819	\$ 4,367,526	\$ 4,594,332	\$ 4,594,332	\$ 6,722,480	\$ 7,031,191	\$ 5,031,191	\$ 6,709,231	\$ 4,708,130	\$ 4,708,130
Expenditures															
9 Site acquisition costs	\$ -	\$ -	\$ -	\$ 6,077,531	\$ -	\$ 14,645,331	\$ -	\$ -	\$ -	\$ 12,060,861	\$ 5,803,462	\$ -	\$ 6,700,478	\$ -	\$ -
10 Site preparation costs ¹	\$ -	\$ -	\$ 91,653	\$ -	\$ -	\$ 677,795	\$ -	\$ 856,288	\$ 873,414	\$ -	\$ -	\$ 1,526,614	\$ 674,343	\$ -	\$ 810,028
11 Study Costs	\$ 43,000	\$ -	\$ -	\$ -	\$ -	\$ 43,000	\$ -	\$ -	\$ -	\$ -	\$ 43,000	\$ -	\$ -	\$ -	\$ 43,000
12 Subtotal Projected Expenditures	\$ 43,000	\$ -	\$ 91,653	\$ 6,077,531	\$ -	\$ 15,366,126	\$ -	\$ 856,288	\$ 873,414	\$ 12,060,861	\$ 5,846,462	\$ 1,526,614	\$ 7,374,821	\$ -	\$ 853,028
13 Credit Line Borrowing Costs - Principal	\$ 1,461,309	\$ 1,508,763	\$ 1,557,758	1,608,343	1,363,827	1,510,538	1,494,125	1,542,644	1,592,739	1,595,880	1,582,757	1,617,789	1,621,743	1,441,784	-
14 Credit Line Borrowing Costs - Interest	\$ 218,691	\$ 171,237	\$ 122,242	71,657	19,888	169,462	185,875	137,356	87,261	84,120	97,243	62,211	58,257	22,162	-
15 Subtotal Borrowing Expenditures	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,383,716	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,680,000	\$ 1,463,947	\$ -
16 Total Expenditures	\$ 1,723,000	\$ 1,680,000	\$ 1,771,653	\$ 7,757,531	\$ 1,383,716	\$ 17,046,126	\$ 1,680,000	\$ 2,536,288	\$ 2,553,414	\$ 13,740,861	\$ 7,526,462	\$ 3,206,614	\$ 9,054,821	\$ 1,463,947	\$ 853,028
17 Net Revenues/(Expenditures)	\$ 9,256,019	\$ 2,075,370	\$ 2,260,068	\$ (3,664,154)	\$ 2,880,317	\$ (4,686,307)	\$ 2,687,526	\$ 2,058,045	\$ 2,040,919	\$ (7,018,381)	\$ (495,271)	\$ 1,824,577	\$ (2,345,590)	\$ 3,244,184	\$ 3,855,102
EDC Eligibility Analysis															
18 EDC Account, Opening Balance	\$ (13,980,852)	\$ (4,724,833)	\$ (2,649,462)	\$ (389,394)	\$ (4,053,548)	\$ (1,173,231)	\$ (5,859,538)	\$ (3,172,012)	\$ (1,113,967)	\$ 926,951	\$ (6,070,574)	\$ (6,565,845)	\$ (4,741,267)	\$ (7,086,857)	\$ (3,842,674)
19 Revenue Minus Expenditures	\$ 9,256,019	\$ 2,075,370	\$ 2,260,068	\$ (3,664,154)	\$ 2,880,317	\$ (4,686,307)	\$ 2,687,526	\$ 2,058,045	\$ 2,040,919	\$ (7,018,381)	\$ (495,271)	\$ 1,824,577	\$ (2,345,590)	\$ 3,244,184	\$ 3,855,102
20 Sub total	\$ (4,724,833)	\$ (2,649,462)	\$ (389,394)	\$ (4,053,548)	\$ (1,173,231)	\$ (5,859,538)	\$ (3,172,012)	\$ (1,113,967)	\$ 926,951	\$ (6,091,430)	\$ (6,565,845)	\$ (4,741,267)	\$ (7,086,857)	\$ (3,842,674)	\$ 12,429
21 Credit Line - Principal Due at year end	\$ (6,038,691)	\$ (4,529,928)	\$ (2,972,171)	\$ (1,363,827)	\$ -	\$ (6,489,462)	\$ (4,995,337)	\$ (3,452,693)	\$ (1,859,954)	\$ (2,264,074)	\$ (2,681,316)	\$ (1,063,528)	\$ (1,441,784)	\$ -	\$ -
22 Sub total	\$ (10,763,524)	\$ (7,179,391)	\$ (3,361,565)	\$ (5,417,375)	\$ (1,173,231)	\$ (12,349,000)	\$ (8,167,349)	\$ (4,566,661)	\$ (933,003)	\$ (8,355,504)	\$ (9,247,161)	\$ (5,804,795)	\$ (8,528,642)	\$ (3,842,674)	\$ 12,429
23 Interest Earnings (12 months on Sub-total)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,856	\$ -	\$ -	\$ -	\$ -	\$ -
24 EDC 15-Year Forecast Account Closing Balance (includes O/S Principal owed)	\$ (10,763,524)	\$ (7,179,391)	\$ (3,361,565)	\$ (5,417,375)	\$ (1,173,231)	\$ (12,349,000)	\$ (8,167,349)	\$ (4,566,661)	\$ (933,003)	\$ (8,334,647)	\$ (9,247,161)	\$ (5,804,795)	\$ (8,528,642)	\$ (3,842,674)	\$ 12,429
25 EDC 15-Year Forecast Cash Closing Balance (excludes O/S Principal owed)	\$ (4,724,833)	\$ (2,649,462)	\$ (389,394)	\$ (4,053,548)	\$ (1,173,231)	\$ (5,859,538)	\$ (3,172,012)	\$ (1,113,967)	\$ 926,951	\$ (6,070,574)	\$ (6,565,845)	\$ (4,741,267)	\$ (7,086,857)	\$ (3,842,674)	\$ 12,429

¹ No escalation applied beyond the 15-year timeframe.

² Includes any EDC Account surplus/deficit accruing from the Board's existing EDC by-law.

Total debt (principal only):	21,500,000
Total debt payments (principal and interest):	23,007,662
Debt at end of forecast period (principal only):	-
Year in which outstanding debt is fully funded:	2033/34

PAGE LEFT INTENTIONALLY BLANK

Explanation of the Cash Flow Analysis:

A. Revenues

- Line 1 incorporates any offsetting reduction to the charge resulting from alternative accommodation arrangements the Board has entered into, or proposes to enter into.
- Line 2 incorporates any operating budget surplus that the Board has available to offset net education land costs.
- Line 3 incorporates proposed borrowing against a Line of Credit with a prime Canadian bank. Line 3 involves an iterative process wherein interim (Line of Credit) financing is incorporated, where required, in order to ensure that the “closing balance” on Line 25 does not exceed a negative balance of \$7.0 million (i.e. the cash flow analysis contemplates that the Board will utilize up to \$7.0 million of the Board’s internal working capital in any given year as short-term cash flow financing and that the EDC account balance is close to a ‘zero’ balance in Year 15).
- Line 4 subtotals lines 1 through 3.
- Line 5 determines the EDC revenue to be generated by residential building permits to be issued over the forecast period.
- Line 6 determines the EDC revenue to be generated by non-residential building permits to be issued over the forecast period.
- Line 7 subtotals the residential EDC revenue (Line 5) and the non-residential EDC revenue (Line 6).
- Line 8 totals all anticipated revenue sources including funds borrowed against the Line of Credit (Lines 1 through 7).

B. Expenditures

- Line 9 brings forward into the calculation the annual site acquisition costs. The timing of the capital expenditures determines the point at which the escalation factor is applied to the first 5 years of the forecast period.
- Line 10 incorporates the site preparation/development costs, and escalates these costs at 2.0% per annum over the entire 15-year forecast period.
- Line 11 incorporates the study costs specified under section 257.53(2) at the beginning of each new by-law period, and over the 15-year forecast period.
- Line 12 totals all projected expenditures
- Line 13 sets out the annual principal payments against the Line of Credit borrowing. A 3.2% interest rate is to accrue immediately following the L/C borrowing.
- Line 14 calculates the annual cost of borrowing against the Line of Credit and indicates when each borrowing tranche is fully paid.
- Line 15 totals the annual principal and interest payments required.
- Line 16 calculates total expenditures, including borrowing requirements by totaling Lines 9 through 15.

C. Cash Flow Analysis

- Line 17 calculates total revenues minus total expenditures (Line 8 minus Line 16).
- Line 18 extracts the “closing balance” from the previous year and describes it as the “opening balance” in the following year.
- Line 19 pulls forward the revenues less expenditures balance from Line 17
- Line 20 calculates a sub-total of Lines 18 and 19.
- Line 21 indicates the level of principal payments outstanding in any given year as part of calculating the total financial obligations of the Board
- Line 22 indicates the total financial obligations including any principal payments outstanding
- Line 23 accrues EDC account interest earnings at 2.3% on the sub-total (Line 20).
- Line 24 is the total financial obligations outstanding including any principal payments less any interest earned to date (Line 22 plus Line 23).
- Line 25 the EDC account balance in any given year.

7.8 Non-Residential Share

One of the key policy decisions to be made by the Board in advance of adopting the by-law, is the percentage of net education land costs to be recovered from residential and non-residential development (or residential only). Although it is noted that O. Reg. 438/18 naturally alters the residential/non-residential shares, even with ‘capped’ EDC rates.

The apportionment of net education capital costs to determine the residential education development charge per unit and the non-residential rate per square foot of gross floor area was based on the residential/non-residential share underlying the Board’s existing EDC by-law (i.e., 85% residential and 15% non-residential share). However, it is noted that the determination of the EDC charge based on any assumed share non-statutory exempt residential development over the term of the by-law, and any proportionate share from non-residential (industrial, institutional and commercial) development, does not prejudice the Board’s final policy decision on this matter.

A sensitivity analysis outlining a range of possible residential EDC rates and comparable non-residential rates is set out in the top right-hand corner of the cashflow analysis. Non-residential shares ranging from 0% to 40% are determined for this purpose.

7.9 Education Development Charges

Finally, Table 7-6 summarizes the calculation of the jurisdiction-wide residential and non-residential education development charges for the Board.

This information is consistent with the EDC submission, approval of which is required to be given by the Ministry of Education prior to consideration of by-law adoption.

TABLE 7-6 HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD		% of Total
CALCULATION OF EDUCATION DEVELOPMENT CHARGES		
Total Growth-Related Net Education Land Costs (over 15-year forecast period including associated financing and study costs)	\$ 66,449,884	
Site Acquisition Costs	\$ 35,972,164	54.1%
Land Escalation Costs	\$ 9,315,499	14.0%
Site Preparation Costs	\$ 4,566,309	6.9%
Site Preparation Escalation Costs	\$ 943,825	1.4%
Credit Line Interest Payments	\$ 1,507,662	2.3%
Study Costs	\$ 172,000	0.3%
Financial Obligations/Surplus (projected EDC Account Balance as of March 31, 2019)	\$ 13,980,852	21.0%
Interest Earnings	\$ (20,856)	0.0%
Closing Account Balance	\$ 12,429	0.0%
Total Net New Units	51,301	
Total Non-Residential, Non-Exempt Board-Determined GFA	28,662,917	
Residential Education Development Charge Per Unit based on 85% of Total Growth-Related Net Education Land Costs	\$ 1,101	
Non-Residential Education Development Charge Per Sq. Ft. of GFA based on 15% of Total Growth-Related Net Education Land Costs	\$ 0.35	

PAGE LEFT INTENTIONALLY BLANK

APPENDIX A - EDC SUBMISSION 2019

The following outlines the EDC Submission forwarded to the Minister of Education for review and approval.

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD

Education Development Charges Submission 2019

Form A - Eligibility to Impose an EDC

A.1.1: CAPACITY TRIGGER CALCULATION - ELEMENTARY PANEL

Elementary Panel Board-Wide Capacity	Projected Elementary Panel Average Daily Enrolment Headcount						Elementary Average Projected Enrolment less Capacity
	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Average Projected Enrolment Over Five Years	
20,880	18,919	19,236	19,497	19,673	19,922	19,449	-1,431

Board-wide Capacity reflects all Purpose-built Kindergarten rooms existing or approved for funding and loaded at 26 pupils per classroom

A.1.2: CAPACITY TRIGGER CALCULATION - SECONDARY PANEL

Secondary Panel Board-Wide Capacity	Projected Secondary Panel Average Daily Enrolment (ADE)						Secondary Projected Enrolment less Capacity
	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Average Projected Enrolment Over Five Years	
9,033	10,267	10,640	10,734	10,704	10,737	10,616	1,583

A.2: EDC FINANCIAL OBLIGATIONS (Estimated to June 30 2019)

Adjusted Outstanding Principal:	\$37,809,853
Less Adjusted EDC Account Balance:	\$23,829,001
Total EDC Financial Obligations/Surplus:	-\$13,980,852

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
Education Development Charges Submission 2019
Forms B/C - Dwelling Unit Summary
PROJECTION OF NET NEW DWELLING UNITS¹

	Year 1 2019/ 2020	Year 2 2020/ 2021	Year 3 2021/ 2022	Year 4 2022/ 2023	Year 5 2023/ 2024	Year 6 2024/ 2025	Year 7 2025/ 2026	Year 8 2026/ 2027	Year 9 2027/ 2028	Year 10 2028/ 2029	Year 11 2029/ 2030	Year 12 2030/ 2031	Year 13 2031/ 2032	Year 14 2032/ 2033	Year 15 2033/ 2034	Total All Units
City of Hamilton																
Single & Semi-detached	654	859	852	899	930	894	984	1,245	1,308	940	1,539	1,539	1,296	1,443	1,383	16,765
Townhouses, Row Housing, etc.	902	1,127	1,253	1,213	1,338	1,368	1,247	1,037	846	974	1,084	1,103	1,028	1,079	1,114	16,713
Apartments including Stacked Townhouses	1,067	888	1,020	1,069	1,068	1,161	1,199	1,354	1,482	1,722	1,177	1,158	1,277	1,078	1,103	17,823
Total	2,623	2,874	3,125	3,181	3,336	3,423	3,430	3,636	3,636	3,636	3,800	3,800	3,601	3,600	3,600	51,301
CE01 - Ancaster, Dundas & Flamborough																
Single & Semi-detached	245	346	364	469	410	345	369	387	266	258	256	329	308	311	311	4,974
Townhouses, Row Housing, etc.	274	380	422	308	205	200	158	174	122	65	-	46	31	132	132	2,649
Apartments including Stacked Townhouses	51	281	187	156	280	161	220	193	193	203	198	187	227	229	40	2,766
Total	570	987	973	933	875	706	747	754	581	526	454	562	566	672	483	10,389
CE02 - Glanbrook, Mount Hope, Binbrook & Upper Stoney Creek																
Single & Semi-detached	238	338	226	253	274	242	334	471	501	461	785	810	753	790	771	7,247
Townhouses, Row Housing, etc.	315	458	427	441	518	690	645	418	352	344	521	513	479	479	491	7,091
Apartments including Stacked Townhouses	-	125	444	438	98	97	125	89	73	117	121	135	40	40	-	1,942
Total	553	921	1,097	1,132	890	1,029	1,104	978	926	922	1,427	1,458	1,272	1,309	1,262	16,280
CE03 - Lower Hamilton & Stoney Creek																
Single & Semi-detached	100	95	143	54	36	26	23	187	357	135	433	302	160	259	211	2,521
Townhouses, Row Housing, etc.	250	254	228	288	435	280	158	158	82	483	485	469	462	412	391	4,835
Apartments including Stacked Townhouses	766	378	265	364	599	781	791	1,009	1,135	1,402	858	836	1,010	809	1,063	12,066
Total	1,116	727	636	706	1,070	1,087	972	1,354	1,574	2,020	1,776	1,607	1,632	1,480	1,665	19,422
CE04 - Hamilton Mountain																
Single & Semi-detached	71	80	119	123	210	281	258	200	184	86	65	98	75	83	90	2,023
Townhouses, Row Housing, etc.	63	35	176	176	180	198	286	287	290	82	78	75	56	56	100	2,138
Apartments including Stacked Townhouses	250	124	124	111	111	122	63	63	81	-	-	-	-	-	-	1,049
Total	384	239	419	410	501	601	607	550	555	168	143	173	131	139	190	5,210

Notes: 1. Assumed to be net of demolitions and conversions.

