



Report
Staff Report
 The Corporation of the City of Brampton
 4/24/2024

Date: 2024-04-02

Subject: **Spine Servicing Agreement - Block 47-1 Sub-Areas 1A & 1B, and Budget Amendment - Developer Reimbursement – Ward 10,**

Secondary Title: **Developer Reimbursement for the Construction of East-West Arterial Road from The Gore Road to Collector Road ‘B’ – Ward 10**

Contact: Frank Mazzotta, Manager, Development Engineering, Environment & Development Engineering

Report number: Planning, Bld & Growth Mgt-2024-275

RECOMMENDATIONS:

1. That the report from Frank Mazzotta, Manager, Development Engineering, Environment & Development Engineering to the Committee of Council Meeting of April 24, 2024, re: **Spine Servicing Agreement - Block 47-1 Sub-Areas 1A & 1B, and Budget Amendment - Developer Reimbursement – Ward 10**, be received;
2. That Council authorize the Commissioner of Planning, Building & Growth Management to enter into a Spine Servicing Agreement (“the Agreement”) between the landowners listed in Attachment 1 (“the Developers”), the Corporation of the City of Brampton, and the Region of Peel for Block 47-1, Sub-areas 1A & 1B, of the Highway 427 Industrial Secondary Plan Area, and;
3. That subject to the Commissioner of Planning, Building & Growth Management executing the Spine Servicing Agreement (“the Agreement”) between the Developers and the Corporation of the City of Brampton that includes a Development Charges Credit Agreement in Schedule J, pursuant to the Administrative Authority By-law 2016-2017, as amended;
 - I. A budget amendment be approved, and a new capital project be established in the amount of \$4,974,000 for the reimbursement of construction of the East-West Arterial Road from The Gore Road to Collector Road ‘B’, in connection with the Spine Servicing of Block 47-1 Sub-areas 1A & 1B, with funding to be transferred from Reserve #137 – DC Roads;
 - II. Council approve the reimbursement of development charges to the Developer, in accordance with Schedule J of the Agreement for the Developer Reimbursement of development charge funded road infrastructure, for the actual reasonable cost

of the construction of the East-West Arterial Road from The Gore Road to Collector Road 'B', up to a maximum upset limit of \$4,974,000.

OVERVIEW:

- Development of a Block Plan Area by a group of developers proceeding contemporaneously, each with their own subdivision agreements, can result in delayed approvals when one or more developers are dependent on the prior registration of adjacent lands for access or servicing. This inhibits timely delivery of key infrastructure and the building of complete communities.
- A Spine Servicing Agreement is typically used in conjunction with Subdivision Agreements to advance the construction of municipal spine services, by developers, prior to the individual plans of subdivision.
- No delegated authority exists to permit the construction of municipal infrastructure outside, or in advance of, a plan of subdivision or site plan application.
- This report requests Council authorization for the Commissioner of Planning, Building & Growth Management to execute a Spine Servicing Agreement between the Developers, the City of Brampton and the Region of Peel to permit the delivery of spine infrastructure within Block 47-1 Sub-areas 1A & 1B of the Highway 427 Industrial Secondary Plan Area.
- The City collects development charges to secure the construction of municipal infrastructure delivered by developers as part of residential land development projects. This includes roads, bridges, storm sewers or any other development charge eligible infrastructure in accordance the latest Development Charges Background Study.
- Development charges are reimbursed to developers subsequent to the completion of the municipal infrastructure for which the development charges were collected.
- As part of the Spine Services Agreement, the Developers have committed to construct the East-West Arterial Road from The Gore Road to Collector Road 'B'.
- The Developers intend to enter into a Development Charges Credit Agreement via Schedule J of the Spine Services Agreement with the City of Brampton for the Developer Reimbursement delivery of the East-West Arterial Road from The Gore Road to Collector Road 'B' as part of the Spine Services delivery of Block 47-1 Sub-areas 1A & 1B.
- This report requests Council approval for the reimbursement of development charges to the Developers following completion of East-West Arterial Road from The Gore Road to Collector Road 'B'.
- The reimbursement of development charges to the Developer are for the cost of the growth-related portion of these works, estimated at \$4,974,000. This amount shall be the upset limit with any balance and additional costs being the obligation of the Developers.
- This report also requests Council approval of a 2024 Capital Project for the East-West Arterial Road to ensure that sufficient funds exist for the reimbursement of development charges to the Developers for the construction of the East-West Arterial Road from The Gore Road to Collector Road 'B'.

- **Reserve #137 – DC Roads has sufficient funding for the creation of this 2024 Capital Project for the East-West Arterial Road.**

BACKGROUND:

As part of the planning process and approvals in accordance with the Planning Act, developers enter into Subdivision Agreements with the City of Brampton and the Region of Peel to construct the municipal services required to develop their lands.

