



Report
Staff Report
The Corporation of the City of Brampton
5/22/2024

Date: 2024-04-17

Subject: **Budget Amendment – Developer Reimbursement for the Construction of Rivermont Road from Embleton Road to Heritage Road - Ward 6**

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

Report number: Planning, Bld & Growth Mgt-2024-371

RECOMMENDATIONS:

1. That the report from Frank Mazzotta, Manager, Development Engineering, Environment & Development Engineering, to the Committee of Council Meeting of May 22, 2024, re: **Budget Amendment – Developer Reimbursement for the Construction of Rivermont Road from Embleton Road to Heritage Road - Ward 6**, be received, and;
2. That subject to the Commissioner of Planning, Building & Growth Management executing the Supplementary Subdivision Agreement (“the Agreement”) between Kendalwood Land Development Inc., Shayma Dick Holdings Inc., 2570616 Ontario Inc. (“the Developer”) and the Corporation of the City of Brampton that includes a Development Charges Credit Agreement in Schedule L, 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 \$2,795,000 for the reimbursement of construction of Rivermont Road from Embleton Road to Heritage Road, in connection with the Kendalwood Subdivision - Phase 2, being file C05W06.007, 21T-06026B, 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 L of the Agreement for the single source delivery of development charge funded road infrastructure, for the actual reasonable cost of the construction of Rivermont Road from Embleton Road to Heritage Road, up to the maximum upset limit of \$2,795,000.

OVERVIEW:

- **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 back to developers subsequent to the completion of the municipal infrastructure for which the development charges were collected.**
- **Kendalwood Land Development Inc., Shayma Dick Holdings Inc., and 2570616 Ontario Inc. intend to enter into a Development Charges Credit Agreement via Schedule L of the Supplementary Subdivision Agreement with the City of Brampton for the single source delivery of Rivermont Road from Embleton Road to Heritage Road as part of the second phase of Plan of Subdivision 21T-06026B (“Kendalwood Subdivision - Phase 2”).**
- **The construction of Rivermont Road from Embleton Road to Heritage Road will be undertaken by the Developer.**
- **This report requests Council approval for the reimbursement of development charges to the Developer following completion of Rivermont Road from Embleton Road to Heritage Road.**
- **The reimbursement of development charges to the Developer is for the cost of the growth-related portion of these works, estimated at \$2,795,000. This amount shall be the upset limit with any additional costs being the obligation of the Developer.**
- **This report also requests Council approval of a 2024 Capital Project for Rivermont Road to sequester sufficient funds for the reimbursement of development charges to the Developer for the construction of Rivermont Road from Embleton Road to Heritage Road.**
- **Reserve #137 - DC Roads has sufficient funding for the creation of this 2024 Capital Project for Rivermont Road.**

BACKGROUND:

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:

Kendalwood Land Development Inc., Shayma Dick Holdings Inc., and 2570616 Ontario Inc. ("the Developer") is developing a residential subdivision east of Heritage Road and north of Embleton Road in the Riverview Heights Secondary Plan Area. As part of their development, they intend to construct Rivermont Road from Embleton Road to Heritage Road within phase 2 of their plan of subdivision (ref. Figure 1).

