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# The Missing Money Our Schools Need Now:

Education Development  
Charges in Toronto



# Executive Summary

**“ Our public school buildings are old and cramped for a reason: developers exploited a loophole and pocketed hundreds of millions in Education Development Charges that should have gone to schools. ”**

## Developers aren't Paying their Fair Share

Since 2006, Toronto has added a half million people, climbing from 2.5 million to just under 3.0 million people today, and the city is expected to add another half million people in the next 20 years, growing to more than 3.4 million people in 2041. Toronto's growing population is largely being accommodated through intensification of mature urban communities. To help pay for the cost of public services and infrastructure for the new residents in these growing communities, the City of Toronto collects revenue from development charges to pay for a wide range of public infrastructure and services, including roads, water, sewer, parks, transit, fire, police, ambulance, and more.

The Toronto Catholic District School Board (TCDSB) also collects Education Development Charges (EDCs) to cover some of the cost of providing schools to the growing Catholic school student populations in communities across the city. Since 1998, when the

TDSB ceased to be able to collect EDCs, the TCDSB has collected and invested EDC revenue of over 204M.

**But the TDSB, which runs the English public schools in Toronto, is prevented from collecting hundreds of millions of dollars from new development – unlike the Catholic school system and the City itself – to manage the pressures of growth on the schools in growing communities.**

The current provincial regulation governing whether or not a school board can charge Education Development Charges means that developers in Toronto get away without paying one cent to TDSB schools. This has left the TDSB to manage community growth without much-needed revenue from EDCs. And that needs to change.

## Children Who Study in Overcrowded Classrooms or Who are bused Away from their Neighborhood Schools are Paying the price

Schools in growing communities are crowded with many operating at well over 100% capacity. Over-capacity schools can have a negative impact on both the students in that school and those who aren't able to get in creating another potential systemic barrier in the way of building healthy, inclusive communities, at the expense of equity-seeking groups.

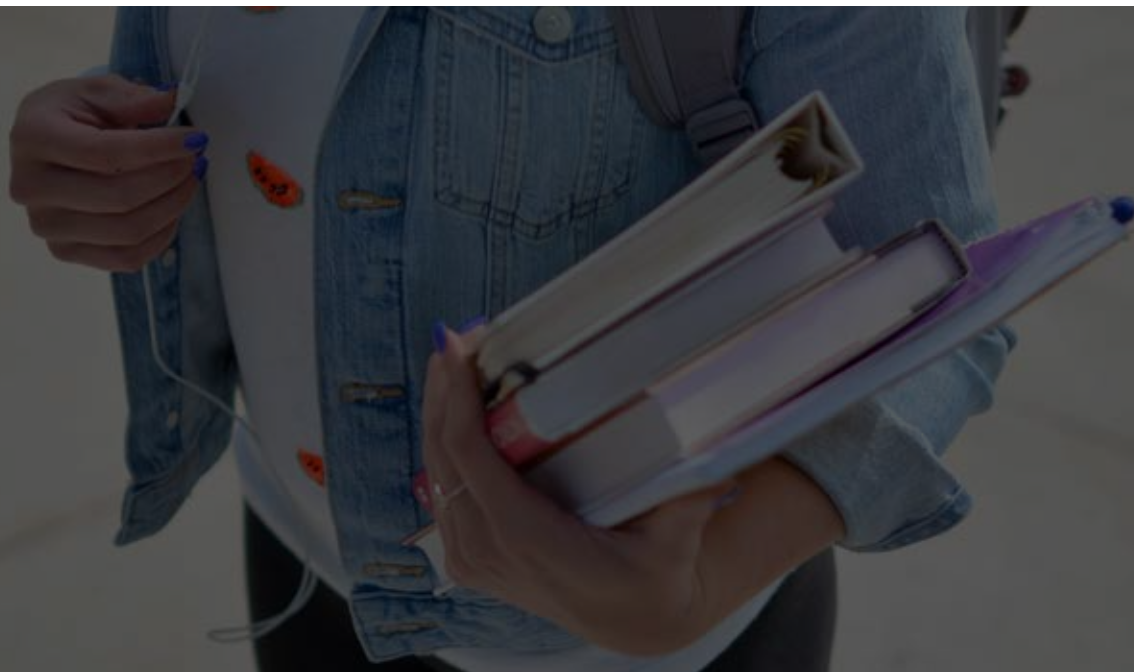
Students in an over-crowded school may lose program options, as music rooms give way to classroom space and gym space is used by two classes simultaneously. Students are often forced to eat their lunches on the floor in the hallway because there's not enough room in the lunch room. The COVID 19 pandemic has also shown how inadequate infrastructure can make it hard to keep kids safe: cramped classrooms, lack of proper ventilation (such as windows that open), and the absence of hand-washing sinks in classrooms all make preventing the spread of infections extremely difficult.

For students who aren't able to get a spot in their neighbourhood school, they are bused out of their community to a school in another neighbourhood.

For many families, this fractures school and community connections, and can make child care options more complicated and less convenient. It can also run directly counter to policy directions about encouraging active forms of transportation, forcing children who'd rather walk to school onto a bus.

Often, children living in detached or semi-detached homes are more likely to have access to their local school, while children of families moving into newer multi-unit dwellings are more likely to be bused to another school. Families living in newer multi-unit buildings, who are often renters, are more likely to be from equity-seeking communities, such as younger families, newer immigrants and people of colour.

TDSB Trustees, City Councillors, urban planners, developers, and community leaders are collaborating to find creative and financially prudent ways to add school space to meet the needs of new residents. However, they are doing that work without the benefit of the resources that should be available through EDCs to make these options financially viable.





## So How Do We Fix This?

Fortunately, the solution to this issue is for the Ontario government to reverse its long-standing opposition to allowing the TDSB to collect EDCs. It's a simple matter of changing the regulation to allow the TDSB to fund the growth pressures it faces in certain communities by collecting EDCs.

Further, the regulation also needs to be amended to once again permit EDC revenue to be spent on a variety of costs related to managing growth, including the construction and renovation of school buildings and creative partnerships for providing school space. Despite the simple solution, governments since the 1998 have failed to do it, and instead have chosen to give developers a break, while allowing families and communities to pay the price.

