



Municipality of Middlesex Centre  
10227 Ilderton Road  
Ilderton, ON  
N0M 2A0

October 19, 2024

Dear Mayor DeViet and Members of Council,

### **Our Request**

We are asking that Council amend its Development Charges By-law (By-law 2024-064) to exempt private (independent) schools such as Providence Reformed Collegiate (PRC) from development charges (DCs). After reading the information below, we hope Council will agree this is fair and appropriate.

### **Summary Points**

- PRC is an independent secondary school.
- PRC plans to construct an addition to accommodate changes in facility needs.
- Most schools are exempt from DCs under the *Development Charges Act, 1997 (DC Act)* and Municipal By-law 2024-064.
- Independent schools are not exempt from DCs because of the way schools are defined therein.
- PRC offers the same benefits to the community as publicly funded schools.
- Other legislation, by-laws, and municipalities have recognized public and independent schools as equivalent land uses.
- Council can amend its DC By-law to exempt independent schools from DCs as other schools are.
- PRC asks that Council waive DCs for our building expansion and amend By-law 2024-064 to exempt private schools from DCs.

### **Who We Are**

PRC is located at 93 Queen Street in Komoka. It was established in the 1990s as an independent secondary school and not-for-profit registered charity. The student body is approximately 110 students. We are subject to the *Education Act* and Ministry of Education standards and offer the Ontario Secondary School Diploma (OSSD), similar to any publicly funded secondary school. PRC relies on tuition, membership fees, and fundraising to pay its operating and capital costs.

PRC is not an elitist school. Rather, our school is based on our members' shared desire to offer an education consistent with our pedagogical and religious values. Our members, supporting community, and students' families are, on average, decidedly middle class. In addition to paying property taxes towards a public system we do not use, our families and members sacrifice deeply (financially and through volunteer work) for the effective operation and management of the school. Most members support an independent school at the elementary level also.

## **Our Project**

Subject to fundraising, PRC is hoping to construct an addition, which will feature a gymnasium, a larger kitchen, and classrooms suitable for shop classes. Our Building Committee has been consulting with Municipal Staff to prepare submissions for site plan approval and building permits.

The expansion need is due to imposed changes in facility needs, not growth in the student population. This includes changes in Ministry requirements and the availability of Municipal facility rentals.

To supplement our facility needs with respect to Physical Education, Food Nutrition, and other classes, PRC currently rents kitchen and gymnasium space at the Komoka Community Centre and the Middlesex Centre Community Wellness & Recreation Centre. As the community of Komoka and demand for these facilities by other community groups expands however, it becomes increasingly apparent that PRC will need its own gymnasium and a better kitchen.

The Ministry has also introduced mandatory grade 9/10 tech classes. The spaces we currently use for tech classes are inadequate to expand our tech program to meet the new OSSD requirements, necessitating new shop classes.

## **Development Charges Legislation**

The Municipality passed By-law 2024-064 pursuant to the *Development Charges Act, 1997* by which it collects DCs to help recover capital costs associated with the increased demand on facilities and services created by new development. The *DC Act* and By-law 2024-064 however, exempt certain types of development from DCs, recognizing they provide a greater societal benefit and/or ease the need for the Municipality to provide services.

Schools are generally exempt from DCs. Schools are not “growth that demands new services” so much as they are “facilities that help provide the services demanded by a growing community”. Schools provide obvious societal benefits in educating our youth for the workforce and becoming responsible citizens. Schools also function as community hubs, their grounds and facilities offering space for sports and recreation, community groups to meet, and various events and gatherings by the broader community. School facilities often ease the burden and costs to Municipalities to provide such facilities.

## **The Problem**

PRC and other independent schools’ problem is that the *DC Act* exempts lands owned and used by a “Board of Education” as defined by the *Education Act*. Operated as an independent school however, PRC’s Board of Director is not a Board as defined by the *Education Act*. Middlesex Centre By-law 2024-064 borrows the same language. As a result, PRC falls into the broad net of “other non-residential uses” and is subject to DCs at a cost of \$134.69 per square metre.

Estimated DCs for our expansion are well over \$200,000, which represent a significant proportion of the projected building cost and a heavy additional burden for the families that make up our membership and supporting community.

This inequity is in contrast to other legislation. For example, all schools, not just publicly funded, are exempt from property taxes. Section 6.1 was added to O. Reg. 20/98 under the *Education Act*, which now exempts private schools from educational development charges imposed by a board of education. The Municipality's own Zoning By-law also recognizes publicly funded and independent schools as equivalent lands uses. The definition at section 2.182 of the Zoning By-law states:

***SCHOOL, PUBLIC OR PRIVATE*** means a building or portion thereof designed, used, or intended for use as an educational or training establishment, which may or may not be under the jurisdiction of a board as defined in the *Education Act, R.S.O. 1990, c. E.2.*

The Coalition of Associations of Independent Schools in Ontario (CAISO) is petitioning the province to correct the inequity between publicly funded and independent schools in the *DC Act*, but such changes take time. PRC's facility needs cannot wait for amendments to provincial legislation.

### **PRC Contributes to the Community**

PRC and other independent schools serve the same purposes as publicly funded schools. In fact, they provide a variety of educational options that meet a diversity of pedagogic and religious needs not provided through public systems. Independent schools add to the diversity and attractiveness of a community.

