



May 28, 2024

Mayor Patrick Brown and Member of Council
City of Brampton
2 Wellington Street W.
Brampton, ON
L6Y 4R2

Sent via email to cityclerksoffice@brampton.ca

RE: **2024 Development Charges Review | BILD Memorandum**

Public Meeting - 5/29/2024

The Building Industry and Land Development Association has received the City of Brampton's 2024 Development Charges Background Study. We have sent this information to our membership and have reviewed the material accordingly.

Please note that BILD has engaged Daryl Keleher from Keleher Planning and Economic Consulting (KPEC), along with Emily Ecker and Stuart Anderson from BA Group, to review this background study. Attached to this cover letter is a memorandum from our consultants responding to their findings within the study. As a follow-up to this correspondence, BILD will be submitting an additional memorandum to City staff addressing the transit component of this study.

To continue this important dialogue, BILD has requested a meeting between our consultants and the City to discuss the concerns outlined in this memorandum.

We appreciate the ongoing dialogue with staff and look forward to future discussions before Council's adoption. If there are any questions, please do not hesitate to contact the undersigned.

Kind regards,

Victoria Mortelliti, MCIP, RPP.
Senior Manager, Policy & Advocacy

CC: BILD's Review Team
BILD Peel Members
Raghu Kumar, Manager, Capital and Development Finance, City of Brampton

The Building Industry and Land Development Association is an advocacy and educational group representing the building, land development and professional renovation industry in the Greater Toronto Area. BILD is the largest home builders' association in Canada, and is affiliated with the Ontario Home Builders' Association and the Canadian Home Builders' Association. It's 1,300 member companies consists not only of direct industry participants but also of supporting companies such as financial and professional service organizations, trade contractors, as well as manufacturers and suppliers of home-related products.

May 21, 2024

Memorandum to: Victoria Mortelliti
 BILD

From: Daryl Keleher, MCIP, RPP, Principal
 Keleher Planning & Economic Consulting Inc.

Re: Brampton DC Review
 Our File: P1117

Keleher Planning & Economic Consulting Inc. was retained by BILD to review the City of Brampton’s 2024 Development Charges Background Study (“2024 DC Study”) authored by Hemson Consulting, dated April 19, 2024.

CHANGES TO DC RATES

The figure below summarizes the changes to the City’s proposed DC rates, which would increase by 30% or \$16,198 per single-detached unit (SDU) basis. The DC rate increase is being driven by increases to service-specific DC rates such as Transit (+73% or +\$6,812 per SDU), and Roads (+34% or +\$8,100 per SDU)

Figure 1

Comparison of Current and Proposed DC Rates, City of Brampton, per Single-Detached Unit

Services	Current	Proposed	Change	% Change
Studies	\$ 333	\$ 314	\$ (19)	-6%
By-law Enforcement	\$ -	\$ 276	\$ 276	n.a.
Library Services	\$ 1,098	\$ 1,193	\$ 95	9%
Fire Services	\$ 1,277	\$ 1,167	\$ (110)	-9%
Recreation	\$ 14,981	\$ 15,375	\$ 394	3%
Public Works	\$ 1,579	\$ 1,415	\$ (164)	-10%
Transit Services	\$ 9,375	\$ 16,187	\$ 6,812	73%
Roads - Excluding Bramwest/NSTC	\$ 23,842	\$ 31,942	\$ 8,100	34%
Roads - Bramwest/NSTC	\$ 1,317	\$ 2,131	\$ 814	62%
Total	\$ 53,802	\$ 70,000	\$ 16,198	30%

Source: City of Brampton 2024 draft DC Study

QUESTIONS AND COMMENTS

Population, Household and Employment Forecasts

- 1) What is the basis for the significant decline in occupied dwellings and population prior to 2031 (~5,000 units per year) and post-2031 (~3,000 per year)?
- 2) As a comment, the Major Office forecast is high relative to recent historic absorption trends, and would equate to roughly doubling the size of the City's existing office-market (including civic, medical and other public administration offices) in just a 17-year span. It is likely that a greater than forecast share of the City's employment and GFA growth will come from non-Major Office uses.

Studies

- 3) What is the nature of the \$9.8 million project for TPAP for Bovaird Higher Order Transit included in the Studies DC?

By-law Enforcement

- 4) The City's inclusion of a DC for By-law Enforcement would introduce a new DC service, with the key project being a new Animal Shelter. Currently, the existing animal shelter in the City is 8,916 SF at a value of \$470/sf. Assuming the new animal shelter would in-part replace the existing facility, what is the basis for the 0% BTE?