### **It's Time to Make Developers Pay Their Fair Share**

Fixing our schools is an issue everyone can get behind and is broadly supported: Toronto City Council passed a motion asking the Ontario Government to amend the outdated regulation and allow the TDSB to collect EDCs just as the Toronto Catholic School Board can and does. Conservative MPP Stan Cho ran and won his seat in Willowdale largely on the issue of collecting EDCs. What we need now is pressure on the Ontario Government to make developers pay their fair share.

The case is clear. It is not okay to continue to deprive the TDSB of much-needed revenue to address overcrowding in schools and a growing repair backlog. It is not acceptable to force school closures and the sale of school yards to help subsidize profitable development in other parts of the city. Students

should not have to tolerate overcrowded schools or be forced to take a bus to another community due to unfunded growth pressures. Parents and allies know the missing hundreds of millions could have enabled the TDSB to invest in more classroom space, HVAC repairs, working windows, and ultimately, could have made schools safer for our children.

Now's the time for parents, teachers and community members to come together and push for the Ontario government to finally end the development charge loopholes. The Broadbent Institute, Fix Our Schools and Progress Toronto invite you to get involved: visit our websites, write a letter to your MPP and join the call for action:

We call upon the Ontario government to change O.Reg 20/98 to allow all Ontario school boards to:

- Allow the TDSB to collect Educational Development Charges (EDCs) to ensure that these developers contribute in a meaningful way to the public infrastructure from which they ultimately profit.
- Use the money collected via EDCs for not only land acquisition, but also school expansions, retrofits, repairs, and renewal projects.



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# Toronto's Booming Population: A Looming Crisis for Public Schools

Toronto's schools are some of the best in the world, providing world-class education to students in every community in the city. Along with the Toronto Catholic, the French Public, and the French Catholic school boards, the Toronto District Public School Board (TDSB) operates high quality school programs for students across Toronto.

The TDSB is the largest school board in Canada by a wide margin, with schools in every neighbourhood across the city. Its school buildings do double-duty as home to neighbourhood recreation programs, child care, sports leagues, and community gatherings of all sorts. School playgrounds and sports fields provide badly needed spaces for play and outdoor recreation. Public schools are critical parts of every community in the City, and a core component of the public infrastructure that make Toronto livable, despite its rapid growth.

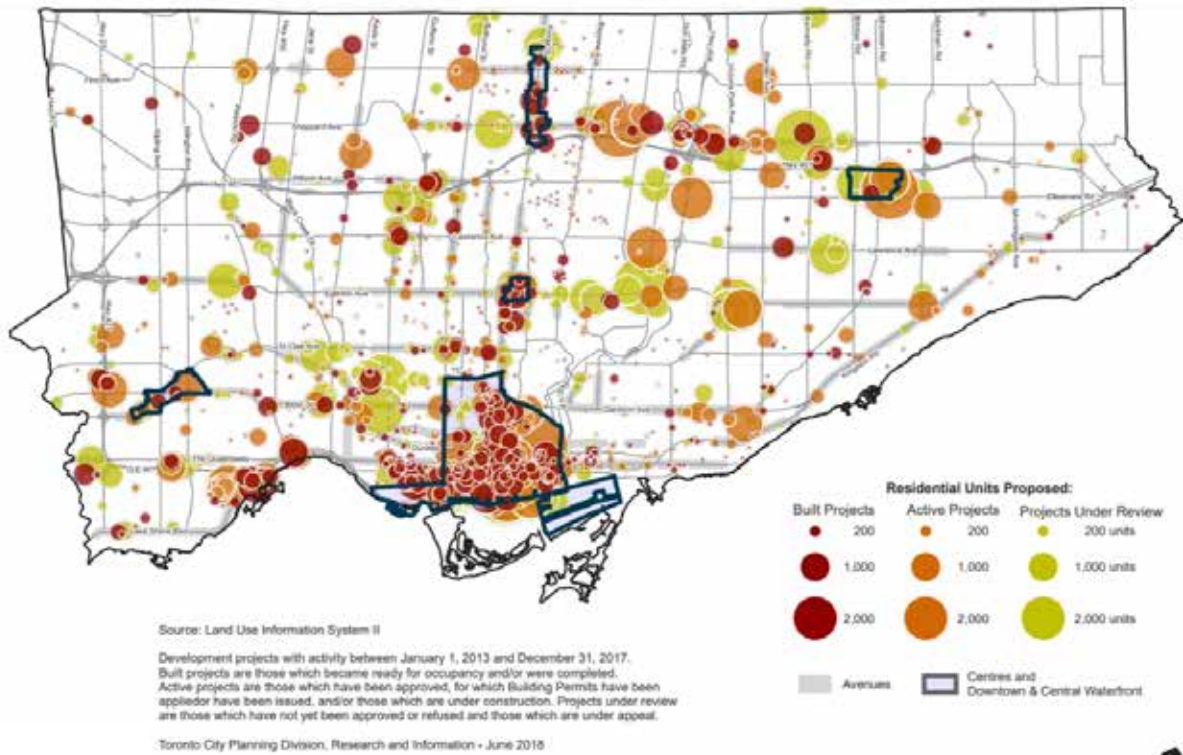
Since 2006, Toronto has added a half million people, climbing from 2.5 million to just under 3.0 million people today. Torontonians experience some of the effects of that rapid growth every day as they ride overcrowded transit, travel clogged roads, pay unaffordable rents, and linger on growing waitlists for affordable housing, child care subsidies, and more.

Toronto's public infrastructure just isn't keeping up, and growth pressures aren't going to ease anytime soon; Toronto is expected to add another half million people in the next 20 years, growing to more than 3.4 million people by 2041.

The effects of Toronto's rapid growth are felt particularly keenly in neighbourhoods where new housing is being developed to accommodate all this growth.

Guided by the City's Official Plan, provincial policy statements, and zoning requirements, Toronto's growing population is focused in three areas: Toronto's waterfront, so-called "growth centres" such as Yonge and Eglinton, and along the avenues, which are major thoroughfares such as Danforth Avenue.

Growth comes to each of these areas in the form of intensification and infill development, mostly in the form of condos, which add new residents into existing communities.



## Figure 1: How Does the City Grow, 2018

As the map in Figure 1 makes clear, new development isn't spread evenly around the City – it's concentrated in certain communities as a result of intentional planning decisions. While every Torontonians will tell you that the City has gotten busier and more crowded, residents of these increasingly densely populated communities will tell very specific stories about the impact of increased housing density.