PRC provides facilities and recreational amenities and space that are used formally and informally by the broader community. For example, the community uses our grounds informally for recreational activities including a volleyball league and as a dog run. PRC was used as a voting station in the last provincial by-election. A community group currently uses our building for its meetings.

PRC is a proud member of the Komoka community with community involvement intentionally built into regular school activities. Faculty and students sing, craft, deliver cards, and visit with residents at the local nursing home. Students collect door to door for the local food bank. Informally, students support local businesses during their lunch hour free time, with one local business owner visiting the school to complement our students' respectful behaviour at his premises.

Sections 38-41 of the *DC Act* and Section 8.1 of By-law 2024-064 allow for the performance of work as a credit in lieu of DCs. This does not technically apply to PRC's building expansion. The principle of it however is worth noting, since the addition of a gymnasium at PRC will create another community facility that will ease the Municipal burden to provide such facilities and free up other Municipal facilities for use in a rapidly growing community.

### **Why an Exemption is Fair**

We do not think the Municipality was contemplating a need to collect DCs from independent schools when it developed its DC by-law. For example, Watson & Associates did not include schools among the institutional uses invited to the targeted stakeholder consultations held as part of the development charges background study. Also, the by-law's definition of "institutional" is limited to long-term care and retirement homes, post-secondary institutions, Royal Canadian Legions, and hospices. Elementary and

secondary schools were excluded from the definition of “institutional” and from consultation, because DCs are not really intended for schools.

However, independent schools have fallen through the cracks because they do not qualify under the definition used to exempt schools under the *DC Act* and By-law 2024-064. As a result, despite being neither “institutional” (as defined by the by-law) nor agricultural, industrial, or commercial, PRC is caught in the broad net of “other non-residential” and is subject to DCs.

As noted, a significant reason for PRC’s building expansion arises from the growth and increasing demand on Municipal facilities in the Komoka area. We note section 5(1)6 of the *DC Act* allows municipalities to recover only part of a capital cost through DCs, if existing development also benefits from the capital expenditure. By contrast, in our situation, PRC’s (existing development) access to existing Municipal facilities is diminished by new development. Under the circumstances, it seems both ironic and unfair that PRC is hit with our own capital costs to create our own facilities due to decreased access to Municipal facilities and again with DCs meant to help the Municipality provide us such facilities.

### **Proposed DC By-law Amendment**

Council can go beyond the mandatory exemptions listed in the *DC Act* and has already done so in several respects with its current DC By-law. CAISO reports that Halton Hills Christian School in Georgetown, ON is an example of an independent school that requested and was granted exemption from DCs. This saved that school \$75,000 on a 2019 building expansion.

The Municipality’s Development Charges Background Study by Watson & Associates was approved by Council on July 10, 2024, via resolution #2024-204, at the same time By-law 2024-064 was adopted. Per sections 11, 12(1) and 19(1) of the *DC Act*, Council may amend By-law 2024-064 within one year of the completion of the Development Charges Background Study, after holding a public meeting with 20 days public notice. PRC would be willing to pay a reasonable application fee to cover Municipal costs of, for example, providing notice.

Subsections 4(2) through (8) of By-law 2024-064 list those forms of development that are subject to exemptions or reductions of DCs, both mandatory and discretionary. We request that Council pass a resolution directing staff to (1) waive development charges associated with PRC’s proposed building expansion and (2) initiate a public meeting and by-law to amend By-law 2024-064 to:

1. Add the following definition to Section 1 of the by-law:

*“Private school” means an entity incorporated and operating as a private school as defined in s.s. 1(1) of the Education Act; R.S.O. 1990, c.E.2, as amended;*

2. Amend subsection 4 (2) to read as follows:

*(2) This by-law shall not apply to land that is owned by and used for the purposes of:*

- (a) a board of education;
- (b) any municipality or local board thereof;
- (c) a university that receives regular and ongoing operating funds from the government for the purposes of post-secondary education; ~~and~~
- (d) the erection of temporary buildings or structures; or
- (e) a private school.

For reference, subsection 1(1) of the *Education Act* defines various types of schools, including:

*“private school” means an institution at which instruction is provided at any time between the hours of 9 a.m. and 4 p.m. on any school day for five or more pupils who are of or over compulsory school age in any of the subjects of the elementary or secondary school courses of study and that is not a school as defined in this section;*

### Summary

PRC is a community-conscious, responsible, and contributing member of the Komoka and Middlesex Centre communities. Our facilities provide a valuable amenity to the community.

Our proposed project expands an existing use and accommodates changing facilities needs as opposed to an increase in student population, so we do not feel it results in any significant actual increase in demand for Municipal services or infrastructure. In fact, it adds to community amenities and lessens the Municipal burden to provide such amenities in a growing community.

PRC provides a niche in quality education options that is a must for many and for which many families of average means sacrifice greatly to make available to their children and others. Relief from DCs would remove a significant financial burden from the PRC supporting community.

Publicly funded schools are exempt from DCs, while independent schools are not, even though they are equivalent land uses and provide equivalent community benefits. This is inequitable and discriminatory. The province has taken steps to correct this in other legislation.

Even as others are working to exempt independent schools from DCs at the provincial level, Council can correct this inequity now for PRC by amending By-law 64 of 2024 as requested above.

Submitted Respectfully on Behalf of the PRC Community,



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