Roads

- 5) Given recent progress on Highway 413 proceeding, is the City considering adjusting treatment of NSTC in its DC Study, which may include some of the following considerations:
 - a) Consideration of removing and reducing the capital works from DC rate calculations;
 - b) Reallocation of current DC reserve fund surplus (\$31.6 million as at year-end 2022);
- 6) Has the City acquired any land in the NSTC through acquisition using DC funds? If so, assuming the roadway and ROW is to become under Provincial jurisdiction, does the City expect the Province to pay the City to acquire the ROW, and if so, will the City reimburse the DC reserve fund for the use of DC funds for what ended up being a Provincial ROW?
- 7) What was the cause for the increase in LOS quantity of Arterial Road lane km from 554 lane km in 2018, to 663 lane km in 2019, to 723 lane km in 2020?
- 8) As a comment, it is noted that roughly 69% of the City's Roads LOS cap is comprised of land value, which is creating cap 'room' to allow for a capital program that is largely comprised of non-land oriented capital works. It is unclear however, how much land is included in the capital program. Accordingly, is Project 88 (\$362 million in DC eligible costs included in DC calculation) the sole land value acquisition assumption within the \$2.57 billion in DC eligible costs or do individual projects also include land acquisition assumptions? If Project 88 is the sole land acquisition assumed, it would represent 14% of City Roads DC, despite land making up nearly 70% of the existing level of service.

- 9) The City's LOS includes \$182 million for Rail Grade Separations – how many rail grade separations does the City have, and does the City have a detailed costing study or opinion regarding these existing facilities?
- 10) Can the difference between projects with a 50% Developer share and those with a 65% Developer share be provided?
- 11) Can the basis for applying a 5% BTE for grade separation projects (projects 30, 104, 109, 83, 84, and 86-87) be provided?
- 12) What is the rationale for the 10%-20% BTE allocation for many of the road projects on pages 235-236?
- 13) Are the Torbram Road projects (#63 to 66) widenings of existing roads?
- 14) For the "Sidewalks" line item (project #78), does the City have a recommended location for these works?

Parks & Recreation

- 15) The parkland development costs are \$104,000/acre for City & Community Parks and \$167,000/acre for Neighbourhood Parks. As the LOS separately includes Turf Fields, Fields/Courts for Soccer, Track, Rugby, Cricket, Batting Cages, Ball Diamonds, Tennis, Bocce, Multi-Purpose Courts, Skateboard Parks Wading Pools/Splashpads, Fitness Stations, Shade Structures, Play Equipment, Outdoor Buildings, can a detailed breakdown be provided to show what components remain within the per acre development cost assumptions?
- 16) What land area is assumed to be acquired for the Cricket Tournament site (\$88 million), and given that there is no existing similar facility in the City, why is the BTE 0%?
- 17) What is the basis for the 46% BTE applied to various projects labelled as "Parks Community Asset Redevelopment", and what are these types of works meant to fund?
- 18) Why does the DC capital program include numerous projects, at \$1.9 million each, for "Local Park"? What is included in these line items?
- 19) Given the amount of detail shown for neighbourhood parks, community parks and local parks in developing areas around the City, what is the rationale for the "Parks Annual Programs" for \$17 million over the 10-year period? What types of parks are intended to cost \$160,000 each and \$200,000 each?
- 20) How were the amounts with the sub-label of "Remaining DC Amount", particularly projects 5.4.7 to 5.4.10, calculated? Is the excluded amount not part of the cost estimate shown already funded?
- 21) What is the difference between project 5.4.11 ("CAA Centre Cricket") with a cost of \$35.0 million, and projects 5.5.2 (Land for Cricket Tournament site – cost \$88.0 million) and 5.5.3 (Cricket tournament site construction – cost \$12.0 million).
- 22) Does the \$14 million project for the Expansion of Curling arena include any costs for renovation and rehabilitation of an existing facility?
- 23) What is the nature of the two "PDSB Joint-Use Cricket Project" – will these projects be located on lands that were funded (acquisition and site preparation) through EDCs?

- 24) What are the assumptions regarding land area and building area for the \$196 million in costs for the North West Brampton CC, including \$66 million for land and \$130 million for construction?

Transit

- 25) Are there land costs included in the projects in section 1.5 (Other Transit)? Would any of these lands be conveyed to the City?
- 26) What is contemplated to be done through the projects with the “Enhancements” label – projects 1.5.5 through 1.5.11, which have a combined capital cost of \$122 million.
- 27) Table 5 shows that of the municipal growth-related capital costs, 60% will be allocated to BTE, and 40% to growth, of which 70% is deemed ‘in-period’ growth and 30% ‘post-period’ growth. Why was the 70%/30% split between in-period and post-period growth not used in projects under section 1.3 – Vehicles, or Section 1.4 – Bus Pads and Shelters?