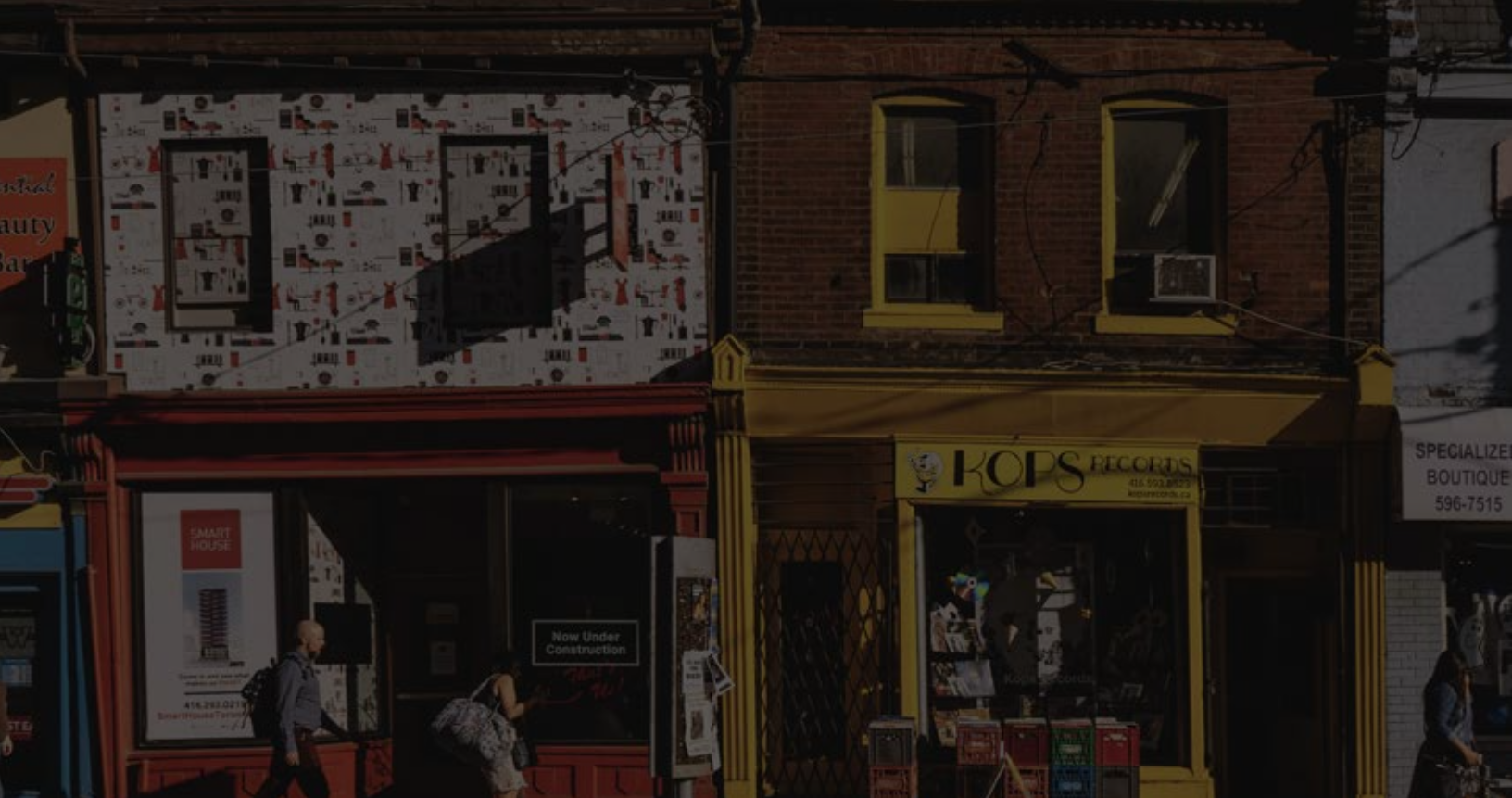
A key issue in these communities is the impact of new housing developments, mostly condo buildings, on local schools. As families move into these new buildings, which increasingly include family-sized units, local school enrollment explodes, in many cases far exceeding school capacity. These developments bring new children, but no new money to upgrade, expand, or build new school facilities to accommodate those new students. In fact, in many fast-growing communities in the city, the Toronto District School Board requires that developers mount

signs letting prospective buyers know that there's no guarantee that their kids will get into a local school. School boards have no approval authority over developments.

At community meetings about a new condo buildings in neighbourhoods across the city, residents who ask about plans for school accommodation are told by developers and municipal planners alike that the school space question isn't relevant to the development approval process. Despite having no standing or formal say in the development process, schoolboards are required by law to provide an education to all school-aged children in their catchment area. And this brings us to the central problem.

Toronto's growing population is largely being accommodated through the intensification of mature urban communities. To help pay for the cost of public services and infrastructure for the new residents





in these growing communities, the City of Toronto collects revenue from development charges to pay for a wide range of public infrastructure and services, including roads, water, sewer, parks, transit, fire, police, ambulance, and more.

The Toronto Catholic District School Board (TCDSB) also collects Education Development Charges (EDCs) to cover some of the cost of providing schools to the growing Catholic school student populations in communities across the city.

But the Toronto District School Board, which runs the English public schools in Toronto, is prevented from receiving any funding from new development – unlike the Catholic school system and the City itself – to manage the pressures of growth on the schools in growing communities. The current provincial regulation governing whether or not a school board can charge Education Development Charges is

specifically designed to exclude Toronto’s public school system, and this has left the TDSB to manage community growth without much-needed revenue from EDCs.

**Supreme Court Ruling, Ontario Home Builders Assn v. York Region Board of Education (1996):**

**“...new development should bear the costs of infrastructure necessitated by the new development. Further... the developers receive a considerable benefit from the EDC scheme: a development with adequate amenities.”**

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# Developers aren't Paying their Fair Share

# Developers should contribute to the public infrastructure from which they ultimately profit

## 1. A Key Principle: Growth Should Pay for Itself

There's a widely accepted principle enshrined in the laws and policies guiding residential and commercial development in communities across Ontario: growth should pay for growth. For decades, municipalities and school boards have collected revenue in the form of development charges from new residential and commercial development.