Grand Total Gross New Units in By-Law Area	51,719
Less: Statutorily Exempt Units in By-Law Area	418
Total Net New Units in By-Law Area	51,301

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
Education Development Charges Submission 2019
Form D - Non-Residential Development

D1 - Non-Residential Charge Based On Gross Floor Area (sq. ft.)

Total Estimated Non-Residential Board-Determined Gross Floor Area to be Constructed Over 15 Years From Date of By-Law Passage	48,551,110
Less: Board-Determined Gross Floor Area From Exempt Development	19,888,193
Net Estimated Board-Determined Gross Floor Area	28,662,917

FORM E**HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD****Education Development Charges Submission 2019****Elementary Panel**

Review Area	Total Cumulative 15 Year New Net Unit Projections (1)	% Total Forecast Municipal Residential Growth (2)	Weighted Blended EDC Pupil Yield (3)	2019/20-2033/34 Pupil Requirements of New Development (4)=(3) x (1)	2018/19 OTG Capacity (5)	2033/34 ADE Existing Community Projections (6)	Net Growth Related Pupil Place Requirements (7)	SINGLE and SEMI- DETACHED	MEDIUM DENSITY	APARTMENTS (includes purpose- built seniors housing and student housing) & STACKED TOWNS	TOTAL UNITS
CE01 - Ancaster, Dundas & Hamborough	10,389	20%	0.1204	1,250	3,975	2,096	534	4,974	2,649	2,766	10,389
CE02 - Glanbrook, Mount Hope, Babbrook & Upper Stony Creek	16,280	32%	0.1997	3,251	2,371	2,611	2,468	7,247	7,091	1,942	16,280
CE03 - Lower Hamilton & Stony Creek	19,422	38%	0.0740	1,436	7,442	5,654	-	2,521	4,835	12,066	19,422
CE04 - Hamilton Mountain	5,210	10%	0.1605	836	7,092	5,515	-	2,023	2,138	1,049	5,210
TOTAL	51,301	100%	0.1320	6,773	20,880	16,476	3,002	16,765	16,713	17,823	51,301

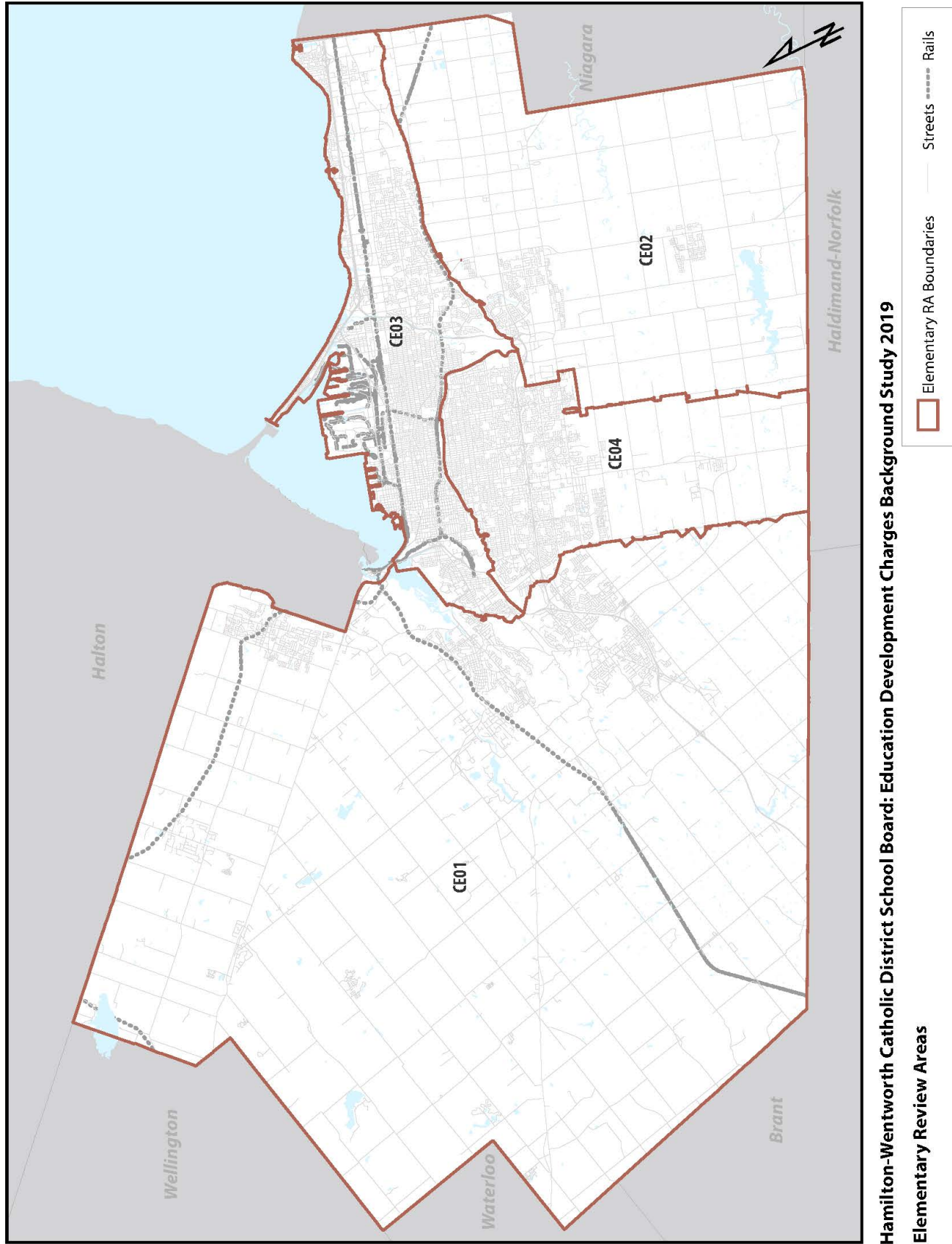
Secondary Panel

Review Area	Total Cumulative 15 Year New Net Unit Projections (1)	% Total Forecast Municipal Residential Growth (2)	Weighted Blended EDC Pupil Yield (3)	2019/20-2033/34 Pupil Requirements of New Development (4)=(3) x (1)	2018/19 OTG Capacity (5)	2033/34 ADE Existing Community Projections (6)	Net Growth Related Pupil Place Requirements (7)	SINGLE and SEMI- DETACHED	MEDIUM DENSITY	APARTMENTS (includes purpose- built seniors housing and student housing) & STACKED TOWNS	TOTAL UNITS
CS01 - City of Hamilton	51,301	100.0%	0.0511	2,621	9,033	9,344	1,455	16,765	16,713	17,823	51,301
TOTAL	51,301	100.0%	0.0511	2,621	9,033	9,344	1,455	16,765	16,713	17,823	51,301

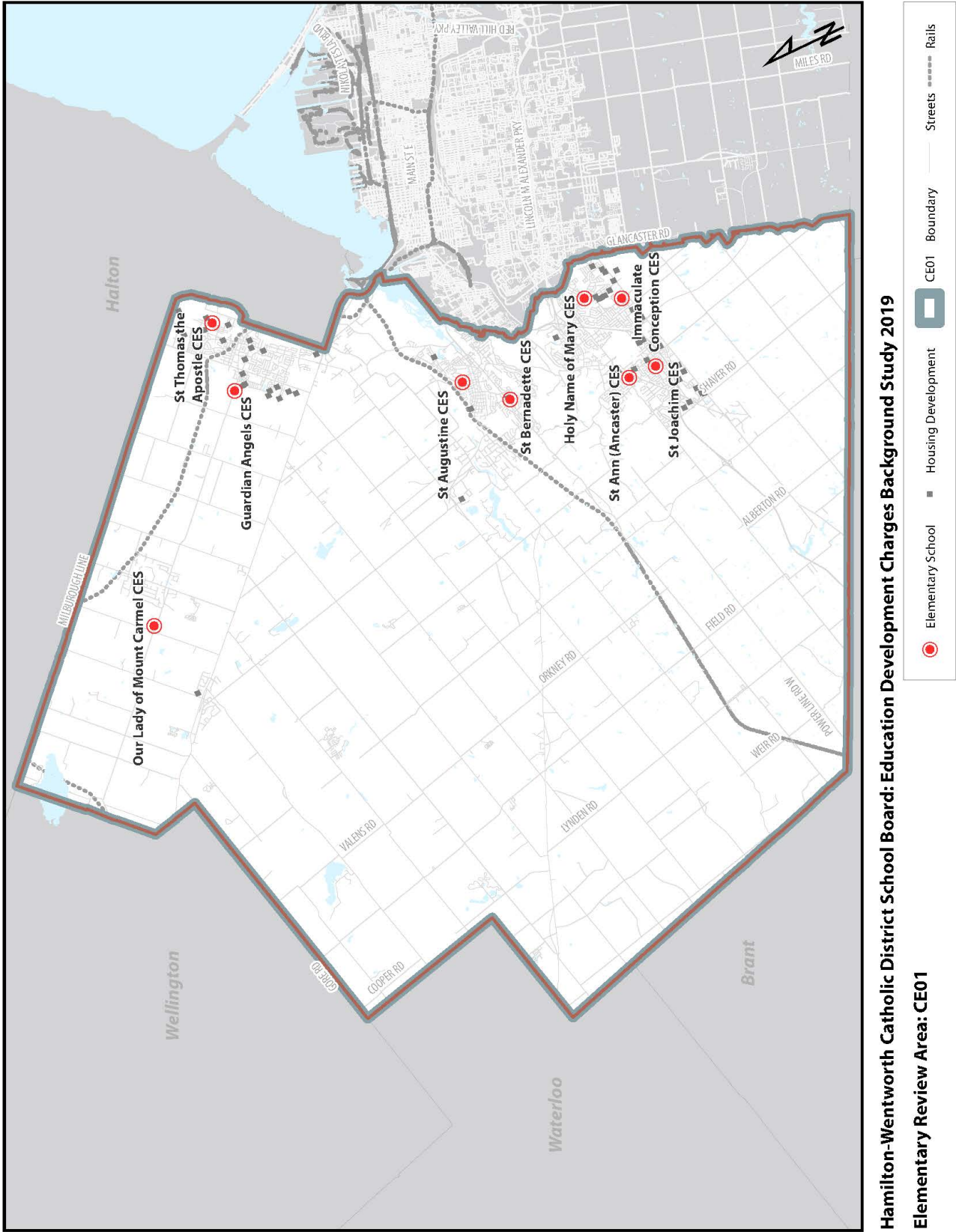
TOTAL BOTH PANELS				9,395	29,913	25,820	4,457
--------------------------	--	--	--	--------------	---------------	---------------	--------------

PAGE LEFT INTENTIONALLY BLANK

ELEMENTARY REVIEW AREAS



Review Area Map CE01



HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD - FORMS E AND F EDUCATION DEVELOPMENT CHARGES SUBMISSION 2019														
	Yr 15 Enrolment without Permanent Capacity	Projected Housing Growth										Weighted/ Blended Elementary Yield	Total Net New Units 2033/34	Total Yr. 15 Growth-related Pupils
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
1. Shortfall in student accommodation in Watford (or require 7 additional portables at St. Thomas)														
2. Shortfall in student accommodation in Ancaster														
3.														
Review Area: CE01 - Ancaster, Dundas & Flamborough														
Projected Housing Growth														
Low Density		245	346	364	469	410	345	369	387	266	258	256	319	311
Medium Density		274	380	422	308	205	200	158	174	174	122	65	31	132
High Density - Apartments & Stacked Towns		51	261	187	156	260	161	220	193	193	203	198	187	229
Total Net Dwelling Units		570	987	973	933	875	706	747	754	581	526	454	562	672

Review Area Schools not Impacted by New Housing Development, or for which no Growth-related Accommodation Solutions are Required

	OTG Capacity	Current	Projected Housing Growth										Weighted/ Blended Elementary Yield	Total Net New Units 2033/34	Total Yr. 15 Growth-related Pupils
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
B1. Holy Name of Mary	444	403	374	357	342	315	302	297	290	288	280	283	281	278	273
B2. Our Lady of Mount Carmel	384	262	263	256	259	257	250	256	255	250	251	243	241	239	235
B3. St. Ann (Ancaster)	386	283	277	260	246	230	224	216	215	210	213	214	212	209	206
B4. St. Augustine	418	232	217	207	201	190	182	170	160	157	158	156	154	153	151
B5. St. Bernadette	326	246	249	244	240	238	240	234	235	237	236	233	231	228	224
B6															
B7															
B8															
B9															
B10															
Totals	1,958	1,427	1,381	1,325	1,288	1,230	1,138	1,172	1,154	1,142	1,138	1,129	1,119	1,106	1,088
Total ROND	2	10	21	24	29	37	45	58	72	80	84	84	84	84	84
Total Surplus Pupil Spaces	531	575	624	649	704	731	759	759	759	759	755	757	759	768	785

