



**Report**  
**Staff Report**  
The Corporation of the City of Brampton  
12/10/2024

**Date:** 2024-12-09

**Subject:** **Municipal Services Corporation**

**Contact:** Sameer Akhtar, City Solicitor, Legal Services

**Report number:** Legislative Services-2024-989

**RECOMMENDATIONS:**

1. That the report from Sameer Akhtar, City Solicitor, to the Council Meeting of December 11, 2024, re: Municipal Services Corporation, be received;
2. That the Business Case Study for a Municipal Services Corporation, attached as Schedule A, be adopted;
3. That Council approve the adoption of the Policy for Asset Transfer to a Municipal Services Corporation, attached as Schedule B;
4. That the establishment of a municipal services corporation named "Brampton Municipal Holdings Inc." (or similar name) as described in the business case study and this report, be approved;
5. That the City Solicitor be authorized to execute such documents and undertake such other actions as required to establish the municipal services corporation, including acting as and/or designating incorporating director(s), and drafting and submitting articles of incorporation and other constating documents; and
6. That following the incorporation of the municipal services corporation:
  - I. The Mayor be appointed the chair of the board of directors; and
  - II. All members of Council (except any that decline to be on the board) be appointed as directors, until Council has established a process for the selection of new directors.

**OVERVIEW:**

- **Approval of the resolutions recommended in this report will enable the creation of a municipal services corporation in the form of a wholly-owned holding company, as described in the attached business case study and in accordance with the *Municipal Act*.**

**BACKGROUND:**

On June 26, 2024, Council passed a resolution to consider establishing a municipal services corporation (“MSC”). The establishment of an MSC would provide Brampton with enhanced capabilities to manage, finance, and execute large-scale projects, ensuring better service delivery, financial sustainability and cost savings to the City of Brampton.

The *Municipal Act, 2001* and its regulation O. Reg. 599/06 grant municipalities the power to establish an MSC. Before establishing an MSC, a municipality must adopt a business case study and consult with the public about the proposal to establish the MSC. Adopting an asset transfer policy is a precondition of any transfer of assets to an MSC.

**CURRENT SITUATION:**

The business case study describing the proposed MSC, including its structure and benefits, is attached as Schedule A. A draft of this business case study was previously published on the City’s website for public consultation.

The MSC will consist of a holding company (named “Brampton Municipal Holdings Inc.”, or similar name) that is wholly-owned by the City of Brampton and governed by a Council-appointed board of directors.

The City of Brampton will be the sole shareholder of the holding company responsible for oversight of the City’s holdings and strategic initiatives. The holding company will be the shareholder of operating subsidiaries that may be established in the future for strategic assets and projects of the City, as approved by Council.

Per the business case study, it is suggested that the board of the MSC be comprised of a combination of elected officials and independent directors to be appointed by Council, with the Mayor as chair. However, until Council has established a process for the selection of directors, it is recommended that all members of Council serve initially as the board of the MSC.

A proposed asset transfer policy is attached as Schedule B, though no assets are being transferred at this time. Under this policy, no assets may be transferred to an MSC unless approved by Council.

**CONCLUSION:**

The proposed model for the management of current and future City-owned assets using an MSC is recommended to maximize value and generate long-term economic benefits for the City of Brampton. It represents a more strategic approach to asset management and aims to be self-financing through dividends.

Upon approval of the recommendations in this report, the City Solicitor will work with external counsel to incorporate the MSC as contemplated herein, in accordance with the *Municipal Act* and its regulations.

Authored by:

Reviewed by:

---

Sameer Akhtar  
City Solicitor  
Legal Services

---

Laura Johnston  
Commissioner  
Legislative Services

Approved by:

---

Marlon Kallideen  
Chief Administrative Officer

**Attachments:**

- Schedule A - Business Case Study for a Municipal Services Corporation
- Schedule B - Policy for Asset Transfer to a Municipal Services Corporation