Development Charges are fees collected when a building permit is issued for new residential or commercial development that pay for some of the cost of providing municipal services to a growing population. For cities and towns, these costs include transit, roads, sidewalks, water, sewer, parks, recreation, libraries, affordable housing, child care, and more.

Education Development Charges are based on the same principle of having growth pay for growth, and when school boards were first empowered through legislation to charge them, the resulting revenue could be spent to purchase land, build new schools, and build additions onto existing school spaces to accommodate growing student populations. This approach to Education Development Charges (EDCs) recognized the key role that schools play in building healthy communities, and were consistent with the principle that the revenue from growth should pay for the cost of that growth in supporting high quality local schools. Just like municipal development charges, EDCs were key to investing in local school facilities, and contributed to healthy neighbourhoods and attractive communities.

## 2. Toronto's Public Schools in Provincial Hands: 1998 to Today

From 1989 to 1997, EDCs operated much like municipal Development Charges. School boards were able to levy the charges, and revenue was spent on growth-related costs such as building and renovating new schools and acquiring land. However, in the late 90s the Progressive Conservative government, led by Premier Mike Harris, overhauled the way Ontario schools were funded. They centralized collection of education property tax revenue and established a new formula for allocating education funds to school boards. This system is still largely in place today. These massive changes resulted in huge cuts to education funding that are still driving many of the annual budgetary woes of some school boards across the province.

In Toronto, at the same time as these funding changes were happening, the Harris government also made big changes to how Toronto was governed. It forced the six former municipalities of Metropolitan Toronto to amalgamate into the new "megacity" of Toronto. At the same time, the government also amalgamated the six public school boards in Metropolitan Toronto (the Board of Education for the City of York, East York Board of Education, North York Board of Education, Scarborough Board of Education, Etobicoke Board of Education and the Toronto Board of Education) into the biggest school board in the country, now the Toronto District School Board.

The upheaval from these changes to Toronto's municipal government, opposed by most Toronto residents, overshadowed important changes to Education Development Charges being made at the same time. New restrictions were introduced in 1998 to prevent boards from charging levies if their school capacity exceeded their enrollment throughout their jurisdiction. In the context of municipal and school board amalgamation in Toronto, this new jurisdiction was the entire megacity. This change immediately rendered the new megacity public school board, now the TDSB, ineligible to collect EDCs.

Subsequent provincial education policy changes had a dramatic effect on public schools in Toronto.

In 2003, government policy caused the phase-out of the Ontario Academic Credit (OAC, or “Grade 13”), dramatically reducing high school enrolment across the province. Later, the introduction of full day junior kindergarten increased space requirements in elementary schools. Neither of these policy decisions came with appropriate levels of funding to manage their impacts.

These policy changes had a dramatic impact on the use of school space and both took place against the backdrop of rapid growth in communities across the City. The TDSB has been forced to manage the

impacts of both without the benefit of resources from Education Development Charges. This has been exacerbated by grossly inadequate provincial funding for basic repairs or renewal of school buildings, which has been well-documented by Fix Our Schools and the ongoing reporting by the TDSB.

For the boards that were still eligible to collect EDCs, another change made by the Harris government in 1998 restricted what costs school boards could cover with EDC revenue. The change prevented boards from using EDC funds for building, expanding, or renovating school buildings to handle growing student populations, and limited them to spending the funds on the costs related to acquiring land for schools.

### A brief history of EDCs in Ontario

**1959 - 1989:** The Planning Act permitted municipalities to collect “lot levies” that could be spent on services for those who paid the levies

**1989 – 1998:** School boards authorized by the Development Charges Act 1989 to levy EDCs, and are permitted to spend on land and school construction

**1998:** Development Charges Act repealed, EDC authority moved to the Education Act. EDC funds are to be used only for ‘education land costs.’

**1998 – 2019:** Despite ongoing growth pressures and repeated requests, the Ontario government fails to allow Toronto to charge EDCs.

**July 2019:** TDSB launches legal challenge of regulations preventing TDSB from charging EDCs.

**November 2019:** Provincial government tweaks EDC regulations to help out developers, but fails to address Toronto’s needs.



### 3. TDSB Takes Legal Action

Since 1998, subsequent governments have tweaked education program and facility funding, but to this day the TDSB remains barred from levying EDCs, despite the rapid growth so many communities have seen. In Toronto, the revenue from growth is doing nothing to fund the cost of growth in the TDSB.

After years of unsuccessful government to government advocacy, in July 2019 the Toronto District School Board finally resorted to asking the Ontario Superior Court of Justice to quash the provisions in the Education Act barring the TDSB from charging EDCs. Their application clearly lays out how the current regulations fail Toronto public schools and undermine the principle that growth should pay for growth.

In November 2019, after the TDSB asked the court to review the matter, the Ford government did amend the regulations related to EDCs. But despite the TDSB's ongoing advocacy and court application, they did nothing to address the long-standing concerns of Toronto. The government opted instead to listen to developers and capped the EDC rate increases for those boards that are able to charge EDCs, limiting the growth of EDC revenue to well below the rising cost of acquiring land.

#### **Toronto is Special: School Planning in the Megacity**

One of Toronto's unique challenges is caused by the forced amalgamation of Toronto's six school boards into one board covering the whole City of Toronto. Prior to amalgamation, these small school boards planned and built schools based on their small geography and the resources and constraints of their communities. School development in the pre-amalgamation City of Toronto had to contend with dense, mature downtown neighbourhoods and a lack of land that could accommodate large school sites. Other pre-amalgamation municipalities had access to larger school sites as part of more recent planning decisions.

Collectively, the new megacity's school board was left to manage too many schools in some areas and too few in others.



#### 4. Growth in Toronto Is Not Paying for Itself

System-wide, the TDSB has a surplus of both elementary and secondary school spaces. Under the current provincial regulations that govern EDCs, this fact alone makes them ineligible to charge EDCs. However, the TDSB has undeniable growth pressures in some communities that can be demonstrated using long-accepted methods for assessing student accommodation needs. A key principle of school space planning is that students should go to school in their local community, especially at the elementary level.

As shown in Figure 2, Toronto's growing population will be accommodated in specific communities, resulting in a space crunch in local schools. This situation will be most acute in those areas shown in red and dark red on the map.