Review Area Schools Impacted by Housing Growth and for which additional Growth-related Accommodation Solutions are Required

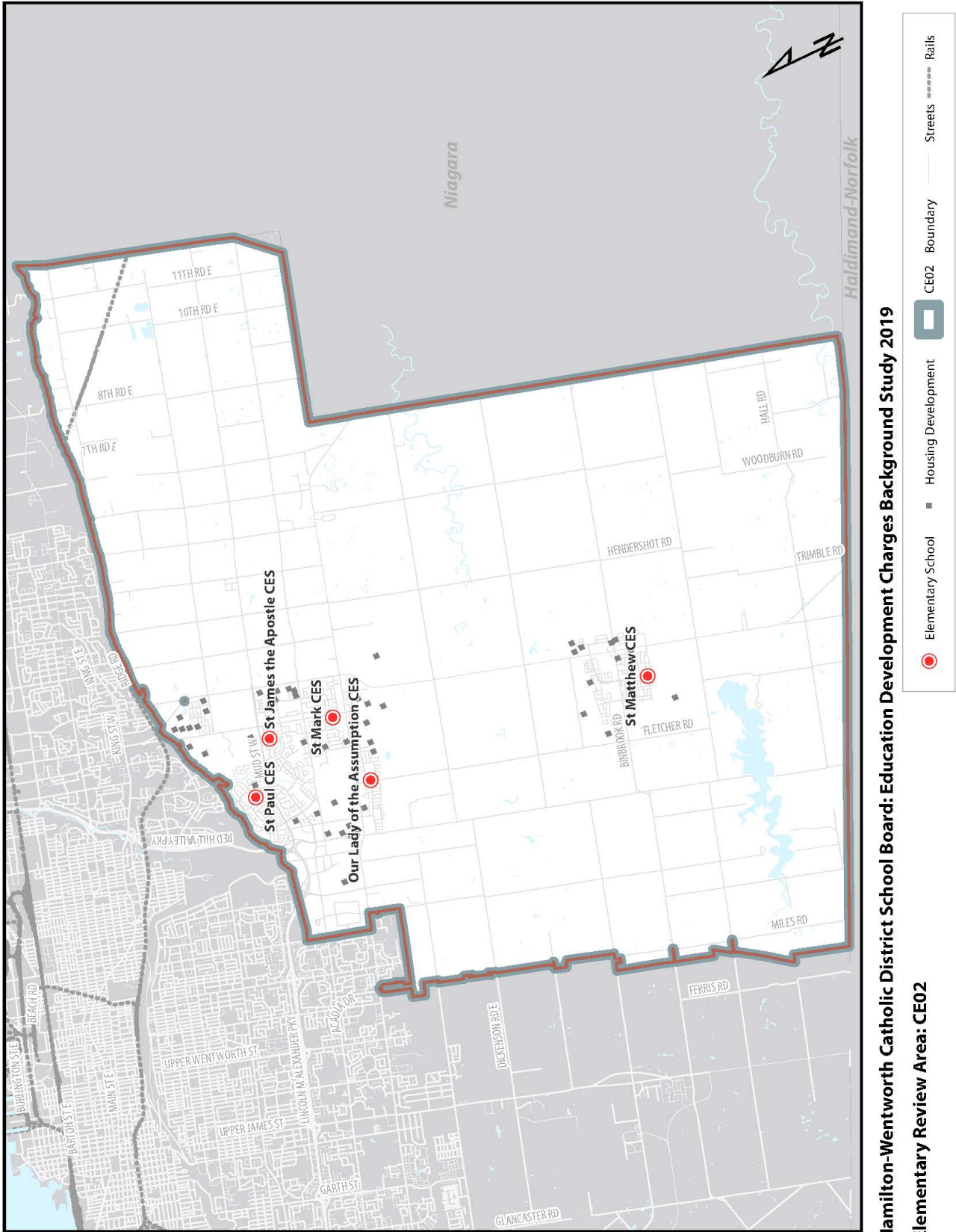
	OTG Capacity	Current	Projected Housing Growth										Weighted/ Blended Elementary Yield	Total Net New Units 2033/34	Total Yr. 15 Growth-related Pupils
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
C1. Guardian Angels, Watford	447	484	482	482	482	478	478	472	478	481	469	467	463	458	450
ROND			7	15	21	24	31	40	53	68	82	93	97	118	138
C2. St. Thomas the Apostle, Watford	599	375	410	419	445	455	457	475	486	487	482	477	473	468	461
ROND			5	23	41	80	119	157	189	220	234	246	259	263	265
C3. St. Joachim, Ancaster	372	391	353	370	376	376	370	376	375	377	372	369	366	362	357
ROND			37	73	114	153	192	221	264	308	356	405	431	460	489
C4. Immaculate Conception, Ancaster	599	557	550	545	535	530	518	512	487	482	479	479	474	469	462
ROND			25	60	93	131	141	161	180	199	215	218	211	198	186
C5															
C6															
C7															
C8															
Totals	2,017	1,807	1,869	1,987	2,108	2,227	2,305	2,413	2,512	2,622	2,689	2,756	2,773	2,796	2,808
Total Pupil Spaces Available to Accommodate Growth	-	-	30	-	-	-	-	-	-	-	-	-	-	-	-

D. Requirements of New Development for Growth Areas (Cumulative)

Note: The Board is excluding any available capacity utilized for holding students and where a permanent accommodation solution is sought, as well as any available capacity that doesn't meet longer term capital priority needs due to distance.

2,596

Review Area Map CE02

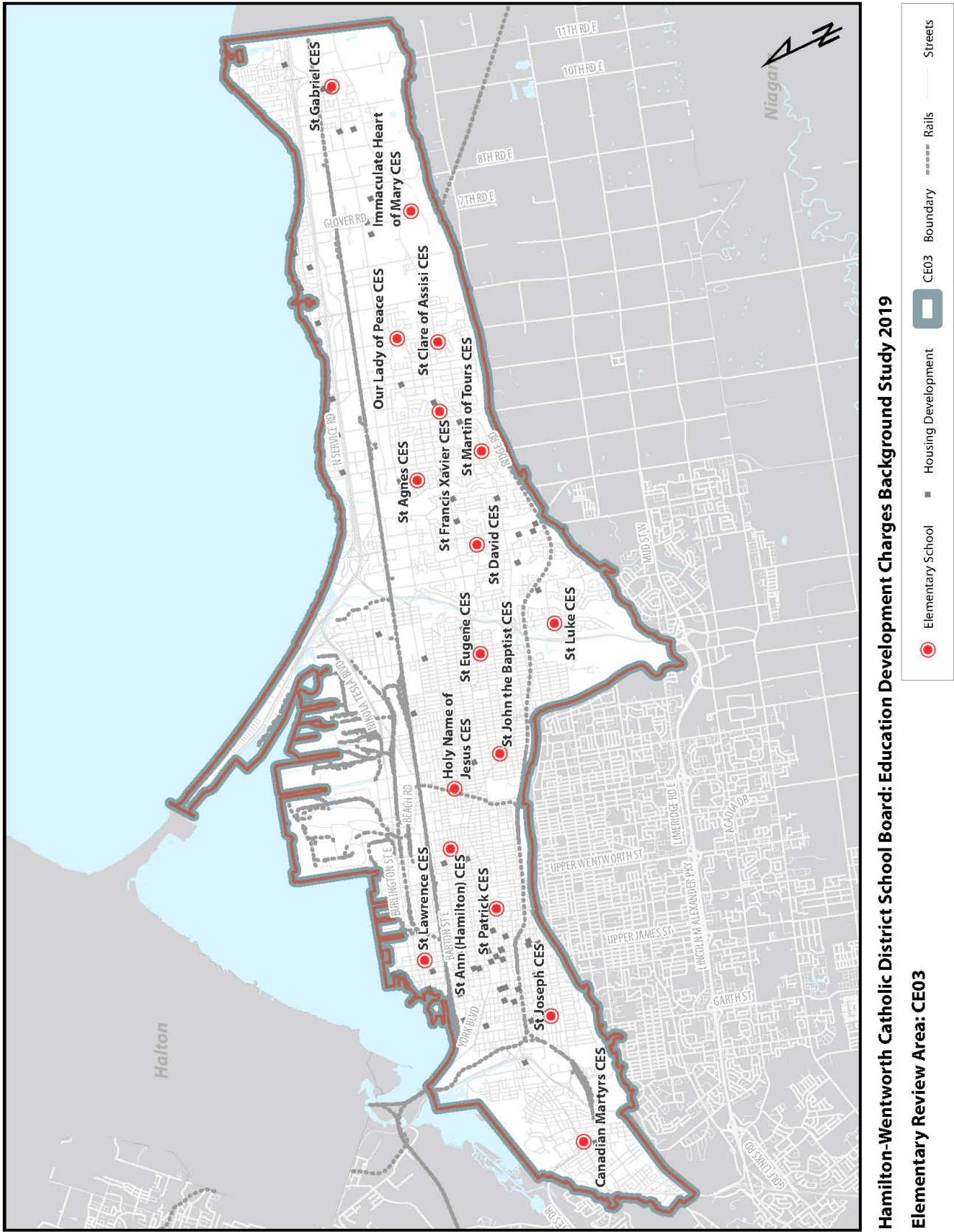


A-1 Hamilton-Wentworth Catholic District School Board Education Development Charge Background Study 2019

D	Requirements of New Development for Growth Areas (Cumulative)													
	256	375	503	643	816	1,016	1,218	1,422	1,616	1,932	2,266	2,587	2,921	3,251
														2,611

Note: The Board is excluding any available capacity utilized for holding situations and where a permanent accommodation solution is sought, as well as any available capacity that doesn't meet longer term capital priority needs due to distance.

Review Area Map CE03



Hamilton-Wentworth Catholic District School Board: Education Development Charges Background Study 2019

Elementary Review Area: CE03

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD - FORMS E AND F EDUCATION DEVELOPMENT CHARGES SUBMISSION 2019

1. Shortfall in student accommodation in Winona to be accommodated in existing facilities

2.

3.

Review Area: CE03 - Lower Hamilton & Stoney Creek

Projected Housing Growth

	Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Year 4 2022/23	Year 5 2023/24	Year 6 2024/25	Year 7 2025/26	Year 8 2026/27	Year 9 2027/28	Year 10 2028/29	Year 11 2029/30	Year 12 2030/31	Year 13 2031/32	Year 14 2032/33	Year 15 2033/34
Low Density	100	95	143	54	36	26	23	187	357	135	433	302	160	259	211
Medium Density	250	254	288	288	435	458	158	483	82	483	483	465	462	412	391
High Density - Apartments & Stacked Towns	766	378	265	364	599	781	791	1,402	1,135	858	858	1,010	809	1,063	1,063
Total Net Dwelling Units	1,116	727	686	706	1,070	1,087	972	1,354	1,574	2,020	1,776	1,607	1,632	1,480	1,665

Review Area Schools not Impacted by New Housing Development, or for which no Growth-related Accommodation Solutions are Required

Review Area Schools

	Current 2018/19	Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Year 4 2022/23	Year 5 2023/24	Year 6 2024/25	Year 7 2025/26	Year 8 2026/27	Year 9 2027/28	Year 10 2028/29	Year 11 2029/30	Year 12 2030/31	Year 13 2031/32	Year 14 2032/33	Year 15 2033/34
B1 St. Ann (Hamilton)	482	333	343	351	355	362	353	344	340	336	337	334	330	324	317	309
B2 St. Clare of Assisi	409	258	252	248	235	228	224	218	212	213	213	212	210	206	202	197
B3 St. David	521	464	466	466	466	466	466	477	479	478	473	469	465	457	448	438
B4 St. Eugene	573	553	575	590	600	614	630	637	655	678	681	676	669	660	649	636
B5 St. Francis Xavier	455	398	392	397	407	406	408	404	397	391	374	363	352	341	331	321
B6 St. John the Baptist	400	330	341	343	345	336	338	342	344	340	333	331	328	322	316	309
B7 St. Joseph	573	432	447	481	511	524	537	550	565	573	591	587	581	575	568	558
B8 St. Lawrence	504	340	341	339	321	317	307	302	297	304	303	301	298	293	287	281
B9 St. Luke	432	349	346	346	339	326	321	314	310	304	306	303	300	295	289	282
B10 St. Martin of Tours	314	298	288	270	261	250	238	233	235	232	231	229	227	223	219	214
B11 St. Patrick (original building)	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B12 St. Patrick (replacement opening)	383	362	351	346	332	329	318	305	311	301	298	297	292	288	283	277
Totals	6,460	5,366	5,380	5,404	5,404	5,380	5,353	5,332	5,334	5,311	5,281	5,231	5,171	5,086	4,986	4,874
Total ROND	1,094	1,072	1,043	1,029	1,048	1,061	1,061	1,044	1,032	1,023	1,003	1,026	1,058	1,108	1,187	1,279