Development of a Block Plan by a group of developers proceeding contemporaneously, each with their own subdivision agreements, can result in delayed approvals when one or more developers are dependent on the registration of adjacent developing lands for access or servicing. This inhibits timely delivery of key infrastructure and the building of complete communities.

The Spine Servicing Agreement is used in conjunction with Subdivision Agreements to permit the advance construction of municipal spine services, by the Developers, outside the individual plans of subdivision to permit the orderly development of the lands within a Block Plan to build complete communities.

Further, the City of Brampton collects development charges as part of the subdivision application and building permit process for the purpose, in part, of funding and constructing the City's growth-related portion of the municipal public road network (roads, sewers and appurtenances).

Developers that construct development charge eligible infrastructure directly as part of their subdivision development works may be eligible for the reimbursement of development charges subject to Council approval, the Development Charges Act and the City's corporate guidelines related to the administration and reimbursement of development charges.

In January 2006 Council endorsed a "*Corporate Guideline Regarding Arrangements to Allow Developers to Provide Single Source Delivery of Development Charge Funded Road Infrastructure*", which has served as the basis for considering proposals for the early delivery of road infrastructure. Costs within the roads program of the approved DC Background Study are the basis for determining the maximum amount of development charge funds available for any reimbursement under such arrangements.

On May 18, 2011, Committee of Council approved the report titled "Inclusion of Provisions within the City's Subdivision Agreement in Keeping with the Criteria and Intent of the City's Single Source Delivery of Development Charge Funded Road Infrastructure Guidelines." This sets out specific provisions related to Development Charges credits and reimbursements that are to be included in a subdivision agreement.

CURRENT SITUATION:

The participating landowners (“the Developers”, as listed in Attachment 1) intend to develop individual plans of subdivision within Block 47-1, Sub-areas 1A and 1B of the Highway 427 Industrial Secondary Plan Area (east of The Gore Road and north of Castlemore Road, ref. Figure 1).

As part of comprehensive planning, the Developers have committed to develop the area as complete community. In order to so, the Developers are required to construct and deliver spine services such as roads, sewers, storm water management facilities, open spaces (NHS), and parks in advance of their individual plans of subdivision.

Spine Services Agreement

No delegated authorization exists to permit the construction of municipal infrastructure outside, or in advance of, a plan of subdivision or site plan application. Delegated authority exists only to permit the construction of infrastructure as part of a subdivision or site plan application via Subdivision or Site Plan Agreement.

In these cases, it is recommended that a Spine Servicing Agreement be used in conjunction with Subdivision Agreements to permit the construction of key municipal spine services, by developers, in advance of the individual plans of subdivision.

The Developers intend to enter into a Spine Servicing Agreement (“the Agreement”) with the City of Brampton and the Region of Peel for the construction of the spine services within the 47-1 Secondary Plan Sub-areas 1A and 1B. Consequently, this report requests Council’s approval of authorization to the Commissioner of Planning, Building & Growth Management to enter into the Agreement with the Developers.