An expert analysis was conducted in support of the TDSB's court challenge to the EDC regulations. It examined the 15-year requirements for new elementary schools (excluding secondary for the sake of simplicity) based on Toronto's growth. It concluded that of the City's 473 elementary schools:

- + 246 will be affected by new housing development.
- + 92 of these schools affected will have enrollment exceeding their current capacity.
- + 47 of the schools that will exceed their capacity can't be expanded on site because their existing site size exceeds the maximum set out in regulation of 1 acre/100 pupils.
- + To accommodate projected enrolment growth at these 47 school sites, the TDSB is projected to require an additional 60 acres of land. Note that this is a conservative estimate that excludes secondary school needs.
- + The remaining 45 sites will require some facility investment

This expert analysis proves conclusively that the Toronto has growth-related costs when assessed on a community or sub-area basis. And this analysis doesn't even include the needs in those communities related to secondary schools. Despite the clear evidence, the government of Ontario has to date refused to allow the TDSB to collect much-needed revenue from Education Development Charges.

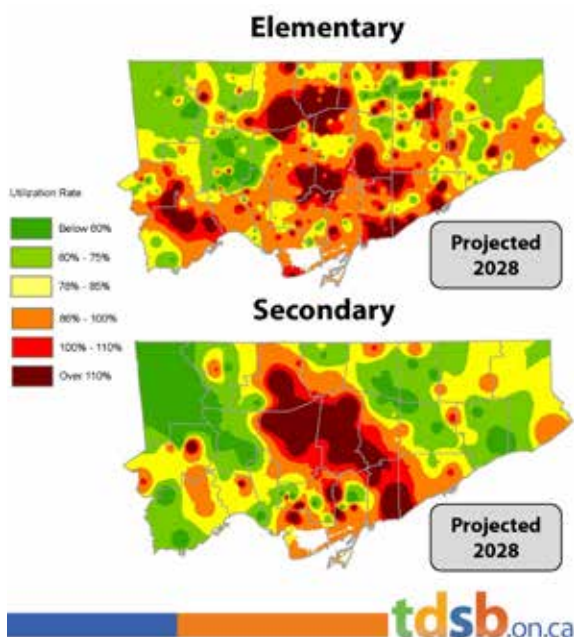


Fig 2.

**Long Bus Rides,  
Overcrowded Schools,  
and Infection Risk:  
EDC Rules are Failing  
Toronto Communities**



# Over-capacity schools are overcrowded

There are real-world consequences for Toronto residents as a result of the provincial decision to bar the TDSB from charging EDCs. In many communities, new residential development has overwhelmed the capacity of local public schools. The high cost and relative scarcity of land means that new public school sites are unavailable in mature urban neighbourhoods, even with new hi-rise condo development bringing thousands of new residents into the community.

The TDSB uses all the tools it does have to manage the growing population in its existing facilities, including adjusting school catchment areas, busing students to other schools, and bringing in portables. In many cases, schools in these growing communities are operating at well over 100% capacity, and the options for dealing with over-capacity schools can have a negative impact on both the students in that school and those who aren't able to get in.

An over-capacity school can experience serious maintenance pressures, as more students doesn't translate into additional caretaker support. An overcapacity school has less (or no) flexibility in space when facility issues arise, leaving them strapped for options if they need to relocate a class due to a leak in a classroom ceiling. Overcrowded schools also cause programs to be compromised, with music rooms giving way to classroom space and gym space used by two classes simultaneously. Organizing a school-wide assembly at an overcapacity school is nearly impossible, and often requires displacing gym classes. Students are often forced to eat their lunches on the floor in the hallway because they won't fit in the lunch room.

The COVID-19 pandemic has revealed additional challenges presented by inadequate infrastructure and overcrowded classrooms. Classrooms in most schools aren't big enough to provide enough room for physical distancing and weren't designed to provide proper ventilation, both of which are critical in preventing the spread of COVID-19 or other infections. Classrooms in some older schools don't have any windows, while safety features prevent windows in newer schools from opening enough to provide proper ventilation. Most classrooms are also not equipped with sinks that could be used for regular handwashing. As with so many other systems, COVID-19 has revealed the ways that underfunding and cutting corners make our education system that much less resilient, especially when combined with the looming space crisis due to population growth in some areas.

## Who gets to go to the local school, who is forced to take a bus is an equity issue

Due to the nature of development in communities experiencing rapid development, there will be other, unexamined, questions of who does get to go to the local school, and who is forced to take a bus.



### IMPORTANT NOTICE TO NEW AND POTENTIAL RESIDENTS

The Toronto District School Board makes every effort to accommodate students at local schools. However, due to residential growth, sufficient accommodation may not be available for all students. Students may be accommodated in schools outside this area until space in local schools becomes available.

For information regarding designated school(s), please call 416-394-7526.

Planning Division  
Toronto District School Board



Students who can't get a spot in their neighbourhood school, face bus rides to a school in another neighbourhood. Kids as young as kindergarten-aged are no longer with their friends and familiar neighbourhood faces who know them but instead placed on bus rides to a school in another neighbourhood. For many families, this fractures the school and community connections, as children aren't building friendships with others in their local neighbourhood. It can make before-school and after-school childcare options more complicated and less convenient. It can also run directly counter to policy directions about encouraging active forms of transportation, forcing children who'd rather walk to school to take a bus instead. This pattern could add another systemic barrier in the way of building healthy, inclusive communities, potentially at the expense of equity-seeking groups.

Existing homeowners and residents in these communities are more likely to get access to their local school, while children of families moving into new developments are forced to take a bus to another school. Community advocates and local residents report that families moving into those new condos are more likely to be from equity-seeking communities and people of colour. This pattern has the potential to add another systemic barrier in the way of building healthy, inclusive communities, at the expense of equity-seeking groups. As rapid growth continues in communities across the city, this potential inequity should be of concern to City Council and all residents, not just those with kids in school.

TDSB Trustees, City Councillors, urban planners, developers, and community leaders are collaborating to find creative and financially prudent ways to add school space to meet the needs of new residents.

However, they are doing that work without the benefit of the resources that should be available through EDCs to make these options financially viable. The following are some examples of communities working to tackle this challenge.

In some cases boundary maps, anecdotal reports from parents and school registration information suggest that children of families moving into newer multi-unit dwellings are often renters and typically the students bused out to another school.