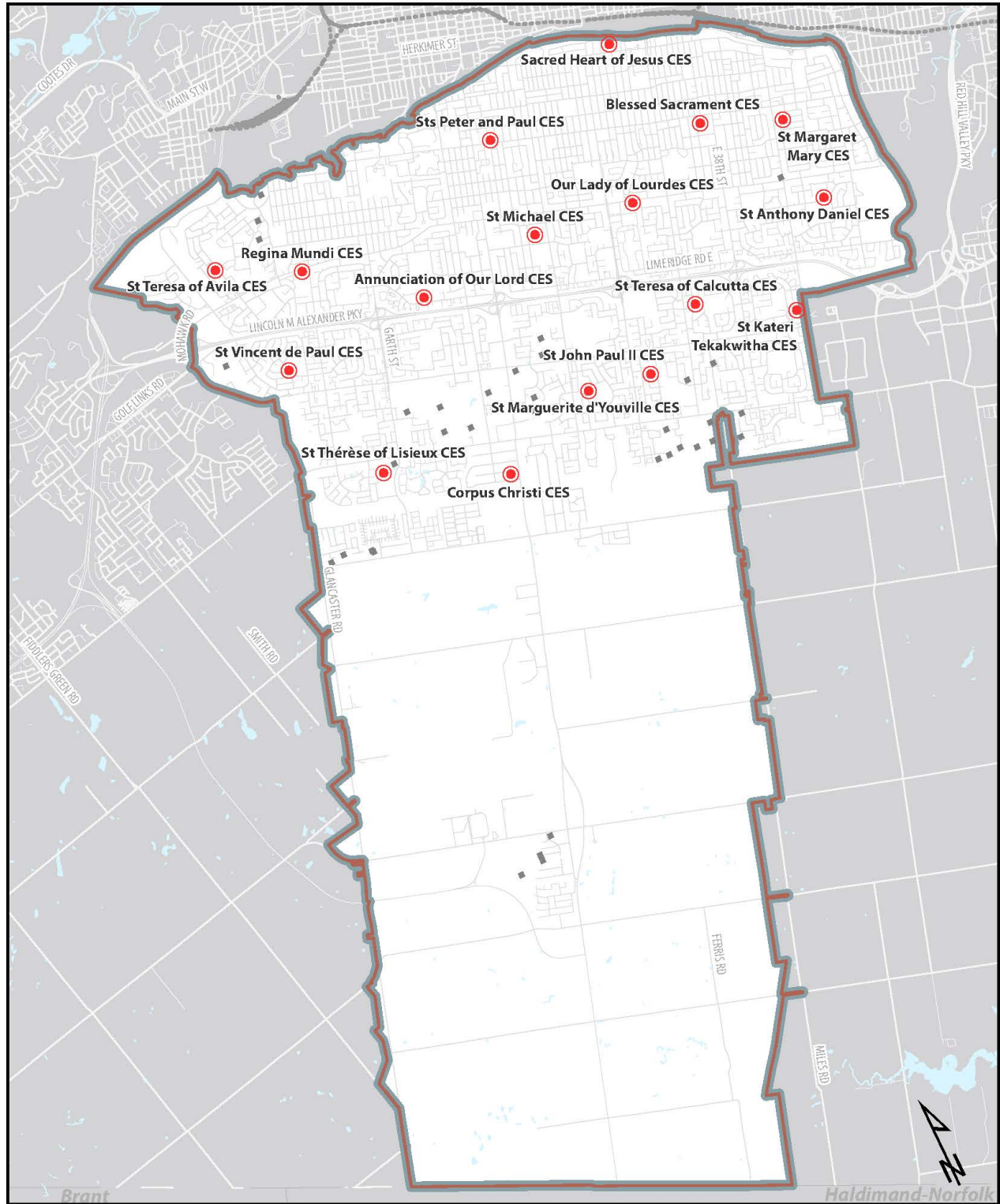
Review Area Schools Impacted by Housing Growth and for which additional Growth-related Accommodation Solutions are Required

	Current 2018/19	Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Year 4 2022/23	Year 5 2023/24	Year 6 2024/25	Year 7 2025/26	Year 8 2026/27	Year 9 2027/28	Year 10 2028/29	Year 11 2029/30	Year 12 2030/31	Year 13 2031/32	Year 14 2032/33	Year 15 2033/34
C1 Immaculate Heart of Mary	478	330	300	331	327	326	328	328	326	324	325	322	319	314	308	301
C2 St. Gabriel	504	553	523	525	514	522	524	514	518	521	516	511	506	499	490	480
C3																
C4																
C5																
C6																
C7																
C8																
Totals	982	888	876	964	1,013	1,048	1,096	1,118	1,128	1,178	1,246	1,208	1,206	1,207	1,215	1,210
Total Pupil Spaces Available to Accommodate Growth																
D Requirements of New Development for Growth Areas (Cumulative)	109	172	200	244	267	286	333	423	505	674	800	893	1,017	1,129	1,259	1,429

Note: The Board is excluding any available capacity utilized for holding situations and where a permanent accommodation solution is sought, as well as any available capacity that doesn't meet longer term capital priority needs due to distance.

5,654

Review Area Map CE04



Hamilton-Wentworth Catholic District School Board: Education Development Charges Background Study 2019

Elementary Review Area: CE04

● Elementary School
 ■ Housing Development
 CE04:undary
 — Streets
 - - - - - Rails

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD - FORMS E AND F EDUCATION DEVELOPMENT CHARGES SUBMISSION 2019

1. Shortfall in student accommodation Central Hamilton Mountain - St. John Paul II & St. Marguerite d'Youville to be accommodated with portables																127	Medium Density				0.8233	2,138	176		
2.																	High Density - Apartments & Stacked Towns				0.0080	1,049	8		
3. Shortfall in student accommodation Annunciation of Our Lord & St. Michael to be accommodated with 16 portables																202	Total Net Dwelling Units				0.3605	5,210	836		
Review Area: CE04 - Hamilton Mountain																									
Projected Housing Growth																									
	Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Year 4 2022/23	Year 5 2023/24	Year 6 2024/25	Year 7 2025/26	Year 8 2026/27	Year 9 2027/28	Year 10 2028/29	Year 11 2029/30	Year 12 2030/31	Year 13 2031/32	Year 14 2032/33	Year 15 2033/34										
Low Density	71	80	119	123	281	210	238	200	184	86	65	98	75	83	90										
Medium Density	63	35	176	180	198	198	286	287	290	82	78	75	56	56	100										
High Density - Apartments & Stacked Towns	250	124	124	111	122	63	63	63	81	-	-	-	-	-	-										
A Total Net Dwelling Units	384	239	419	410	501	601	607	550	555	168	143	173	131	139	150										
Review Area Schools not Impacted by New Housing Development, or for which no Growth-related Accommodation Solutions are Required																									
	Current 2018/19	Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Year 4 2022/23	Year 5 2023/24	Year 6 2024/25	Year 7 2025/26	Year 8 2026/27	Year 9 2027/28	Year 10 2028/29	Year 11 2029/30	Year 12 2030/31	Year 13 2031/32	Year 14 2032/33	Year 15 2033/34									
B1 Blessed Sacrament	475	244	226	202	397	197	187	189	188	182	187	185	183	179	176	171									
B2 Corpus Christi	432	437	431	420	418	406	418	414	410	411	406	403	399	392	385	375									
B3 Our Lady of Lourdes	452	311	300	298	291	297	293	292	286	291	289	286	283	279	273	266									
B4 Regina Mundi	291	228	223	222	224	227	226	221	221	221	223	221	219	215	210	205									
B5 Sacred Heart of Jesus	104	169	171	170	171	172	168	166	169	170	166	165	163	161	157	152									
B6 St. Anthony Daniel	268	172	172	166	162	153	137	129	129	127	128	127	125	123	121	118									
B7 St. Kateri Tekakwitha	349	295	301	289	287	287	292	282	278	279	276	273	271	267	262	256									
B8 St. Margaret Mary	478	396	393	395	386	389	378	384	384	381	374	371	366	360	353	345									
B9 St. Teresa of Avila	268	232	225	221	212	210	206	211	210	215	214	212	210	207	203	198									
B10 St. Teresa of Calcutta	395	345	332	327	320	305	295	297	302	296	294	292	289	284	278	270									
B11 St. Therese of Lisieux	668	721	686	676	653	647	620	602	601	601	593	587	580	571	560	547									
B12 St. Vincent de Paul	395	281	285	284	290	295	293	292	298	300	299	292	287	282	275	269									
B13 Sts. Peter & Paul	619	648	648	662	670	673	671	670	664	651	655	649	642	632	620	607									
Totals	5,194	4,479	4,394	4,347	4,295	4,156	4,183	4,156	4,135	4,121	4,098	4,063	4,019	3,952	3,873	3,779									
Total ROND		6	12	36	57	94	129	173	218	267	293	314	338	343	352	344									
B Total Surplus Pupil Spaces	715	794	835	864	881	905	882	865	841	806	804	817	837	859	969	1,070									
Review Area Schools Impacted by Housing Growth and for which additional Growth-related Accommodation Solutions are Required																									
	Current 2018/19	Year 1 2019/20	Year 2 2020/21	Year 3 2021/22	Year 4 2022/23	Year 5 2023/24	Year 6 2024/25	Year 7 2025/26	Year 8 2026/27	Year 9 2027/28	Year 10 2028/29	Year 11 2029/30	Year 12 2030/31	Year 13 2031/32	Year 14 2032/33	Year 15 2033/34									
C1 Annunciation of Our Lord	599	707	699	685	660	651	631	623	607	607	613	608	601	591	579	565									
ROND		3	7	14	27	39	58	76	97	112	123	133	152	169	172	178									
C2 St. Michael	366	502	498	483	474	450	433	421	423	412	416	413	408	401	393	384									
ROND		3	6	6	6	6	7	8	11	11	14	15	18	19	23	39									
C3 St. John Paul II	478	356	348	350	357	359	364	362	367	366	358	355	352	347	341	333									
ROND		11	22	34	44	65	101	128	146	166	175	184	189	193	217	212									
C4 St. Marguerite d'Youville	455	460	463	464	471	474	491	497	507	502	491	487	481	473	464	453									
ROND		-	-	-	-	-	8	16	24	32	40	51	53	56	59	63									
C5																									
C6																									
C7																									
C8																									
Totals	1,898	2,025	2,026	2,007	2,016	2,051	2,089	2,119	2,182	2,207	2,230	2,245	2,254	2,249	2,247	2,227									
C Total Pupil Spaces Available to Accommodate Growth	-																								
D Requirements of New Development for Growth Areas (Cumulative)		35	55	76	110	174	228	278	321	352	382	412	437	471	492										

Note: The Board is excluding any available capacity utilized for holding situations and where a permanent accommodation solution is sought, as well as any available capacity that doesn't meet longer term capital priority needs due to distance.

5,515

Note: The Board is excluding any available capacity utilized for holding situations and where a permanent accommodation solution is sought, as well as any available capacity that doesn't meet longer term capital priority needs due to distance.

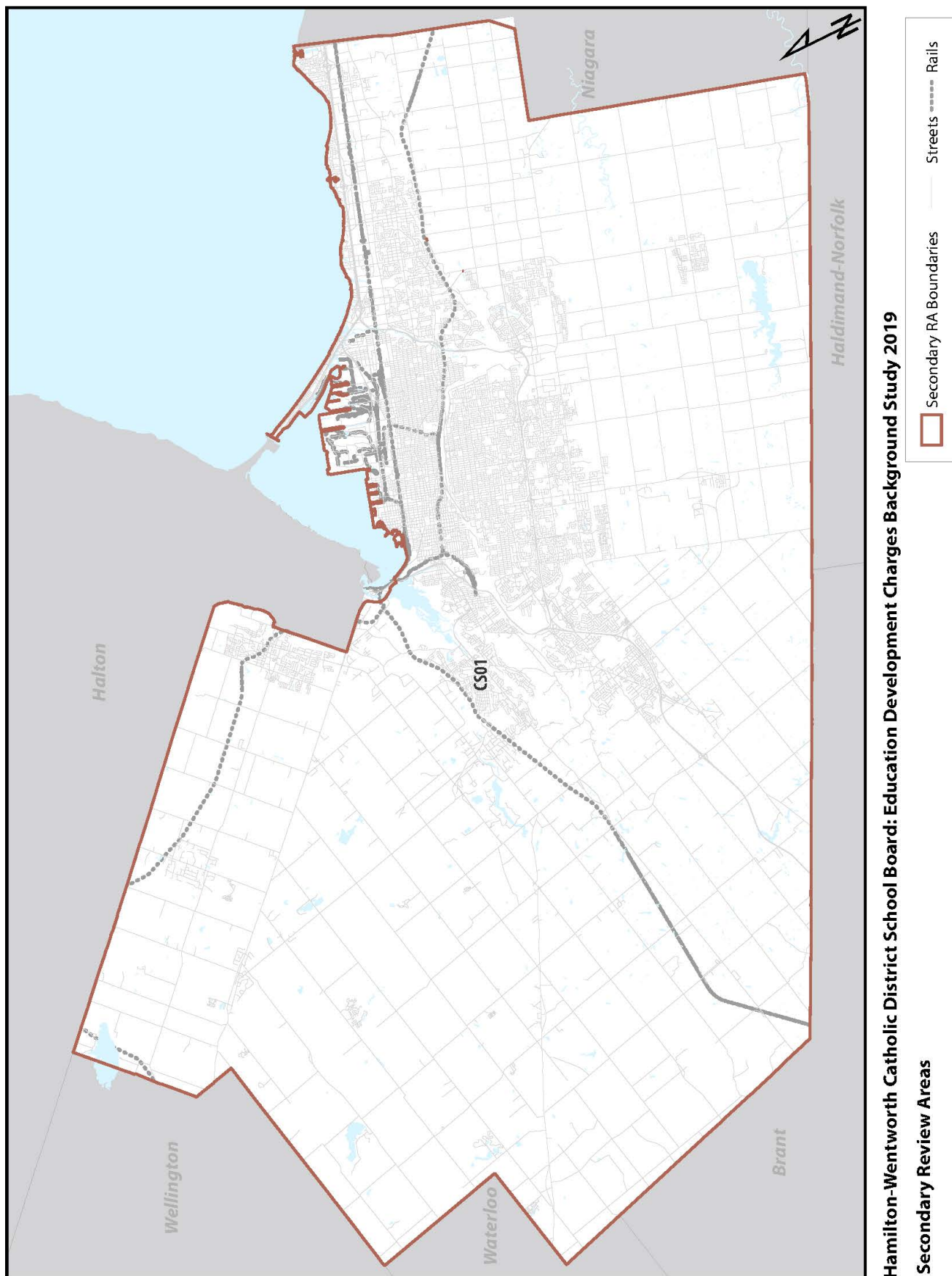
5,515

Form G - Growth-related Elementary Net Education Lands Costs

Review Area	Description of Growth-related Site Acquisition Needs	Site Status	Proposed Year of Acquisition	NGRPP Requirements	Proposed School Capacity	% of Capacity Attributable to NGRPP Requirements	Total # of Acres Required	EDC Eligible Acres	Cost per Acre	Education Land Costs	Education Land Costs previously funded from EDC account	Site Preparation Costs previously funded from EDC account	Land Escalation Costs	Site Preparation Escalation Costs	Financing Costs	Total Education Land Costs Underlying Proposed EDC Rates
CE01	New elementary site in south Ancaster - Mount Hope area	TBD	2029	534	617	87%	7.00	6.06	\$ 730,000	\$ 4,547,164	\$ -	\$ 531,715	\$ 1,256,298	\$ 142,628	\$ 192,239	\$ 6,670,064
CE02	New Brimbrook elementary site	Owned	2019	0	478	100%	6.02	6.02	\$ 567,183	\$ 3,414,440	\$ (3,414,440)	\$ 527,954	\$ -	\$ 3,559	\$ 2,720	\$ 94,373
CE02	Brimbrook elementary site #2	TBD	2028	617	617	100%	7.00	7.00	\$ 600,000	\$ 4,200,000	\$ -	\$ 613,900	\$ 1,160,393	\$ 149,407	\$ 181,749	\$ 6,305,439
CE02	Elfrida #1	TBD	2028	617	617	100%	7.00	7.00	\$ 730,000	\$ 5,250,000	\$ -	\$ 613,900	\$ 1,450,478	\$ 149,407	\$ 221,523	\$ 7,685,308
CE02	Elfrida #2	TBD	2031	617	617	100%	7.00	7.00	\$ 730,000	\$ 5,250,000	\$ -	\$ 613,900	\$ 1,450,478	\$ 196,128	\$ 222,909	\$ 7,733,415
CE02	Heritage Green #1	TBD	2022	617	617	100%	7.00	7.00	\$ 730,000	\$ 5,250,000	\$ -	\$ 613,900	\$ 827,531	\$ 63,895	\$ 200,486	\$ 6,955,822
Total Elementary Education Land Costs				3,002	3,563		41.0	40.1		\$ 27,911,604	\$ (3,414,440)	\$ 3,515,269	\$ 6,145,168	\$ 705,024	\$ 1,021,657	\$ 35,444,421