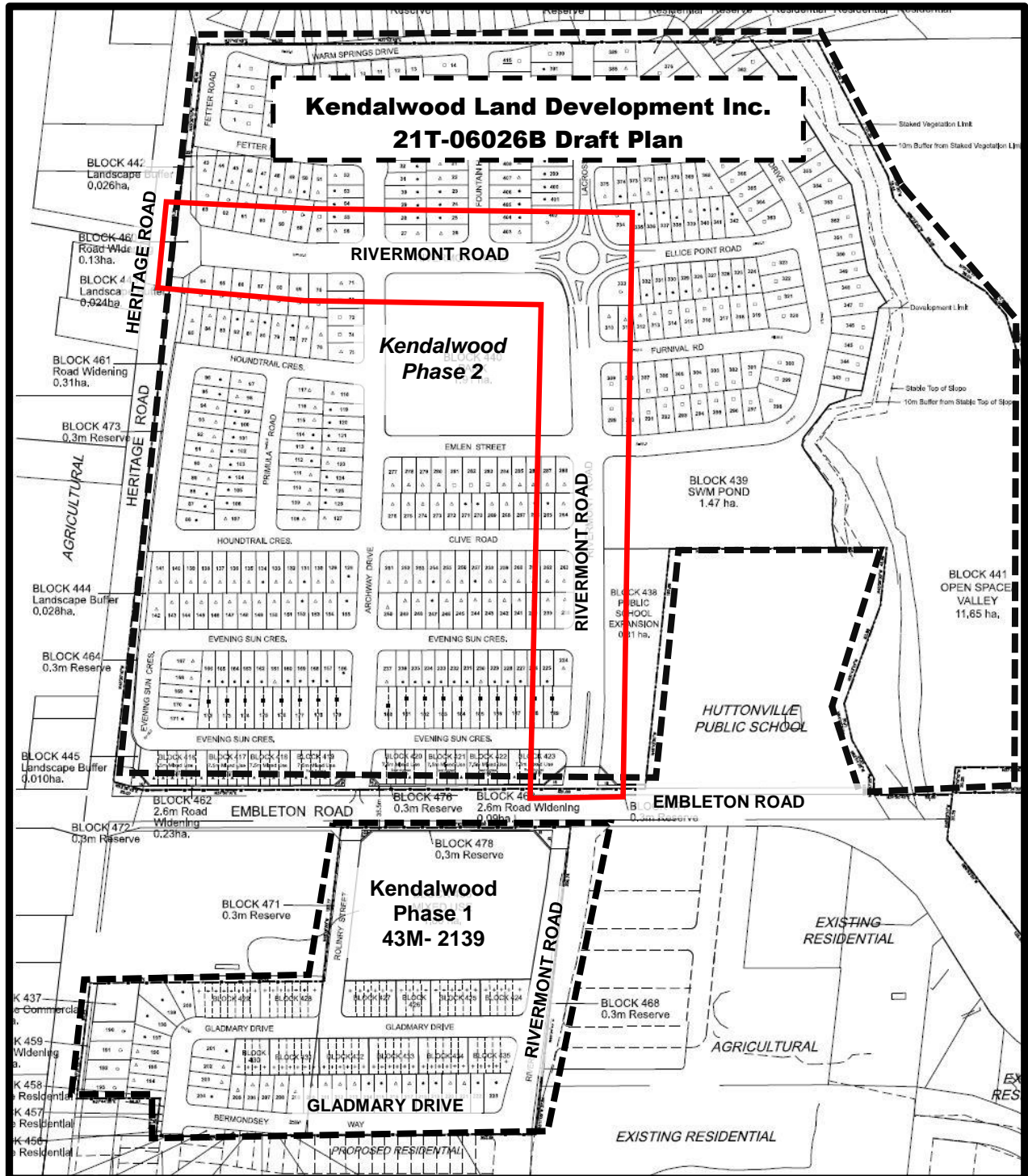
The Developer intends to enter into a Supplementary Subdivision Agreement ("the Agreement") with the City of Brampton, and the Region of Peel to develop phase 2 of the Kendalwood Subdivision. As part of this subdivision, the Developer has committed to construct Rivermont Road from Embleton Road to Heritage Road ("the Works"), located within their subdivision and within the Riverview Heights Secondary Plan Area, Block 40-3.

Rivermont Road has been identified in the latest Development Charges Background Study as development charge funded road infrastructure. As such, it is eligible for reimbursement, to the Developer, upon construction and acceptance of the Works by the City.

The Agreement with the Developer includes provisions, via Schedule L, for reimbursement to the Developer of actual reasonable costs of construction of the Works up to a maximum upset limit of \$2,795,000. 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 in the amount of \$2,795,000 are required to ensure that sufficient funds exist to permit the reimbursement of development charges to the Developer for the Works.

Figure 1 – Rivermont Road from Embleton Road to Heritage Road



CORPORATE IMPLICATIONS:

Financial Implications:

Contingent upon Council approval of the budget amendment, a new capital project will be established in the amount of \$2,795,000 for the reimbursement of the construction of Rivermont Road from Embleton Road to Heritage Road, 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 facilitate the construction of Rivermont Road from Embleton Road to Heritage Road, and the development of the adjacent lands. These development activities support 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 charge funded municipal infrastructure that is beneficial to the City in providing quality and timely services that support the Term of Council strategic priorities.

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