- Eglinton Junior Public elementary school is beyond capacity and, as a result, the boundary map is dotted with holes. Serving families living in the growing Yonge and Eglinton neighborhood, children from many multi-unit buildings in the area are bused outside of their neighborhood, including: 71 Redpath, 125 Redpath, 150 Redpath and 155 Redpath, all within 250 metres of the school.
- A young father living in a Humber Bay Shore condo reported in a letter to Toronto City Council that his daughter would be bused out for kindergarten to a different neighborhood because of their dwelling type, a process that he perceives unfairly disadvantages young families as more and more seek to own or rent condos.
- In Willowdale, a 2016-2017 Earl Haig S.S. registration brochure stipulates explicitly that students within the district but living in residential buildings of more than 4 units built after December 2000 will be directed to other schools, however, students new to neighborhood but who moved into buildings with less 4 units can register.



## Case Study: Yonge and Eglinton

The Yonge and Eglinton area is an Urban Growth Centre in the province's "Growth Plan for the Greater Golden Horseshoe." That means that planning rules are facilitating ongoing intensification in the midtown community, which is expecting to double in population by 2031, going from 19,000 to 40,000 residents.

The local public elementary school, Eglinton Junior Public School, is already full. It has no green space and has already maxed out at four portables. It has already sacrificed its instrumental music and special education classrooms to make room for growing enrolment. There are 24 other public elementary schools within 3km of Eglinton Jr, but they're all either at or over capacity and face the same challenges as Eglinton. The area will be short 720 spaces by 2028, which means the TDSB needs to find a spot for a new school for those kids, and is badly in need of EDC funds from local development to secure a location.

## Case Study: Humber Bay Shores

Located on the south Etobicoke waterfront, Humber Bay Shores currently consists of 7700 new high-density residential units. Another 2000 units are soon to be built nearby, and the adjacent Christie Lands will add another 8000 units in the future.

The local public elementary school is over capacity, and students in this area are being bused to elementary schools over 2.5km away, north of the Gardiner Expressway. The TDSB has an opportunity to secure a new elementary school site within the nearby Christie Lands, which are also slated for redevelopment. However, the TDSB won't have access to any EDC funds from all the local development to help pay for it.

## Case Study: Willowdale

McKee Public School in Willowdale is at 110% capacity, thanks to a development boom in the area. Children in kindergarten to grade 5, whose families live in nearby apartment buildings, are bused more than 3km away to Lillian Street Public School. Despite a recent addition at McKee, they've also had to add four portables and the promise of building another expansion at McKee to accommodate new students.

# Developers Aren't Paying for Growth, So Who Is?



# Developers Aren't Paying for Growth, So Who Is?

The well-established practice of collecting development charges makes sense for a number of reasons. The revenue helps offset the cost of providing public infrastructure and services that healthy communities need, which in turn helps to keep some costs off the general tax base and keep tax rates lower. Quality public services - such as schools, parks, roads, and more - add value to new development, and homes near a "good" public school fetch higher prices and rental rates. According to the Ontario Public School Boards Association (OPSBA), "most developers want to build in good communities with strong public assets that include our schools."

## Developers Aren't Paying

When a developer gets an investor or lender to provide the funds to build a new development, that means that the project has demonstrated that the revenue from the sale of the units in the development will **1)** pay back the investor/lender (plus profit/interest), **2)** pay the development charges (including EDCs) and other costs – foreseen and some unforeseen – of development, and **3)** provide the developer with a profit. OPSBA states that "most developers factor in the cost of EDCs when financing their projects." By this they mean that whether those charges are collected or not, the financial assumptions – and, importantly, the projected selling price – have been set out as though they will have to pay.

In Toronto, the Toronto Catholic District School Board has been collecting EDCs for years. And the City of Toronto has moved to aggressively increase their Development Charges in the last few years, in recognition of the important infrastructure they provide. The TDSB,

with more than twice the number of students as the TCDSB, provides value and critical community infrastructure, and should also be able to charge EDCs.

## Students and Families are Paying

Without access to EDCs, the TDSB can only get funds from one source – the provincial government – to fund both growth-related school needs and the cost of repairing and replacing aging school infrastructure. Requests for capital funding made to the province are ranked and prioritized, and then the province decides what will be funded based on province-wide priorities and their limited budget allocations.

The most prominent indicator of whether this approach is working is the deteriorating state of public schools in Toronto. The effect of spreading too few capital dollars among too many priorities has resulted in, at last estimate, a backlog of \$3.5 billion in school repair at the TDSB alone. Province-wide, the number is much higher. Visit [fixourschools.ca](http://fixourschools.ca) for a more detailed description of the scale of this problem and the impact it has on students and teachers, and the quality of education.

In essence, the result of growth not paying for growth in public schools is that students are paying for that growth. Without the adequate funding to meet the growth-related needs, students throughout the system pay with lost instruction days due to burst pipes, poor air quality and no bathrooms in portables, windowless make-do classrooms, substandard gym spaces, and more.

## You're Paying

Relying solely on provincial funding to pay for growth-related projects means that Ontario taxpayers are subsidizing the developers. It means that instead of collecting EDCs from a profitable development to build or renovate a nearby public school, the government spends your tax dollars to fund that school. Instead of using your taxes to fix up schools or address the growing repair backlog, they're using it to make that a new development in Toronto just a bit more profitable.

Since 1998, when the TDSB ceased to be able to collect EDCs, the TCDSB has collected and invested EDC revenue of over 204M in their schools. With over three times the student population and the same growing communities to serve, the TDSB has had to rely on the provincial government's funding – general tax revenue – to address its needs.