PAGE LEFT INTENTIONALLY BLANK

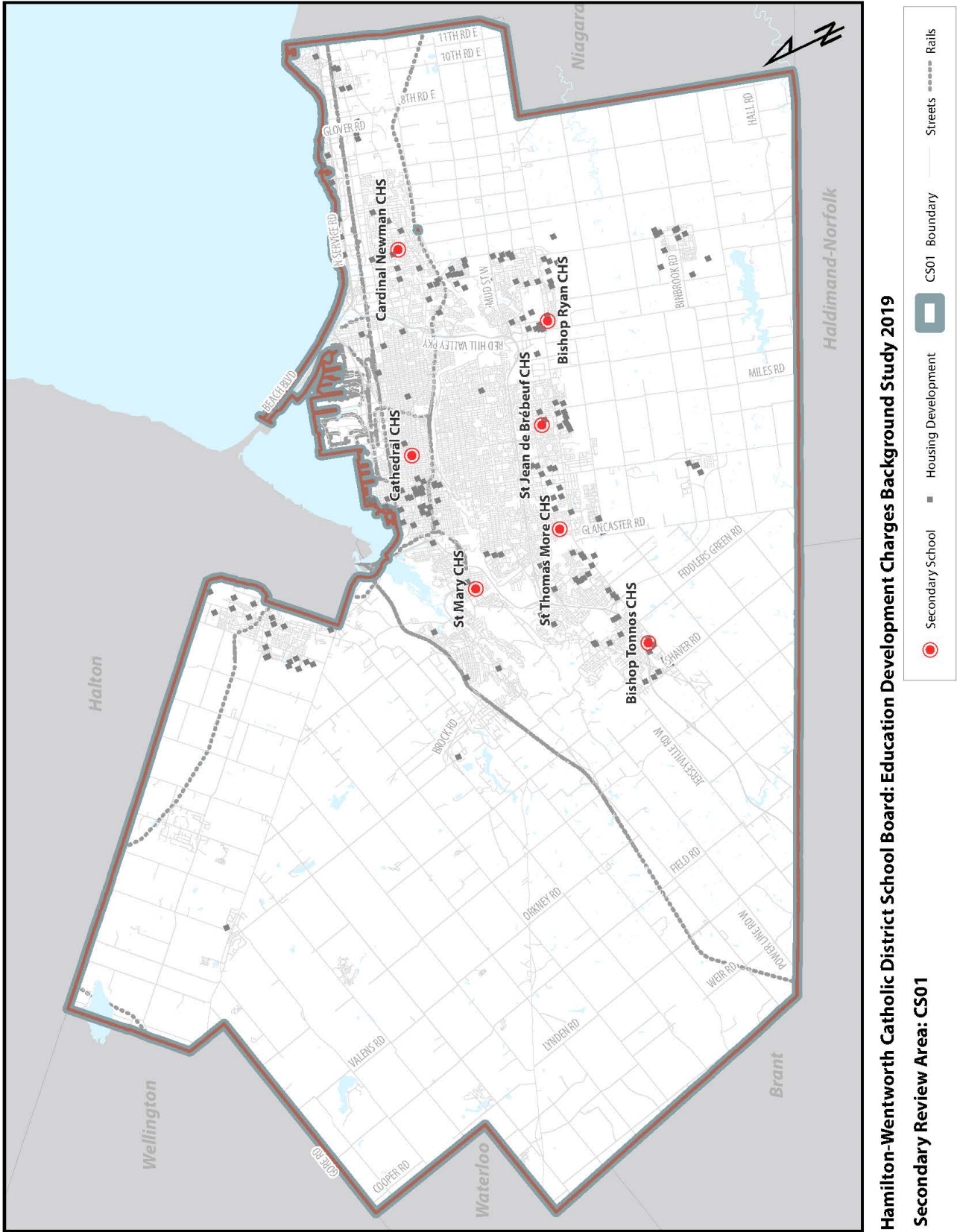
SECONDARY REVIEW AREAS



Hamilton-Wentworth Catholic District School Board: Education Development Charges Background Study 2019

Secondary Review Areas

Review Area Map CS01



1.	Shortfall in student accommodation in Upper Stoney Creek, Binbrook & Elfrida		1,875		
				Medium Density	0.0599
					16,713
2.	Shortfall in student accommodation in Winona (add 19 portables @ Cardinal Newman, although site is constrained)		411		
				High Density- Apartments & Stacked Towns	0.0012
					17,823
3.				Total Net Dwelling Units	0.0511
					51,301
					2,621

Review Area Schools not Impacted by New Housing Development, or for which no Growth-related Accommodation Solutions are Required

[illegible]

ROUND	# of Portables	Existing Site Size
507	0	18.66
34	6	6.70
168	13	19.25
150	9	15.00
95	15	15.00
0	0	0.00
954	43	74.60

[illegible]

ROUND	# of Portables	Existing Site Size
	12	17.92
1348		
	0	12.55
419		
1657	12	30.47

9,344

Form G - Growth-related Secondary Net Education Lands Costs

Review Area	Description of Growth-related Site Acquisition Needs	Site Status	Proposed Year of Acquisition	NGRPP Requirements	Proposed School Capacity	% of Capacity Attributable to NGRPP Requirements	Total # of Acres Required	EDC Eligible Acres	Cost per Acre	Education Land Costs	Education Land Costs previously funded from EDC account	Eligible Site Preparation Costs	Site Preparation Costs previously funded from EDC account	Land Escalation Costs	Site Preparation Escalation Costs	Financing Costs	Total Education Land Costs Underlying Proposed EDC Rates
CS01	New secondary site in Birchbrook/Elfrida area	TBD	2024	1,455	1,455	100%	17.00	17.00	675,000 \$	11,475,000 \$	-	1,490,900 \$	-	3,170,331 \$	238,801 \$	486,006 \$	16,861,038
Total Secondary Education Land Costs				1,455	1,455		17.0	17.0		\$ 11,475,000	-	\$ 1,490,900	-	\$ 3,170,331	\$ 238,801	\$ 486,006	\$ 16,861,038

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD
Education Development Charges Submission 2019
Form H1 - EDC Calculation - Uniform Residential and Non-Residential

Determination of Total Growth-Related Net Education Land Costs

Total	15-Year Education Land Costs (Form G)	\$ 52,297,032
Add:	EDC Financial Obligations (Form G)	\$ 13,980,852
Less	Operating Budget Savings	\$ -
	Alternative Accommodation Arrangements	\$ -
	Positive EDC Account Balance	\$ -
Subtotal	Growth-Related Net Education Land Costs	\$ 66,277,884
Add	EDC Study Costs	\$ 172,000
Total	Growth-Related Net Education Land Costs	\$ 66,449,884

Apportionment of Total 15-Year Growth-Related Net Education Land Costs

Total Growth-Related Net Education Land Costs to be Attributed to Non-Residential Development (Maximum 40%)	15%	\$ 9,967,483
Total Growth-Related Net Education Land Costs to be Attributed to Residential Development	85%	\$ 56,482,401

Calculation of Uniform Residential Charge

Residential Growth-Related Net Education Land Costs	\$ 56,482,401
Net New Dwelling Units (Form C)	51,301
Uniform Residential EDC per Dwelling Unit	\$ 1,101

Calculation of Non-Residential Charge - Based on Board Determined GFA

Non-Residential Growth-Related Net Education Land Costs		\$ 9,967,483
GFA Method	Non-Exempt Board-Determined GFA (Form D)	28,662,917
	Non-Residential EDC per Square Foot of GFA	\$ 0.35

Financing costs related to 15-year Projected EDC-eligible expenditures (to be distributed proportionately through EDC Submission Sheets)

\$ 1,507,662

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD

Ontario Ministry of Education

Education Development Charges Submission 2019

Form H2 - EDC Calculation - Differentiated Residential and Non-Residential

Residential Growth-Related Net Education Land Cost \$ 56,482,401

Region of York Differentiated Jurisdiction-wide Rate**Determination of Distribution of New Development**

Type of Development (Form B)	Net New Units (Form B & C)	15-Year Elementary Pupil Yield (Form E)	Elementary Gross Requirements of New Development	Distribution of Elementary Gross Requirements of New Development	15-Year Secondary Pupil Yield (Form E)	Secondary Gross Requirements of New Development	Distribution of Secondary Gross Requirements of New Development	Total Gross Requirements of New Development	Distribution Factor
Low Density	16,765	0.2800	4,694	69.30%	0.1013	1,698	64.79%	6,392	68.04%
Medium Density	16,713	0.1159	1,937	28.60%	0.0539	902	34.39%	2,839	30.21%
Apartments	17,823	0.0080	143	2.11%	0.0012	21	0.82%	164	1.75%
Total Units	51,301	0.1320	6,773	100.00%	0.0511	2,621	100.00%	9,395	100.00%

Jurisdiction-wide Cost per Dwelling Unit

\$1,101

Calculation of Differentiated Charge Based on Pupil Yields per Unit:**Calculation of Differentiated Charge Based on Persons per Unit:**

Type of Development (Form B)	Apportionment of Residential Land Cost by Development Type	Net New Units	Differentiated Residential EDC per Unit by Development Type	Differential to Apt. Rate Based on Pupils per Unit	HWDCSB Differentiated Charge Type of Development (Form B)	Apportionment of Residential Net Education Land Cost by Development Type	Net New Units	Differentiated Residential EDC per Unit by Development Type	Differential to Apartment Rate Based on Persons per Unit
Low Density	\$38,430,777	16,765	\$ 2,292	41.44	Singles and Semi-Detached (3.39 PPU)	\$32,198,768	16,765	\$ 1,921	3.07
Medium Density	\$17,065,750	16,713	\$ 1,021	18.46	Medium Density (2.49 PPU)	\$13,139,124	16,713	\$ 786	1.26
Apartments	\$985,874	17,823	\$ 55	1.00	Apartments (incl. Stacked Townhouses) (1.76 PPU)	\$11,144,510	17,823	\$ 625	1.00
Total EDC Revenue Generated:	\$56,482,401	51,301			Total EDC Revenue Generated:	\$56,482,401	51,301		

APPENDIX B - DRAFT EDC BY-LAW

HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD

EDUCATION DEVELOPMENT CHARGES BY-LAW NO. 2019

A by-law for the imposition of education development charges in the City of Hamilton.

PREAMBLE

1. Section 257.54(1) of the *Education Act* (the "Act") enables a district school board to pass by-laws for the imposition of education development charges against land if there is residential development in its area of jurisdiction that would increase education land costs.
2. The Hamilton-Wentworth Catholic District School Board has determined that the residential development of land to which this by-law applies increases education land costs.
3. The Board has referred its estimates of the total number of new elementary and secondary pupils and its estimates of the number of elementary and secondary school sites to the Ministry of Education for approval, and such approval was given on _____, 2019 under section 10 of Regulation 20/98.
4. The Board has conducted a review of its education development charge policies and held a public meeting on April 2, 2019, in accordance with section 257.60 of the Education Act.
5. The Board has given notice and held public meetings on April 2, 2019 in accordance with section 257.63(1) of the *Education Act* and permitted any person who attended the public meeting to make representations in respect of the proposed education development charges.
6. The Board has determined in accordance with section 257.63(3) of the Act that no additional public meeting is necessary in respect of this by-law.

NOW THEREFORE THE HAMILTON-WENTWORTH CATHOLIC DISTRICT SCHOOL BOARD HEREBY ENACTS AS FOLLOWS:

PART 1

APPLICATION

Defined Terms

1. In this by-law,
 - (a) "Act" means the *Education Act*,
 - (b) "Board" means the Hamilton-Wentworth Catholic District School Board;
 - (c) "development" includes redevelopment;

- (d) "dwelling unit" means a room or suite of rooms used, or designed or intended for use by one person or persons living together, in which i) sanitary facilities are provided for the exclusive use of such person or persons ii) culinary facilities are available for use by such person or persons within the building or a related development; and, iii) includes a separate, private entrance leading directly from outside the building or from a common hallway, elevator or stairway inside the building; and shall include, but is not limited to, a dwelling unit or units in an apartment, lodging home, group home, seniors' residence, mobile home, duplex, triplex, semi-detached dwelling, row house, single detached building, stacked townhouse and townhouse. Notwithstanding the foregoing, (i) a unit or room in a temporary accommodation to the travelling or vacationing public (provided only that such unit or room is used exclusively for temporary accommodation to the traveling or vacationing public and for no other purpose), and (ii) living accommodation in a nursing home as defined in and governed by the provisions of the *Long-Term Care Homes Act, 2007, S.O. 2007, c.8*, shall not constitute dwelling units
- (e) "education land costs" means costs incurred or proposed to be incurred by the Board,
 - (i) to acquire land or an interest in land, including a leasehold interest, to be used by the Board to provide pupil accommodation;
 - (ii) to provide services to the land or otherwise prepare the site so that a building or buildings may be built on the land to provide pupil accommodation;
 - (iii) to prepare and distribute education development charge background studies as required under the Act;
 - (iv) as interest on money borrowed to pay for costs described in paragraphs (i) and (ii); and
 - (v) to undertake studies in connection with an acquisition referred to in paragraph (i).
- (f) "education development charge" means charges imposed pursuant to this by-law in accordance with the Act;
- (g) "existing industrial building" means a building used for or in connection with,
 - (i) manufacturing, producing, processing, storing or distributing something,
 - (ii) research or development in connection with manufacturing, producing or processing something,
 - (iii) retail sales by a manufacturer, producer or processor of something they manufactured, produced or processed, if the retail sales are at the site where the manufacturing, production or processing takes place,
 - (iv) office or administrative purposes, if they are,

- (A) carried out with respect to manufacturing, producing, processing, storage or distributing of something, and
 - (B) in or attached to the building or structure used for that manufacturing, producing, processing, storage or distribution;
 - (h) "farm building" means a building or structure located on a farm which is necessary and ancillary to a farm operation including barns, tool sheds and silos and other farm related structures for such purposes as sheltering of livestock or poultry, storage of farm produce and feed, and storage of farm related machinery, and equipment used as part of a bona fide farming operation but shall not include a dwelling unit or other structure used for residential accommodation or any buildings or parts thereof used for other commercial, industrial or institutional purposes qualifying as non-residential development;
 - (i) "gross floor area" means the total floor area, measured between the outside of exterior walls or between the outside of exterior walls and the centre line of party walls dividing the building from another building, of all floors above the average level of finished ground adjoining the building at its exterior walls and, for the purpose of this definition, the non-residential portion of a mixed-use building is deemed to include one-half of any area common to the residential and non-residential portions of such mixed-use building or structure;
 - (j) "local board" means a local board as defined in the *Municipal Affairs Act*, other than a district school board defined in section 257.53(1) of the Act;
 - (k) "mixed use" means land, buildings or structures used, or designed or intended for use, for a combination of non-residential and residential uses;
 - (l) "non-residential use" means lands, buildings or structures or portions thereof used, or designed or intended for all uses other than residential use, and includes, but is not limited to, an office, retail, industrial or institutional use;
 - (m) "residential development" means lands, buildings or structures developed or to be developed for residential use;
 - (n) "residential use" means lands, buildings or structures used, or designed or intended for use as a dwelling unit or units, and shall include a residential use accessory to a non-residential use and the residential component of a mixed use or of an agricultural use.
2. Unless otherwise expressly provided in this by-law, the definitions contained in the Act or the regulations under the Act shall have the same meanings in this by-law.
3. In this by-law where reference is made to a statute, a section of a statute, or a regulation, such reference will be deemed to be a reference to any successor statute, section or regulation.