Public Works

- 28) What is the rationale for the land value (\$2.8m/acre) assigned to the Public Works facilities?
- 29) What is meant by “capital equivalent to new contract” – how were the annual costs of the outsourcing contract converted to a ‘capital equivalent’?

Library

- 30) What is the basis for the Springdale Library being valued at \$1,251/sf, but the other branches ranging from \$486 to \$631 per SF?
- 31) What land area is associated with Heritage Heights branch, with a cost of \$5.8 million?

General Questions

- 32) What is meant by “Cost of Delivering Development-Related Capital Program” and are similar costs related to project admin and project management not already typically included in individual capital projects?
- 33) How is the “Cost of Delivering Development-Related Capital Program” calculated?



MEMORANDUM

TO:

Victoria Mortelliti
Senior Manager, Policy & Advocacy
BILD

FROM:

Stuart Anderson, P.Eng.
Emily Ecker, P.Eng.

PROJECT:

7162-17
Brampton DC By-law Review

DATE:

May 24, 2024

RE: CITY OF BRAMPTON DEVELOPMENT CHARGES BY-LAW REVIEW – PRELIMINARY COMMENTS AND QUESTIONS

BA Group has been retained by BILD to provide transportation consulting services in relation to the review of the City of Brampton’s Development Charges By-law. Enclosed herein are BA Group’s preliminary questions and comments regarding the infrastructure costs considered for “Services Related to a Highway: Roads and Related” charges contained within the Draft City of Brampton 2024 Development Charges Background Study, dated April 19, 2024 (the “2024 Brampton DC Background Study”), prepared by Hemson Consulting Ltd.

The questions and comments are focused on costs associated with road widenings, new connections, and corridor modifications. Of specific interest in this matter are the allocations of post period benefit (PPB) and benefit to existing (BTE) deductions as well as the land acquisition costs associated with road widenings and intersection improvements. Questions and comments associated with the above points of interest are presented in greater detail below. This memo in general is intended to be read in conjunction with the Draft DC review memo prepared by Daryl Keleher in May 2024 (that is, there are some issues raised in the Keleher memo that we would also consider as issues requiring clarification from the City of Brampton).

A review of issues related to Transit Services will be provided under separate cover.

General

1. The DC Background Study contains references to generalized items (crossings, structures, signals, land acquisition, etc). Additional background materials are requested to better understand assumptions that went into generalized items in the DC Background Study.

Highway 413 and Heritage Heights

2. The DC Background Study does not consider Heritage Heights in the context of Highway 413. Further updates to the bylaw will need to be completed depending on the outcome of mediation. Due to this issue, the remainder of this memo generally focuses on projects outside the Heritage Heights Secondary Plan area.

Post Period Benefit

3. In general, the capital program for “Roads and Related” included in the 2024 Brampton DC Background Study does not include allowances for post period benefit (PPB) allocation (with the exception of project #66 for Torbram Road and #88 for Property Acquisition). Can the City clarify how it has assessed PPB for “Roads and Related” projects in Table 2 of Appendix D to the 2024 Brampton DC Background Study.

Benefit to Existing

4. A number of road projects appear to have a low or zero deduction for benefit to existing (BTE) – including projects that represents constructing a missing link in the road network or crossing barriers in an existing built up area. Given the extensions/connections of existing roads for the following projects, can the City clarify the assessment of BTE for:
 - a. Clark Boulevard extension projects (#9 and #10)
 - b. The Intermodal Drive project (#105)
 - c. John Street Bridge (#106)
 - d. Ken Whillans Drive (#41)
 - e. McMurchy Extension and Grade Separation (#108 and #109)
5. It is not clear from the 2024 Brampton DC Background Study how the BTE was assessed for each project. Please provide more information into the nature of the cost inputs used in this assessment. If unit costs on a per kilometre basis were used to estimate project costs allocated to the improvement, replacement, and rehabilitation of existing infrastructure, please provide the various unit costs used.

Grade Separations

6. Excluding grade separations inside the Heritage Heights area, a total of five grade separations are contained in the Roads & Related Development-related Capital Program, with three road-rail grade separations and two road-road grade separations included in Table 2 of the 2024 Brampton DC Background Study. The included capital costs for each of the below projects has a 5% BTE and 0% PPB, which does not consider the context of each grade separation, the benefits to the existing population and employment, or consideration of the extent to which benefits may occur beyond 2041.
 - a. Goreway Drive & CN Halton Line Grade Separation (#83) - Goreway Drive is currently a four-lane major arterial roadway in Brampton that continues into the City of Mississauga and provides north-south connectivity on a citywide and regional basis and acts as a truck route in the Region of Peel and City of Brampton’s goods movement network.
 - b. Torbram Drive & CN Halton Line Grade Separation (#84) - Torbram Drive is currently a four-lane minor arterial roadway in Brampton that continues into the City of Mississauga and provides north-south connectivity on a citywide and regional basis and acts as a truck route in the Region of Peel and City of Brampton’s goods movement network. Work on the grade separation is completed and inclusion in the current 2024 DC is for a small budget amount only.
 - c. Mississauga Road & CN Railway Grade Separation (#87) – the Mississauga Road grade separation (on a Region of Peel Road) will widen and grade-separate a currently two-lane major arterial roadway in Brampton that continues into the City of Mississauga and Town of Caledon and provides north-south