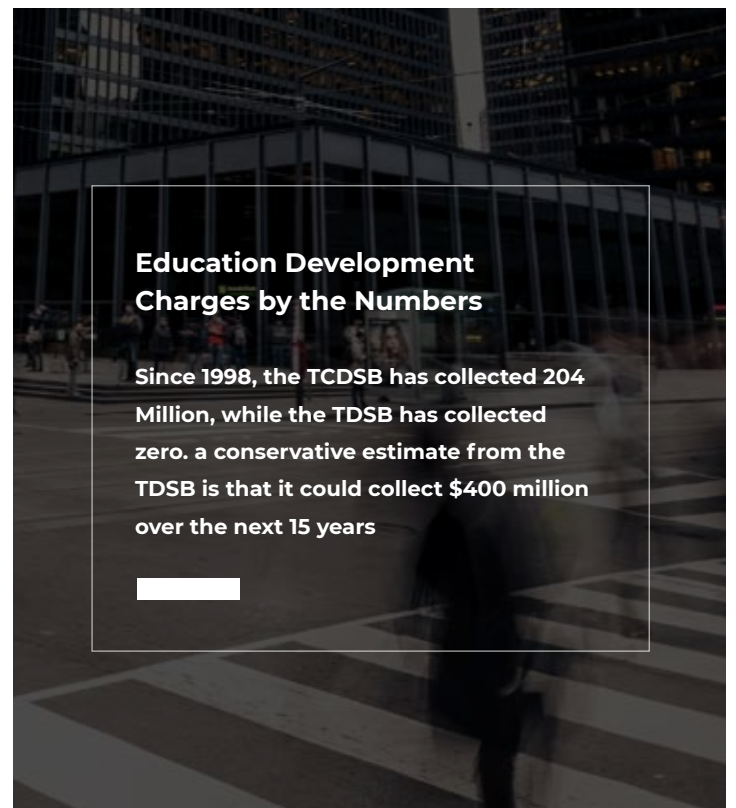
## Communities Are Paying

Public schools are important community assets that provide a healthy place for students to learn and teachers and education workers to work. They are also valuable public spaces, providing access to playgrounds, sports fields, gyms and sports facilities, performances spaces, meet rooms, and much more.

The policy choice, made originally by the Harris government in the late 1990s and upheld by subsequent governments, has denied the TDSB the resources to invest in and renew these valuable community assets. It has created the crisis of school space that high-growth communities in Toronto are

feeling. It has added to the growing backlog of school disrepair, preventing the TDSB from investing in new schools and instead having to fix up old buildings with too few resources.

The impacts of this policy choice are being felt now, as Toronto enters another decade of substantial growth. Students in some communities are spending too much time on a bus taking them out of their community, and new families are worried about whether their child will get a spot in a school near their new home. But it's important to remember that Toronto continues to grow, and these conditions are going to get much worse as the TDSB grapples with how to manage growth for another decade without sufficient resources.



# How Do We Fix This?



# So How Do We Fix This?

**After years of being asked to amend the regulation to permit the TDSB to collect EDCs, the government has failed to act. Instead, they have used the existing rules as an ill-conceived mechanism to force the TDSB to consolidate and close schools, and in general manage the complex implementation challenges left by provincial policy changes, such as amalgamation.**

## **1 | The Provincial Government's Solution: Close and Sell Schools To Pay for Growth**

In an affidavit on behalf of the government filed in the response to the TDSB's court application on EDCs, the Director of the Capital Program Branch in the Ministry of Education states,

In the Ministry's view, the EDC eligibility criteria of enrolment greater than capacity encourages boards to ensure their assets are managed as efficiently as possible. School boards in Ontario need to have the ability to acquire new sites to allow for the construction of new schools.... However, boards also need to address other neighbourhoods which are facing declining enrolment and thus have schools which are underutilized. The current eligibility criteria balance these two goals.

In other words, the Ministry expects the TDSB to close and sell school buildings and sites in some communities with lower enrolment to pay for the growth pressures in other communities. The provincial official goes on to admit that, "The Ministry does recognize that in some cases the available space may not be in the same neighbourhoods as the students reside." To address this issue, he suggests several strategies boards can use, including "school closure and consolidation, boundary changes, grade configurations, offering targeted programming or exploring whether space can be leased out to community partners."

There are two big problems with these offhand recommendations. The first is that, in principle, this is yet another way that the public would be subsidizing the cost of growth. Not only do residents in growing communities suffer the effects of inadequate school space, the Ministry also expects the residents of other communities to lose their school and sell off public assets – school buildings and school yards – to raise revenue to pay for new school spaces. Public assets, paid for through public funding, should not be sold to fund costs brought about by growth. Instead of growth paying for growth, the public is subsidizing that growth so that developers can profit.

The second problem is a pragmatic one. Currently, the provincial government itself has put a moratorium on school closures. This prevents the TDSB from implementing the very solution they suggest. But even if that moratorium were not in place, the process of consolidating and closing schools is complicated and politically challenging, and is in no way an easy way to raise funds. The TDSB must consider the needs of the communities in which those schools are located. It needs to consider what's best not only for today's students, but also for the students coming in the future. In many cases, a low-enrollment school will be critical to meeting future enrollment needs. Raising revenue by selling schools isn't as simple as trading in your used car when you buy a new one.