Lands Affected

4.

- (a) Subject to section 4(b), this by-law applies to all lands in the geographical limits of the City of Hamilton;
- (b) This by-law shall not apply to lands that are owned by and are used for the purpose of:
 - (i) a municipality or a local board thereof;
 - (ii) a district school board;
 - (iii) a public hospital receiving aid under the *Public Hospitals Act*;
 - (iv) a publicly-funded university, community college or a college of applied arts and technology established under the Ministry of Colleges and Universities Act, or a predecessor statute;
 - (v) Metrolinx, or a predecessor or successor corporation identified under the Metrolinx Act, 2006, C.16 as amended from time to time save and except any portion of the development used for a retail use, in which case the non-residential education development charge shall apply to that part of the development;
 - (vi) every place of worship that is used primarily as a place of public worship and land used in connection therewith, and every churchyard, cemetery or burying ground, if they are exempt from taxation under section 3 of the *Assessment Act*;
 - (vii) non-residential farm building;

PART II - EDUCATION DEVELOPMENT CHARGES

5. (1) In accordance with the Act and this by-law, and subject to sections 10 and 11, the Board hereby imposes an education development charge against land undergoing residential development or redevelopment in the area of the by-law if the residential development or redevelopment requires any one of those actions set out in subsection 257.54(2) of the Act, namely:

- (a) the passing of a zoning by-law or of an amendment to zoning by-law under section 34 of the *Planning Act*;
- (b) the approval of a minor variance under section 45 of the *Planning Act*;
- (c) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
- (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;

- (e) a consent under section 53 of the *Planning Act*;
- (f) the approval of a description under section 50 of the *Condominium Act*; or
- (g) the issuing of a permit under the *Building Code Act*, 1998 in relation to a building or structure,

where the first building permit issued in relation to a building or structure for below ground or above ground construction is issued on or after the date the by-law comes into force.

(2) In respect of a particular development or redevelopment an education development charge will be collected once, but this does not prevent the application of this by-law to future development or redevelopment on the same property. For greater certainty, an education development charge will be imposed on any additional dwelling unit to be built on the property that is not exempted under sections 10 and 11 of this by-law, and for which an action referred to in subsection (1) is required.

6. (1) In accordance with the Act and this by-law, and subject to sections 13 and 14 the Board hereby imposes an education development charge against land undergoing non-residential development or redevelopment in the area of the by-law which has the effect of increasing existing gross floor area of such development if the non-residential development or redevelopment requires any one of those actions set out in subsection 257.54(2) of the Act, namely:

- (a) the passing of a zoning by-law or of an amendment to a zoning by-law under section 34 of the *Planning Act*;
- (b) the approval of a minor variance under section 45 of the *Planning Act*;
- (c) a conveyance of land to which a by-law passed under subsection 50(7) of the *Planning Act* applies;
- (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
- (e) a consent under section 53 of the *Planning Act*;
- (f) the approval of a description under section 50 of the *Condominium Act*; or
- (g) the issuing of a permit under the *Building Code Act*, 1998 in relation to a building or structure,

where the first building permit issued in relation to a building or structure for below ground or above ground construction is issued on or after the date the by-law comes into force.

(2) In respect of a particular development or redevelopment an education development charge will be collected once, but this does not prevent the application of this by-law to future development or redevelopment on the same property. For greater certainty, an education development charge will be imposed on any additional gross floor area to be built on the property that is not exempted under sections 13 and 14 of this by-law, and for which an action referred to in subsection (1) is required.

7. Subject to the provisions of this by-law, the Board hereby designates all categories of residential development and non-residential development and all residential and non-residential uses of land, buildings or structures as those upon which education development charges shall be imposed.

8.

- (a) Where it appears to the Board that the land values underlying the education development charge calculation are predicting higher costs than the Board is generally experiencing over a period of time sufficient to show the discrepancy with a reasonable degree of assurance, the board shall consider a motion to study amending the By-law to reduce the charge.
- (b) Where it appears to the Board that the land values underlying the education development charge calculation for predicting lower costs than the board is generally experiencing over a period of time sufficient to show the discrepancy with a reasonable degree of assurance, the board shall consider a motion to study amending the By-law to increase the charge.

Residential Education Development Charges

9. Subject to the provisions of this by-law, the Board hereby imposes an education development charge of \$1,101.00 per dwelling unit upon the designated categories of residential development and the designated residential uses of lands, buildings or structures, including a dwelling unit accessory to a non-residential use, and, in the case of a mixed-use building or structure, upon the dwelling units in the mixed-use building or structure. An education development charge will be collected once in respect of a particular residential development, but this does not prevent the application of this By-law to future development of the same property.

Exemptions from Residential Education Development Charges

10. As required by subsection 257.54(3) of the Act, an education development charge shall not be imposed with respect to:

- (a) the enlargement of an existing dwelling unit or;
- (b) the creation of one or two additional dwelling units as prescribed in section 3 of Regulation 20/98 as follows:

NAME OF CLASS OF RESIDENTIAL BUILDING	DESCRIPTION OF CLASS OF RESIDENTIAL BUILDINGS	MAXIMUM NUMBER OF ADDITIONAL DWELLING UNITS	RESTRICTIONS
Single detached dwellings	Residential buildings, each of which contains a single dwelling unit, that are not attached to other buildings	Two	The total gross floor area of the additional dwelling unit or units must be less than or equal to the gross floor area of the dwelling unit already in the building
Semi-detached dwellings or row dwellings	Residential buildings, each of which contains a single dwelling unit, that have one or two vertical walls, but no other parts, attached to other buildings	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the dwelling unit already in the building
Other residential buildings	A residential building not in another class of residential building described in this table	One	The gross floor area of the additional dwelling unit must be less than or equal to the gross floor area of the smallest dwelling unit already in the building

11. (1) An education development charge under section 9 shall not be imposed with respect to the replacement, on the same site, of a dwelling unit that was destroyed by fire, demolition or otherwise, or that was so damaged by fire, demolition or otherwise as to render it uninhabitable.

(2) Notwithstanding subsection (1), education development charges shall be imposed in accordance with section 9 if the building permit for the replacement dwelling unit is issued more than 5 years after,

- (a) the date the former dwelling unit was destroyed or became uninhabitable; or
- (b) if the former dwelling unit was demolished pursuant to a demolition permit issued before the former dwelling unit was destroyed or became uninhabitable, the date the demolition permit was issued.

(3) Notwithstanding subsection (1), education development charges shall be imposed in accordance with section 9 against any dwelling unit or units on the same site in addition to the dwelling unit or units being replaced. The onus is on the applicant to produce evidence to the satisfaction of the Board, acting reasonably, to establish the number of dwelling units being replaced.

(4) Subject to section 16, an education development charge shall be imposed under section 9 where a non-residential building or structure is replaced by or converted to, in whole or in part, a residential building or structure.

Non-Residential Education Development Charges

12. Subject to the provisions of this by-law, the Board hereby imposes an education development charge of \$0.35 per square foot of gross floor area of non-residential development upon the designated categories of non-residential development and the designated non-residential uses of land, buildings or structures and, in the case of a mixed use building or structure, upon the non-residential uses in the mixed-use building or structure. An education development charge will be collected once in respect of a particular non-residential development, but this does not prevent the application of this By-law to future development of the same property.

Exemptions from Non-Residential Education Development Charges

13. As required by section 257.55 of the Act, if a development includes the enlargement of a gross floor area of an existing industrial building, the amount of the education development charge that is payable in respect of the enlargement is determined in accordance with the following rules:

- (a) if the gross floor area is enlarged by 50 per cent or less, the amount of the education development charge in respect of the enlargement is zero;
- (b) If the gross floor area is enlarged by more than 50 per cent the amount of the education development charge in respect of the enlargement is the amount of the education development charge that would otherwise be payable multiplied by the fraction determined as follows:
 - (i) Determine the amount by which the enlargement exceeds 50 per cent of the gross floor area before the enlargement;
 - (ii) Divide the amount determined under paragraph 1 by the amount of the enlargement.

14.

- (a) As required by section 5 of Regulation 20/98, subject to paragraphs (b) and (c), an education development charge under s. 12 shall not be imposed with respect to the replacement, on the same site, of a non-residential building that was destroyed by fire, demolition or otherwise, or that was so damaged by fire, demolition or otherwise as to render it unusable.
- (b) Notwithstanding paragraph (a), an education development charge shall be imposed in accordance with section 12 against any additional gross floor area of any non-residential development on the same site in excess of the gross floor area of the non-residential building or structure being replaced, subject to the following calculation:

If the gross floor area of the non-residential part of the replacement building exceeds the gross floor area of the non-residential part of the building being replaced, the exemption applies with respect to the portion of the education development charge calculated in accordance with the following formula:

$$\text{Exempted portion} = \frac{\text{GFA (old)} \times \text{EDC}}{1}$$

GFA (new)

where,

"Exempted portion" means the portion of the education development charge that the board is required to exempt;

"GFA (old)" means the gross floor area of the non-residential part of the building being replaced;

"GFA (new)" means the gross floor area of the non-residential part of the replacement building;

"EDC" means the education development charge that would be payable in the absence of the exemption;

- (c) The exemption in paragraph (a) does not apply if the building permit for the replacement building is issued more than five years after,
 - (i) the date the former building was destroyed or became unusable; or
 - (ii) if the former building was demolished pursuant to a demolition permit issued before the former building was destroyed or became unusable, the date the demolition permit was issued.
- (d) An education development charge shall be imposed in accordance with section 12 where the residential building or structure is replaced by or converted to, in whole or in part, a non-residential building or structure;

15. The education development charge to be imposed in respect of mixed-use development shall be the aggregate of the amount applicable to the residential development component and the amount applicable to the non-residential development component.

- (a) Where it appears to the Board that the land values underlying the education development charge calculation are predicting higher costs than the Board is generally experiencing over a period of time sufficient to show the discrepancy with a reasonable degree of assurance, the Board shall consider a motion to study amending the By-law to reduce the charge.
- (b) Where it appears to the Board that the land values underlying the education development charge calculation for predicting lower costs than the Board is generally experiencing over a period of time sufficient to show the discrepancy with a reasonable degree of assurance, the Board shall consider a motion to study amending the By-law to increase the charge.

Credits

16. This section applies where an education development charge has previously been paid in respect of development on land and the land is being redeveloped, except where sections 10 and 11, and/or sections 13 and 14 apply:

- (a) The education development charge payable in respect of the redevelopment will be calculated under this by-law;
- (b) The education development charge determined under paragraph (a) will be reduced by a credit equivalent to the education development charge previously paid in respect of the land, provided that the credit shall not exceed the education development charge determined under paragraph (a);
- (c) Where the redevelopment applies to part of the land the amount of the credit shall be calculated on a proportionate basis having regard to the development permissions being displaced by the new development. For example, if 10% of non-residential gross floor area of a non-residential building is being displaced by residential development through conversion, the residential education development charge on the applicable number of units will be calculated under section 9 of the by-law, and the credit will be the education development charge originally paid on the gross floor area being converted subject to the limit in paragraph (b).

PART III

ADMINISTRATION

Payment of Education Development Charges

- 17. The education development charge in respect of a development is payable to the Municipality on the date that the first building permit is issued in relation to a building or structure on land to which the education development charge applies.
- 18. All education development charges payable shall be paid by cash, by certified cheque or by bank draft.
- 19. The treasurer of the Board shall establish and maintain an education development charge reserve fund in accordance with the Act, the regulation and this By-law.
- 20. Withdrawals from an EDC Account shall be made in accordance with the Act, the Regulations and this By-Law.

Payment by Services

- 21. Subject to the requirements of the Act, the Board may by agreement permit an owner to provide land in lieu of the payment of all or any portion of an education development charge. In such event, the Treasurer of the Board shall advise the treasurer of the municipality in which the land is situate of the amount of the credit to be applied to the education development charge.

Collection of Unpaid Education Development Charges

- 22. In accordance with section 257.96 of the *Act*, section 349 of the *Municipal Act*, S.O. 2001, c.25 applies with necessary modifications with respect to an education development charge or any part of it that remains unpaid after it is payable.

Date By-law In Force

23. This by-law shall come into force on July 6, 2019.

Date By-law Expires

24. This by-law shall expire on July 5, 2024 unless it is repealed at an earlier date.

Repeal

25. Hamilton-Wentworth Catholic District School Board Education Development Charges By-Law 2014 is repealed effective at 11:59 pm on July 5, 2019.

Severability

26. Each of the provisions of this by-law are severable and if any provision hereof should for any reason be declared invalid by a court or tribunal, the remaining provisions shall remain in full force and effect.

Interpretation

27. Nothing in this by-law shall be construed so as to commit or require the Board to authorize or proceed with any particular capital project at any time.

Short Title

This by-law may be cited as the Hamilton-Wentworth Catholic District School Board Education Development Charges By-law No. 2019.

ENACTED AND PASSED this 7th day of May, 2019.