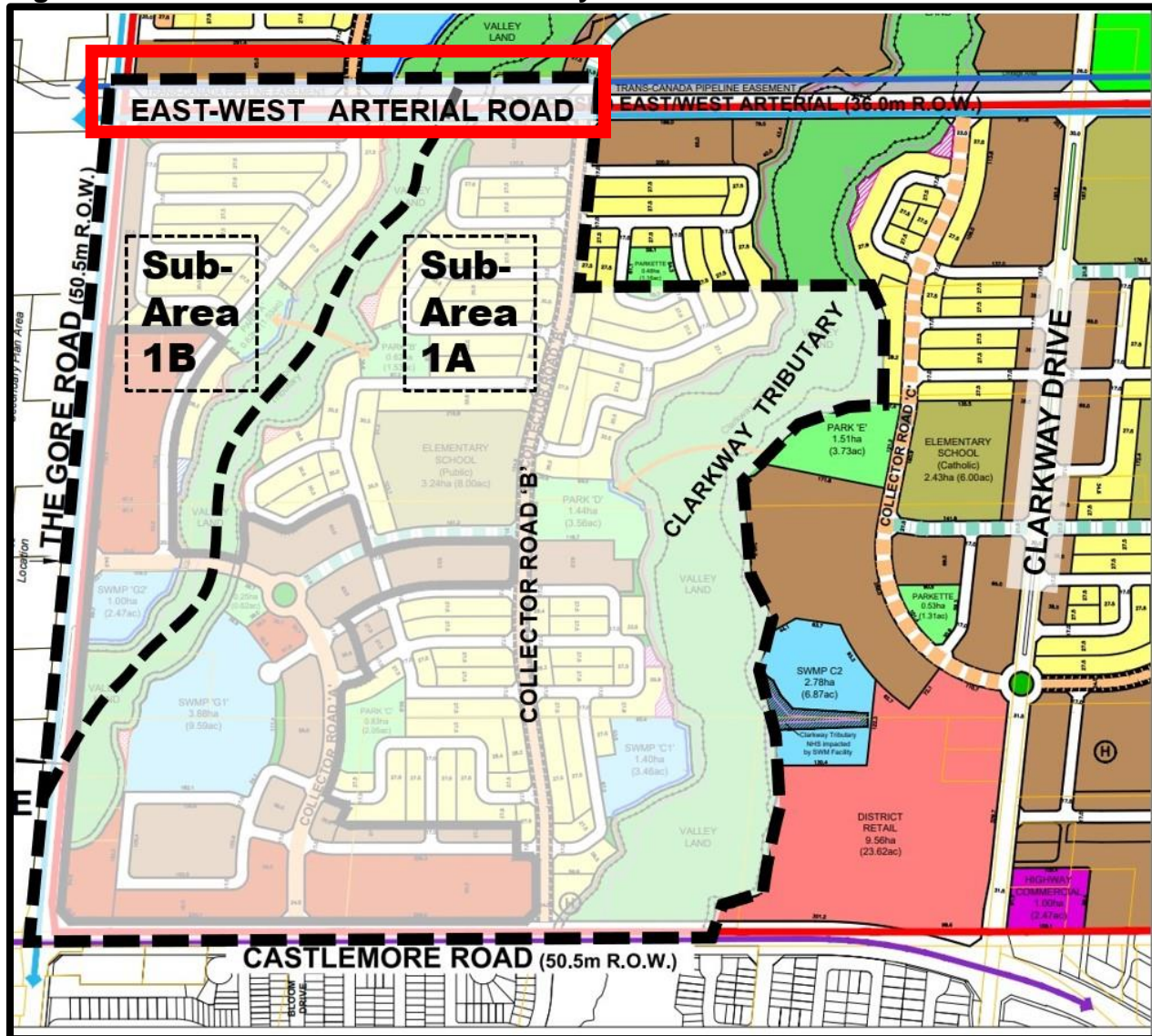
East-West Arterial Road and Development Charges Agreement

As part of the Spine Services Agreement, the Developers have committed to construct the East-West Arterial Road (“the Works”) from The Gore Road to the Collector Road ‘B’ as illustrated (ref. Figure 1).

The East-West Arterial Road is identified in the latest Development Charges Background Study as development charge funded road infrastructure. As such, it is eligible for reimbursement, to the Developers, upon construction and acceptance of the Works by the City.

The Spine Servicing Agreement with the Developers will include provisions, via Schedule J, for reimbursement to the Developer of actual reasonable costs of construction of the Works up to a maximum upset limit of \$4,974,000. This reimbursement of development charges will be for the growth-related portion of the Works. Approval for the reimbursement of development charges and approval of a capital project for \$4,974,000 are required to ensure that sufficient funds exist to permit the reimbursement of development charges to the Developers for the Works.

Figure 1 – Sub-Area 1A & 1B of Secondary Block Plan Area 47-1



CORPORATE IMPLICATIONS:

Financial Implications:

Contingent upon Council approval of the budget amendment, a new capital project be established in the amount of \$4,974,000 for the reimbursement of the construction of the East-West Arterial Road from The Gore Road to Collector Road 'B', with funding to be transferred from Reserve #137 – DC Roads. Sufficient funding is available in the reserve fund.

STRATEGIC FOCUS AREA:

The recommendations of this report support the strategic priorities of Brampton as a well-run City by providing efficient processing and approvals to permit the development of the sub-areas of Block 47-1 as a complete community. In addition, the construction of the East-West Arterial Road from The Gore Road to Collector Road 'B' as part of the spine infrastructure Work supports smart growth and building complete communities.

CONCLUSION:

Approval of the recommendations of this report streamlines the administrative process. Further, it will provide for the timely delivery of development charges funded municipal infrastructure and the completion of a complete community that is beneficial to the City in providing quality and timely services that support the Term of Council Priorities.

Authored by:

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Attachment 1 – List of Participating Landowners, Consultant and Trustee:

SENWOOD DEVELOPMENTS INC.

GORE CREEK ESTATES INC.

CEDAR DEVELOPMENTS (CLARKWAY) INC.

10365 GORE DEVELOPMENTS LIMITED

APOCA CARPENTRY LTD.

GOLDEN GATE CASTLEMORE PLAZA LIMITED

SAPPHIRE HILLS HOMES INC.

CANDEVCON LIMITED
(Consultant)

BLOCK 47-1 LANDOWNERS GROUP INC.
(Trustee)