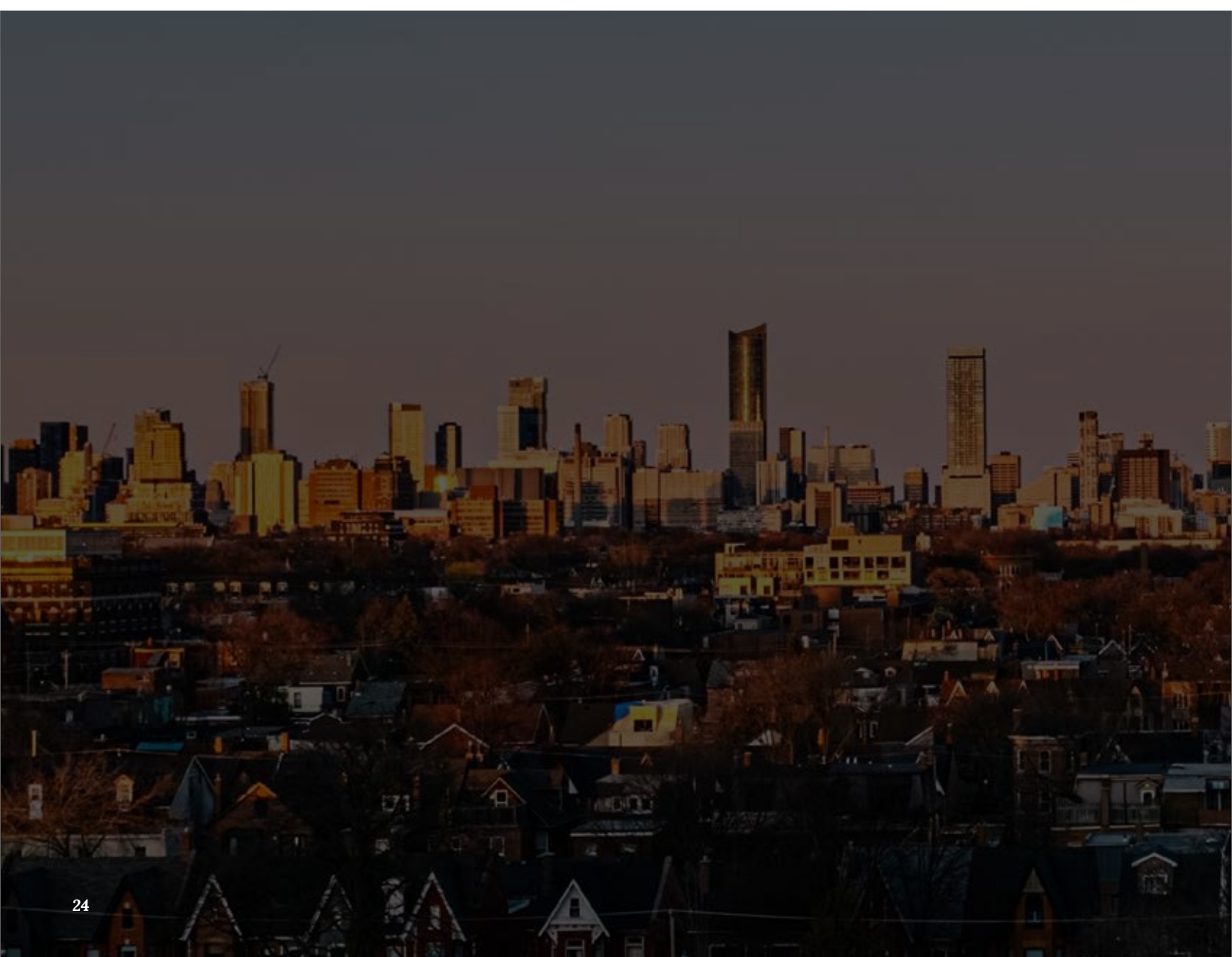
The government's proposed solution is no solution at all. Selling off public assets to subsidize new developments is no way to steward public resources for the public good. As a level of government responsible for administering the public education system in Toronto, the TDSB is right to call for the ability to charge EDCs, so that once again growth can pay for growth.

## 2 | Amend the Regulation to Permit the TDSB to Charge EDCs

The clear solution to this issue is for the Ontario government to reverse its long-standing opposition to allowing the TDSB to collect EDCs. The solution is a simple matter of changing the regulation to allow the TDSB to fund the growth pressures it faces in certain communities by collecting EDCs.

Further, the regulation also needs to be amended to once again permit EDC revenue to be spent on a variety of costs related to managing growth, including the construction and renovation of school buildings and creative partnerships for providing school

space. Limiting the expenditures to land acquisition may work in areas where residential development happens in the form of new greenfield subdivisions. In Toronto, where most development happens in the form of infill intensification, acquiring new land is less likely to be the solution than creative options such as acquiring school space in the commercial space provided in a new condo. Providing flexibility and resources to the communities, planners, and school boards who are managing growth will produce new, innovative, and more cost-effective solutions.





## Conclusion: EDCs are a City-Building Issue

The solutions outlined above are relatively simple regulatory changes that the TDSB has been requesting for years, and yet the government of Ontario has yet to act on them. This persistent inaction demonstrates the need for building broader support for these changes, and to ensure that Toronto doesn't face another decade of massive growth without the tools to build and upgrade schools to provide every community with a quality school.

This is a city-building issue, not just an education problem. The chronic lack of EDC revenue contributes to overcrowded public schools in some communities, and the pressure to sell off public school buildings and public land in others. It spreads meager capital funding among too many schools, contributing to the repair backlog, and prevents planners and politicians from funding creative and affordable school expansion projects.

These issues affect every community and every school in Toronto. It's time for residents and political leaders alike to advocate for unlocking the much-needed revenue from EDCs. The current situation only benefits the bottom line of developers at the expense of everyone else, and in order to make this change a reality, we must make sure it's not just the voices of the development lobby that the provincial government hears.

Fixing our schools is an issue everyone can get behind and is broadly supported. Toronto City Council passed a motion asking the Ontario Government to amend the regulation and close the loophole and allow the TDSB to collect EDCs just as other school boards can and do. Conservative MPP Stan Cho ran and won his seat in Willowdale largely on the issue of collecting EDCs. What we need now is pressure on the Ontario Government to make developers pay their fair share.

The case is clear. It is not okay to continue to deprive the TDSB of much-needed revenue to address overcrowding in schools. It is not acceptable to force school closures and the sale of school yards to help subsidize profitable development in other parts of the city. Students should not have to tolerate overcrowded schools or be forced to take a bus to another community due to unfunded growth pressures. Parents and allies know the missing hundreds of millions could have enabled the TDSB to invest in more classroom space, HVAC repairs, working windows and made schools safer for our children.

Now's the time for parents, teachers and community members to come together and push for the Ontario government to finally update its antiquated regulation that guides eligibility for and use of EDCs. The Broadbent Institute, Fix Our Schools and Progress Toronto invite you to get involved: visit our websites to get involved, demand that the Ontario government take action.

## Sample Letter you can Send to your MPP

Dear MPP,

Toronto's students are experiencing overcrowded schools, growing levels of disrepair in schools, and systemic inequities caused by decades of underfunding during a period of unprecedented urban growth. Before the COVID-19 shutdown, Toronto had 150 over-capacity schools.

Developers must contribute to the public infrastructure from which they profit, such as schools, transit, and parks. Yet, developers have gotten away with paying zero dollars to TDSB schools for over 20 years. Over the same period, disrepair in TDSB schools has grown to almost \$4-billion.

Therefore, we call upon the Ontario government to change O.Reg 20/98 to allow all Ontario school boards to:

- Allow the TDSB to collect Educational Development Charges (EDCs) to ensure that these developers contribute in a meaningful way to the public infrastructure from which they ultimately profit
- Use the money collected via EDCs for not only land acquisition, but also school expansions, retrofits, repairs, and renewal projects.

CC: You local School Board Trustee, City Councillor, Mayor Tory, the Ontario Minister of Education, Premier Ford and Andrea Horwath, Leader of the Opposition, Education Critic.

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**The Missing  
Money Our  
Schools Need  
Now:**

Education Development  
Charges in Toronto

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