Chairperson

Director of Education and Secretary

APPENDIX C - BACKGROUND DOCUMENT PERTAINING TO A REVIEW OF THE EDUCATION DEVELOPMENT CHARGES POLICIES OF THE HAMILTON-WENTWORTH CATHOLIC DSB

The policy review document outlined herein is intended to provide the reader with an overview of the education development charge policies underlying the existing EDC by-law of the Hamilton-Wentworth Catholic District School Board pursuant to Section 257.60, Division E, of the *Education Act*, as follows:

“Before passing an education development charge by-law, the board shall conduct a review of the education development charge policies of the board.”

Moreover, each board is required to:

1. Ensure that adequate information is made available to the public (i.e. this document); and
2. Hold at least one public meeting, with appropriate notification of the meeting.

While this section of the report outlines several of the considerations in making EDC policy decisions, it is noted that the enactment of O. Reg. 438/18 eliminates several of the policy decisions until such time as the Province has completed its review of the legislation.

C.1 HWCDSB Existing EDC By-law in the City of Hamilton-Wentworth

The Hamilton-Wentworth Catholic District School Board adopted and implemented EDC by-laws governing the entire City of Hamilton in 1999, 2004, 2009 and again in 2014. The Board’s existing by-law was adopted on August 26, 2014 with implementation of the approved charges on August 31, 2014. The Board held two public meetings (including consideration of by-law adoption) and conducted stakeholder sessions as part of the 2014 EDC consultation process.

In accordance with the legislation, HWCDSB EDC by-law may be in effect for no more than 5 years and will expire no later than August 30, 2019.

C.2 Overview of EDC Policies

This section of the report provides an overview of the key education development charge policy issues that will be dealt with under the Board’s proposed EDC by-law. The Board of Trustees, after consideration of public input, will make decisions on some of these policy issues prior to passage of the new EDC by-law anticipated to occur on May 7, 2019.

The policy decisions to be considered by the Board of Trustees, prior to by-law adoption, are as follows:

1. What portion of the net education land costs are to be recovered from residential and non-residential (e.g. industrial, commercial and institutional) development? No longer

a policy decision under O. Reg. 438/18 if one of the rates would exceed the comparable ‘capped’ rate.

2. Are the charges to be applied on an area-specific or jurisdiction-wide basis? No longer a policy decision under O. Reg. 438/18.
3. Does the Board wish to exempt any residential or non-residential development? If so, how does the Board propose to fund the shortfall?
4. Does the Board wish to provide any demolition or conversion credits beyond that specified in the legislation?
5. What by-law term is proposed by the Board; five years, or something less?
6. Does the Board wish to apply surplus operating funds, if any, to reduce the charge? No longer a legislative requirement under O. Reg. 438/18 to adopt a board resolution dealing with the application of any operating surpluses.
7. Are there any possible accommodation arrangements with private or public-sector agencies that would effectively reduce the charge? No longer a legislative requirement under O. Reg. 438/18 to adopt a board resolution dealing with this potential reduction to the charge.
8. What level of EDC charge does the Board wish to impose, given that the Board is entitled to recover less than 100% of the net education land costs? O. Reg. 438/18 caps the EDC rates at an amount equal to, or less than that by-law adopted EDC rates as of August 31, 2018.

C.2.1 Percentage of Growth-Related Net Education Land Costs to be Borne through EDCs

O. Reg. 20/98 section 7 paragraphs 9 (iii) and 10 (vi) restrict a board to a maximum of 100% recovery of the “net” growth-related education land costs from residential and non-residential development.

Under the existing capital funding model, a school board that qualified to impose education development charges has greater flexibility to use this available revenue source to fund growth-related site acquisition and development costs without having to wait until Provincial Funding is approved through a request-based funding approach. However, in deriving “net” growth-related education land costs, there are several impediments to full cost recovery:

- non-statutory exemptions granted by a school board, restrict full cost recovery;
- the cost to provide land for pupils generated by statutorily-exempt residential development has no funding source – would require a funding request to the Ministry of Education to address any shortfall;

- there are restrictions on the number of acres of land that a board can fund through an EDC by-law, which in turn results in less flexibility to the board in accommodating “peak” enrolment needs;
- the determination of growth-related site needs is based on On-the-Ground (OTG) capacity (an assessment of classroom loading), which may not reflect the functional capacity of classroom use from a program perspective.

All Boards with EDC by-laws in place, have calculated their EDC rates to derive 100% cost recovery of the “net” education land costs, however, some have reduced this level by granting at least some limited non-statutory exemptions (i.e., primarily non-residential exemptions), through negotiations with development community interests, and in response to policy positions put forth by the jurisdictional municipalities and other interested stakeholders.

Considerations:

One of the most significant considerations in the legislative treatment of education development charges is that there is no tax-based funding source to make up the shortfall where full cost recovery is not achieved. Legal advisors are typically of the opinion that granting non-statutory exemptions during by-law adoption forces the board to absorb the loss of revenue associated with granting the exemptions. Many of the revenue sources under the existing education capital funding model are “enveloped” and are therefore not available to be used for purposes other than that for which they were legislatively intended.

The Hamilton-Wentworth Catholic District DSB’s 2014 EDC by-law recovers net education land costs from residential development (85%) and non-residential development (15%) within the City of Hamilton. That is, there are no non-statutory land uses exempted from the charge. Therefore, the existing EDC by-law is designed to recover as much of the net education land cost needs as the legislation will allow.

C.2.2 Jurisdiction-wide vs. Area Municipal (or Sub-area) Charges

Existing EDC By-law Provisions:

The existing “in force” EDC by-law is applied on a Board-wide uniform basis. The rationale for this decision is primarily based on the premise that:

- 1) A jurisdiction-wide approach is more consistent with the way in which education services are provided by the Board;
- 2) A jurisdiction-wide charge affords more flexibility to the Board to meet its long-term accommodation needs;
- 3) Uniform application of education development charges is more congruent with the education funding model as a whole.

- 4) Money from an education development charges account may be used only for growth-related net education land costs attributed to or resulting from development in the area to which the education development charge by-law applies (section 16 of O. Reg 20/98). Therefore, monies collected in one by-law area could not be spent outside of that by-law area and this is particularly problematic given school choice at the secondary level and specialized program offering.

Public Input Received with Respect to this Policy:

None in 2014.

Legislative Provisions:

Section 257.54 sub section (4) allows for area specific EDC by-laws by providing that “an education development charge by-law may apply to the entire area of jurisdiction of a board or only part of it.”

Further, the *Education Act* permits a board to have more than one EDC by-law under section 257.54 subsection (1) in that “If there is residential development in the area of jurisdiction of a board that would increase education land costs, the board may pass by-laws for the imposition of education development charges against land in its area of jurisdiction undergoing residential or non-residential development.”

Finally, section 257.59(c) of the *Education Act* requires that “an education development charge by-law shall...designate those areas in which an education development charge shall be imposed”.

However, under O. Reg. 438/18 adopted in October, 2018, a school board cannot alter the geographic structure of the by-law charging area.

Considerations:

Under the Regulatory framework, a board must establish a separate EDC account for each by-law that it enacts and may only use the funds to pay for growth-related net education land costs (and the other “eligible” land costs defined under the Act) in that area (which may comprise a City of a board as defined under O. Reg. 20/98). The entire approach outlined in the legislation, and governing the determination of education development charges, requires that the calculation of the charge, the preparation of background studies, the establishment of EDC accounts and the expenditure of those funds, etc., is to be done on an individual by-law basis.

From a methodological perspective, an EDC-eligible board is required to make assumptions respecting the geographic structure of the by-law or by-laws from the onset of the calculation process. Discussions respecting the number of potential by-laws and the subdivision of the Board’s jurisdictions into Review Areas are held with the Board at the commencement of the study process. If, as a result of the consultation process undertaken in contemplation of the adoption of an EDC by-law or by-laws, the Board chooses a different policy direction, it is usually advised by legal counsel that a new background study is required, and the calculation/public consultation process begins anew.

Several of the key considerations in assessing the appropriateness of area specific versus uniform application of education development charges are as follows:

- The use of a uniform jurisdiction-wide EDC is consistent with the approach used to fund education costs under the Provincial funding model (i.e., the same per pupil funding throughout the Province), with a single tax rate for residential development (throughout the Province) and uniform City-wide tax rates for non-residential development (by type), and is consistent with the approach taken by the Board to make decisions with respect to capital expenditures;
- Uniform by-law structures are more consistent with the implementation of a board's capital program (i.e., school facilities where and when needed) and are more consistent with board philosophies of equal access to all school facilities for pupils;
- School attendance boundaries have, and will continue to shift over time, as boards deal with a dynamic accommodation environment and the need to make efficient use of limited capital resources, particularly given that they are dealing with aging infrastructure, demographic shifts and continually changing curriculum and program requirements;
- Where the pace of housing development generates the need for a school site over a longer period of time, there is a need to temporarily house pupils in alternate accommodation; which consumes the asset lifecycle of the "hosting" facility, even if pupils are accommodated in portable structures;
- District school boards have a statutory obligation to accommodate all resident pupils and as such, pay less attention to municipal boundaries as the basis for determining by-law structure;
- A board must establish a separate EDC account for each by-law and may only use the funds to pay for growth-related net education land costs in that by-law area;
- In a situation where pupils are accommodated in a by-law area other than their place of residence, there is the potential for stranded funds and the *Education Act* does not address this type of circumstance.

Jurisdiction-wide application of the charge assists in minimizing the risk of less-than-full cost recovery, especially where attendance boundaries and accommodation strategies change over time.

Where it is determined that stranding of EDC funds is not likely to occur over the by-law term, and an area specific by-law is adopted by the board, careful monitoring would be required on an on-going basis to ensure that the board does not subsequently find itself in a position where it was unable to fully fund growth-related site needs over the longer term. Where this situation has the potential to occur, a new by-law structure should be considered by the board as soon as possible, because there is no ability to make up the funding shortfall once building permits are issued;

- The ability to utilize EDC funds for capital borrowing purposes under an area specific by-law scheme is limited to borrowing for cash flow purposes only (i.e., revenue shortfalls), due to

the inability, under the existing legislation, to recover net education land costs sufficient to repay the “borrowed” area;

- Multiple EDC accounts under a multiple by-law approach restrict the flexibility required to match the timing and location of site needs to available revenue sources and may compromise the timing of new school construction and increase financing costs;
- Multiple by-laws can give consideration to different patterns and levels of development (including composition of dwelling units) in that they incorporate variable rates throughout the City. The appropriateness of utilizing area specific by-laws to reflect economic diversity within a jurisdiction, should, however, be measured in the context of measurable potential market or development impact, particularly as the differential between land values in one area versus another continues to increase;
- The precedent for levying uniform municipal development charges for “soft services” (e.g., recreation, library) is well established, and is currently used in existing DC by-laws by virtually all municipalities. As well, infill dwelling units pay the same development charge for these services as new units in the major growth areas, despite the availability of existing facilities. The cost averaging approach underlying jurisdiction-wide by-laws has the ability to mitigate the impact on new house prices;
- While today there are few area specific EDC by-laws in the Province of Ontario, those that have been adopted or proposed, reflect areas where there is little or no expectation of cross-boundary attendance.

C.2.3 Non-Statutory Residential Exemptions

Legislative Provisions:

Under the legislation, residential statutory exemptions include:

- The enlargement of an existing dwelling unit (s.257.54(3)(a)).
- The addition of one or two units to an existing residential building where the addition is within prescribed limits (s.257.54(3)(b), O. Reg. 20/98 s.3).
- The replacement dwelling on the same site as a dwelling unit that was destroyed (or rendered uninhabitable) by fire, demolition or otherwise, where the building permit for the replacement dwelling is issued two years or less after the later of the date on which the former dwelling unit was destroyed or became uninhabitable, or a demolition permit was issued (O. Reg. 20/98 Section (4)).

In addition, Part III, s.7.1 of O. Reg. 20/98 provides that, “The board shall estimate the number of new dwelling units in the area in which the charges are to be imposed for each of the 15 years immediately following the day the board intends to have the by-law come into force. The board’s

estimate shall include only new dwelling units in respect of which education development charges may be imposed.”

Accordingly, any costs related to students generated from units which are statutorily exempt (in-housing intensification) are not recoverable from EDCs.

Finally, O. Reg. 20/98 enables a board to vary the EDC rates to consider differences in size (e.g. number of bedrooms, square footage) of dwelling units or occupancy (permanent or seasonal, non-family households or family households) although the latter (i.e. occupancy) could change over time.

Section 7 paragraph (9) of O. Reg. 20/98 states that, “the board shall determine charges on residential development subject to the following:

1. the charges shall be expressed as a rate per new dwelling unit,
9. the rate shall be the same throughout the area in which charges are to be imposed under the by-law, ...”

Despite this, a board may impose different charges on different types of residential development (differentiated residential EDC rates), based on the percentage of the growth-related net education land costs to be applied to residential development that is to be funded by each type. The restrictions noted above would also apply in the case of differentiated residential EDC rates.

Considerations:

Some types of units may initially generate limited (if any) pupils (e.g., bungalow townhouses, small apartments, adult lifestyle, recreational units), although "need for service" is not a requirement of education development charges under Division E of the *Education Act*. There is precedent to levy education costs on these types of units, since residential taxpayers contribute to education costs whether or not they use education services. Further, there is no legislative ability under the *Building Code Act* to restrict the number of occupants in a dwelling unit either at the time of initial occupancy, or subsequent re-occupation.

There would appear to be two options under the EDC legislation for dealing with variations in school age population per household, over time. However, neither solution is simple in real practice.

The first alternative is to provide an exemption for a particular type of dwelling unit. However, any exempt category must be definable such that a reasonable 15-year projection can be made, and a physical description can be included in the EDC by-law, such that building officials can readily define exempt units (e.g., seniors' housing receiving Provincial assistance would be definable, whereas market housing being marketed to seniors would be very difficult to project and define, since it could be claimed by any development). Also, occupancy status could change over time. In addition, school boards deal with a variety of municipal zoning definitions within their jurisdiction and it is extremely difficult to be consistent with all municipal DC by-law implementation practices concurrently.

While the Province has recently expanded the exemptions from municipal development charges for secondary dwelling units (i.e. where a secondary dwelling unit is the construction of an additional dwelling on an existing property – coach house, or dwelling above a garage as examples), exempting these units from the payment of education development charges would require a funding allocation from the Ministry of Education to make up the shortfall.

The second alternative would be to differentiate the residential charge by type to establish a lower EDC rate for dwelling units that would typically be occupied by fewer school age children per household. However, the same unit type (e.g., single detached), with the same number of bedrooms, or square footage, could exhibit vastly different school age occupancies. The same difficulties prevail in trying to define a unit type that segregates various levels of school occupancy that is definable and can be easily implemented under by-law application. Finally, as noted earlier, there is no legislative ability to restrict the level of occupancy, and occupancy status could change over time.