connectivity on a citywide and regional basis and acts as a primary truck route in the Region of Peel and City of Brampton's goods movement network.

- d. Highway 410 Overpass at Biscayne Creek/Westcreek (#85) – The proposed overpass will provide a road connection over an existing barrier in an area that is already built up.
 - e. SP47 at Highway 50 Grade Separation (#86) – The proposed connection, while adding capacity in a developing area, will provide an arterial connection of regional significance.
7. Inclusion of a 5% BTE for the above projects does not recognize the extent to which existing traffic, population and employment would benefit from each grade separation. Please provide the rationale for a 5% BTE and 0% PPB for these projects.

Other Items

Property Acquisition

8. Numerous road widenings, improvements, and new construction are identified within the 2024 Brampton DC Background Study which traverse greenfield land, and/or where it is expected that the land required for the identified improvements may be provided as part of the planning process for new communities and new developments. However, project #88 includes an estimate of \$450 million for property acquisition costs. How have estimated land acquisition costs been determined for projects where new roads or significant road improvements are proposed where land may be dedicated to the City through Planning Act processes?

Traffic Signals and Intersection Improvements

9. Project #27 for Traffic Signals and Intersection Improvements is included with approximately \$73.5 million, and 0% BTE. Can the City provide some information as to the location of projects and allocation of 100% of capital costs to growth?

Sidewalks

10. In the 2024 Brampton DC Background Study, project #78 for Sidewalks is included with an assigned BTE of 0%. Based on the identification of missing sidewalks in the City of Brampton Active Transportation Master Plan, a substantial proportion of missing sidewalks on arterial roads appear to be within existing built up areas where existing population and employment would benefit from installation of missing sidewalks. Can the City clarify the assessment of BTE for Sidewalks?

Active Transportation Projects

11. In the 2024 Brampton DC Background Study, project #79 for Active Transportation Projects (ATMP) is included with an assigned BTE of 50%. In the 2019 Brampton DC Background Study, Active Transportation Projects (ATMP) were included with an assigned BTE of 69%. Can the City clarify the assessment of BTE for Active Transportation Projects in the 2024 Brampton DC Background Study?

Noise Walls

12. In reviews of previous DC Background Studies, we have been concerned that the introduction of noise walls on road widening projects was being charged largely to the DC. Our understanding is that City Council endorsed introduction of noise walls as a required element on arterial road widening projects in built up areas. As such, a key benefit of the walls is to the existing population. In the Draft 2024 DCBS, Line 81 of Table D2 shows \$70.36 million allocated to noise walls from 2024-2041, with 0% BTE. Can the City clarify the assessment of BTE for noise walls?

Gateways

13. In the Draft 2024 DCBS, Line 80 of Table D2 shows \$7.31 million allocated to Gateways from 2024-2041, with 0% BTE. In the 2019 Brampton DC Background Study, Gateways were included with an assigned BTE of 10%. In reviews of previous DC Background Studies, we have noted that construction of Gateways was being charged largely to the DC. The benefits of the Gateways to transportation network capacity are questionable, and allocating this kind of work to growth does not appear to have any justifiable basis. Can the City clarify the assessment of BTE for Gateways?

Local Service Policy

14. With respect to the City of Brampton Local Service Policy (or associated guidelines), is the City maintaining its current practices:
 - a. 65/35 developer cost/DC split for collector and arterial roads.
 - b. 50% of actual costs for collector and arterial road crossings of NHS.
 - c. How are unusual design measures (TC Energy PipeLine (TCPL) crossings, LIDs, retaining walls) to be covered? In the past, they have not been and should be considered given the significant impact they can have to overall cost above and beyond what can be capture by a linear road or typical structure cost estimate in order to deliver essential community infrastructure.
 - d. Advise on if Road DC Recovery cap is applied by the City and, if so, what linear rate is assumed in \$/m. We understand that the cap is currently \$2,650.
 - e. If a cap is used, the landowners' opinion is that indexing should be applied consistent with the semi-annual indexing of the DC itself.
 - f. What classification of roads are deemed eligible by the City for DC Recoveries and how are those road classifications defined?