

On October 12, 2018, a change was made to the legislation that governs education development charges (“EDCs”). The Minister of Education enacted Ontario Regulation 438/18 which amended Ontario Regulation 20/98. The amendment effectively froze EDCs at the rates that were in effect on August 31, 2018. This applied to all new EDC by-laws. As a result, the Upper Grand District School Board and the Wellington Catholic District School Board would not be able to impose EDCs under the by-laws they propose to enact on May 15, 2019, that are greater than the rates the Boards currently impose under their respective 2014 by-laws. Those current rates are as follows:

1. Upper Grand District School Board - \$1,567.00 per residential dwelling unit in Wellington County and \$832.00 per residential dwelling unit in Dufferin County;
2. Wellington Catholic District School Board - \$317.00 per residential dwelling unit in Wellington County.

However, on March 29, 2019, the Government of Ontario further amended the EDC legislation. Ontario Regulation 55/19 amended Ontario Regulation 20/98 and one of the main purposes of the amendment was to lift the aforementioned rate freeze and provide a provisional phase-in of proposed EDC rates. A school board’s existing EDC rates could now be increased by \$300 or by 5% of the existing rate, whichever is greater. In addition, in the second year of the by-law and each subsequent year of the by-law, the rate could increase by a further \$300 or 5% of the previous year’s EDC rate.

The proposed EDC rates in the Board’s 2019 EDC Background Study are \$2,222 per residential unit for the UGDSB’s Wellington County/City of Guelph by-law and \$2,734 per residential unit for the UGDSB’s Dufferin County EDC by-law. The WCDSB’s proposed residential EDC by-law is \$619 per unit. The table below provides the initial proposed phase-in rates for year 1 as well as each subsequent year of the by-law.

	EXISTING EDC RATES	Year 1 2019	Year 2 2020	Year 3 2021	Year 4 2022	Year 5 2023	PROPOSED EDC RATES
WCDSB EDC By-law Rate	\$ 317	\$ 617	\$ 619	\$ 619	\$ 619	\$ 619	\$ 619
UGDSB EDC By-law Rate (Wellington County/City of Guelph)	\$ 1,567	\$ 1,867	\$ 2,167	\$ 2,222	\$ 2,222	\$ 2,222	\$ 2,222
UGDSB EDC By-law Rate (Dufferin County)	\$ 832	\$ 1,132	\$ 1,432	\$ 1,732	\$ 2,032	\$ 2,332	\$ 2,734

The amendments to the regulation that governs EDCs do not affect the requirements that the Boards conduct two public meetings [(i) policy review and (ii) the proposed by-laws] and prepare a background study.