However, even where the policy decision is not to differentiate the residential charge, the projections of enrolment are usually designed to consider the lower pupil generation of these units, which is applied to the number of units in the dwelling unit forecast expected to be non-children households. Therefore, non-differentiated residential rates represent averages for all types of units which give consideration to the variation in school age population per household.

To date, no board has exempted any form of non-statutory residential unit in an in-force EDC by-law that the consultants are aware of, other than conversions of use.

Existing EDC by-law Provisions:

Currently, there are no by-law exemptions given for units that are marketed as “purpose-built seniors’ housing” or for affordable housing projects. The determination of pupils generated by new development does, however, take into consideration the minimal occupancy of adult lifestyle units by school age children.

1. Under the legislative provisions dealing with housing intensification as part of the *Education Act*, a portion of the forecasted medium density dwelling units are currently estimated to be exempt from the payment of EDCs. As such, the charge is spread over the ‘net’ new units.
2. Historical data regarding school age children per household, which represents an “average” of all household occupancies, is a significant component of the projected elementary and secondary enrolment.
3. The EDC pupil yield analysis assesses changing headship rates and uses this information to modify the future expectations of the number of school age children per household.

C.2.4 Non-Statutory Non-residential Exemptions

Legislative Provisions:

Non-residential statutory exemptions include:

- 1.

- land owned by, and used for the purposes of, a board or a municipality
- expansions to industrial buildings (gross floor area)
- replacement, on the same site, of a non-residential building that was destroyed by fire, demolition or otherwise, so as to render it unusable and provided that the building permit for the replacement building was issued less than 5 years after the date the building became unusable or the date the demolition permit was issued

Section 7 paragraph (10) of O. Reg. 20/98 states that “if charges are to be imposed on non-residential development ... the charges shall be expressed as ...”

- a) a rate to be applied to the board-determined gross floor area of the development, or
- b) a rate to be applied to the declared value of the development.

Considerations:

If a board elects to not have a non-residential charge, then non-statutory, non-residential exemptions is not an issue.

However, there is no funding source currently available under the new funding model to absorb the cost of providing non-statutory exemptions. In addition, by-law administration and collection of the charge, and the ability to treat all development applications in a fair and equitable manner, are complicated by the granting of non-statutory exemptions.

A 2007 legal opinion, sought on this matter by the consultant, suggests that a school board must absorb the cost of exemptions voluntarily granted by the board to any non-statutory non-residential development (i.e., the board would not be in a position to make up the lost revenue by increasing the charge on the other non-exempt non-residential development under the legislation).

Existing EDC By-law Provisions:

The Hamilton-Wentworth Catholic District DSB’s existing “in-force” EDC by-law applies to residential development only. The Board may have the ability to revisit this policy decision once the Province has completed its review of the legislation.

C.2.5 Demolition and Conversion Credits

Legislative Provisions:

Section 4 of O. Reg 20/98 prescribes a replacement dwelling unit exemption.

Section 4 states that “a board shall exempt an owner with respect to the replacement, on the same site, of a dwelling unit that was destroyed by fire, demolition or otherwise, or that was so damaged by fire, demolition or otherwise as to render it uninhabitable.”

However, “a board is not required to exempt an owner if the building permit for the replacement dwelling unit is issued more than two years after,

- a) the date the former dwelling unit was destroyed or became uninhabitable; or
- b) if the former dwelling unit was demolished pursuant to a demolition permit issued before the former dwelling unit was destroyed or became uninhabitable, the date the demolition permit was issued.”

Section 5 of O. Reg. 20/98 deals with exemptions for the replacement of non-residential buildings. Similar provisions apply with respect to the replacement of non-residential gross floor area (GFA), except that the credit is only applied to the extent that the amount of new floor space is equivalent to the GFA of the floor space being replaced. The legislative grace period for the replacement of non-residential GFA is five years.

There are no legislative provisions specifically dealing with conversion of use. However, the EDC Guidelines, section 4.1, states that, “Board by-laws may include provisions for credits for land use conversion. Typically, this situation would arise if an EDC is paid for one type of development and shortly thereafter (the period of time defined in the board’s EDC by-law), the land is rezoned and a new building permit issued for redevelopment (to an alternate land use). EDC by-laws may include provisions for providing credits in this situation to take into account the EDC amount paid on the original development (generally by offsetting the EDC amount payable on the redevelopment).” The 2014 HWCDSB EDC by-law does not provide conversion of use credits in that there is no non-residential charge.

C.2.6 % of Net Education Land Costs to be borne by Residential and Non-residential Development

Legislative Provisions:

Section 257.54(1) of the *Education Act* provides that a board may pass an EDC by-law “against land in its area of jurisdiction undergoing residential or non-residential development,” if residential development in the board’s jurisdiction would increase education land costs.

Section 7 paragraph 8 of O. Reg. 20/98 requires that, “the board shall choose the percentage of the growth-related net education land cost that is to be funded by charges on residential development and the percentage, if any, that is to be funded by charges on non-residential development.” “The percentage that is to be funded by charges on non-residential development shall not exceed 40 percent.”

A board has the choice under the *Education Act*, of levying an EDC only on residential development (for partial or full eligible cost recovery), or levying a charge on both residential and non-residential development (up to a maximum of 40% of costs allocated to non-residential development). Under the previous EDC section of the DCA legislation, a charge on non-residential development (then termed “commercial” development) was required. However, as noted earlier in this report a school board cannot alter than residential/non-residential shares where one rate would exceed the EDC by-law rates as of August 31, 2018, under O. Reg. 438/18. The HWCDSB 2014 EDC by-law is based on 85% recovery of the net education land costs from residential development.

Considerations:

For most of the current EDC by-laws, 10-15% of net growth-related education costs were funded by non-residential development. This percentage was specifically requested by a majority of the development organizations during the public consultation process, particularly where the quantum of the residential charge is higher than the norm.

There are limited options for funding education land costs under the Province's new capital funding model. All boards eligible to impose education development charges are likely to seek full eligible cost recovery (100%) under EDCs. However, a non-residential EDC is not a mandatory requirement of the structure in the *Education Act* and therefore boards may elect to recover 100% of costs from residential development or up to 40% from non-residential development (with the remainder to be recovered from residential development).

The major advantages of allocating 100% of net education land costs to residential development are as follows:

- Reduction of risk to the board in not achieving full revenue recovery, as demand for new pupil places will increase directly with the level of residential growth; non-residential floor area is difficult to forecast over 15 years (particularly on an area-specific basis), and a downturn in non-residential growth would leave the board with an EDC revenue shortfall (with limited available funding sources to make up the differential);
- Simplified EDC process and by-law, eliminating the need to deal with a range of requests for exemptions, and redevelopment credits;
- Establishment of a more direct linkage to the need for the service (i.e., pupils generated by new residential development) and the funding of that service, similar to municipal development charges (although not legislatively required by the *Education Act*), although it is widely accepted by planning practitioners that employment growth leads housing growth;
- The difficulties in administering/collecting even a nominal non-residential charge and interpretation of by-law applicability vis-a-vis municipal DC by-law definitions of gross floor area, zoning provisions, etc.

The major disadvantages of allocating 100% of net education land costs to residential development are as follows:

- Increases the residential charge;
- A downturn in residential growth due to changing economic conditions will have a negative impact on EDC cash flow and the ability to contain account deficits;
- Potential impact on the residential development market, due to a higher residential EDC bearing 100% of the net education land costs;

- May be opposed by the development community which strongly supported the 85-90% residential and 10-15% non-residential division of costs under the current EDC by-laws;
- The precedent of eliminating the non-residential charge in one by-law period may make it difficult to reverse the decision and have a non-residential charge in a subsequent by-law period;
- Eliminating the non-residential charge reduces the breadth of the board's overall EDC funding base, which may be particularly significant if there are large commercial/industrial developments in future.

C.2.7 Differentiated Residential Rates

The creation of Form H2 of the EDC Submission provided school boards with a mechanism for differentiating residential rates by density type using pupil yields per new occupied dwelling as the basis for the distribution factor. At the time, the relationship between pupil yields by density type and the need for new school sites appeared to be a logical basis for deriving the distribution factor.

From a cash flow perspective, it is difficult to predict with any certainty, how many new dwelling units of which density type will pay EDCs at building permit issuance. As such, differentiated residential rates have the potential to increase borrowing requirements and the associated net education land costs over time.

To date, no EDC board has adopted differentiated residential rates, in part because development community stakeholders have found the dollar spread between the derived low density and high-density rates using pupil yields as a factor, to be significant enough that it was difficult to achieve consensus amongst various residential development interests.

As such, the consultants have proposed an alternative approach to deriving the distribution factor based on the persons per unit (PPU) assumptions of the area municipalities or City used as the basis to determine the forecasted population to be derived from new occupied dwelling units as part of the most recently-approved development charges (DC) studies. Generally, this approach has the effect of reducing the gap between low density and high-density units from a ratio of 8 to 10, to a ratio of 2 to 3.

Both approaches are found in the Form H2 contained in Appendix A of this report.

C.2.8 By-law Term

Legislative Provisions:

The *Education Act* permits a school board to pass an EDC by-law with a maximum term of five years (s.257.58 (1)).

A board with an EDC by-law in force, may pass a new EDC by-law at any time, after preparing a new education development charge study, securing the Minister of Education's approval, and undertaking the required public process (s.257.58(2)).

A board may amend an EDC by-law once in each one-year period following by-law enactment, to do any of the following:

- “1. Increase the amount of an education development charge that will be payable in any particular case.
2. Remove, or reduce the scope of, an exemption.
3. Extend the term of the by-law.” (s.257.70(2) and subject to s.257.58(1))”

A public meeting is not required for a by-law amendment; however, the board must give notice of the proposed amendment, in accordance with the regulations, and make available to the public, the EDC background study for the by-law being amended, and “sufficient information to allow the public to generally understand the proposed amendment.” (s.257.72)

Considerations:

A five-year term provides the maximum flexibility since a board has the power to amend the by-law or pass a new by-law at an earlier point, if necessary.

The level of effort required to emplace a new by-law (e.g., production of an EDC background study, involvement in an extensive consultation process with the public and liaison process with municipalities) would suggest that a longer term (maximum five years) by-law is more desirable.

C.2.9 Application of Operating Surpluses to Capital Needs

Legislative Provisions:

The education development charge background study must include “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.” O. Reg. 438/18 rescinded this provision however the Board had already adopted resolutions respecting operating surplus and alternative accommodation arrangements.

Considerations:

The use of the expression, “if any,” recognizes that even if there is a surplus, the board may not choose to direct it to this particular form of expenditure.

The Provincial Funding Model prescribes “envelopes” which impact on the direction of budgetary surpluses, including the requirement that funds may not be moved from the classroom to non-classroom category; funds generated by special education needs cannot be used for other purposes; funds generated from grants for new pupil places or facilities renewal must be used for this purpose or placed in an account for future use.

The Board reviewed its existing policy and determined that there are no surplus operating funds to offset EDC-related expenditures. A copy of the Board’s report and policy is found in Appendix D.

C.2.10 Policy on Alternative Accommodation Arrangements

Legislative Provisions:

Prior to the passage of O. Reg. 438/18 the legislation required that the education development charge background study include “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...without imposing education development charges or with a reduction in such charges.” (section 9(1) paragraph 6 of O. Reg 20/98)

For a subsequent EDC by-law period, the board is further required to provide a “statement of how the policy...was implemented and, if it was not implemented, an explanation of why it was not implemented.” As stated, the Board adopted resolutions respecting this policy prior to the passage of O. Reg. 438/18.

Considerations:

The legislation would appear to contemplate situations where the “arrangements” include consideration for both land and buildings.

The impact on the Board’s permanent capacity (particularly in the situation of a long-term leasing arrangement) would have to be considered as part of the needs assessment inherent in the EDC calculation.

If “other persons” were to enter into these arrangements with school boards, they would be potentially spreading the benefit of the arrangement across all development, as opposed to a land owner entering into a services-in-lieu agreement that would provide the applicant with a credit against EDCs payable.

The pupil accommodation account can be utilized to enter into long- and short-term lease arrangements with the private sector, or to enter into multi-use partnership agreements within other school boards, municipalities or the private sector.

Section 210.1(12) of the *Municipal Act* permits school boards to provide limited exemptions from municipal and school taxes and education development charges in exchange for the provision of school capital facilities, under certain circumstances.

The Board reviewed its existing policy and determined that it will continue to explore accommodation arrangements which may result in accommodation efficiencies; however, at this time there are no savings under this policy to offset EDC-related expenditures. A copy of the Board’s report and policy is found in Appendix D.

C.3 Summary of By-law Appeals, Amendments and Complaints

C.3.1 Appeals

Under Section 257.65 of the *Education Act*, “any person or organization may appeal an education development charge by-law to the Ontario Municipal Board by filing with the secretary of the board that passed the by-law, a notice of appeal setting out the objection to the by-law and the reasons supporting the objection.”

On October 6, 2014 there was an appeal filed by Indwell, a builder of affordable housing units. They appealed the HWDSB EDC by-law only, only the basis that the application of a singular, rather than differentiated residential rate, did not recognize variations in size of residential units. The appeal filed by Indwell has not been resolved as of the date of this report.

C.3.2 Amendments

Legislative Provisions:

Section 257.70 subsection (1) states that “subject to subsection (2), a board may pass a by-law amending an education development charge by-law.” Subsection (2) goes on to say that, “a board may not amend an education development charge by-law so as to do any one of the following more than once in the one-year period immediately following the coming into force of the by-law or in any succeeding one-year period:

1. Increase the amount of an education development charge that will be payable in any particular case.
2. Remove, or reduce the scope of, an exemption.
3. Extend the term of the by-law.”

Section 257.71 states that “A by-law amending an education development charge by-law comes into force on the fifth day after it is passed.” Finally, “before passing a by-law amending an education development charge by-law, the board shall,

- a) give notice of the proposed amendment in accordance with the regulations; and
- b) ensure that the following are made available to the public,
 - i. the education development charge background study for the by-law being amended, and
 - ii. sufficient information to allow the public to understand the proposed amendment.”

C.3.3 Complaints

Under Section 257.85 of the *Education Act*, “an owner, the owner’s agent or a board, may complain to the council of the municipality to which an education development charge is payable that,

- a) the amount of the education development charge was incorrectly determined;
- b) a credit is or is not available to be used against the education development charge, or that the amount of a credit was incorrectly determined;
- c) there was an error in the application of the education development charge by-law.”

In addition,

“A complaint may not be made...later than 90 days after the day the education development charge, or any part of it, is payable.”

There were no complaints filed against the Board’s EDC by-law post adoption in 2014.