

PUBLIC CONSULTATION REPORT

Brampton: A Mosaic of Opportunities

Brampton Municipal Development Corporation

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Executive Summary

O. Reg. 599/06, s. 8.

DUTIES OF MUNICIPALITY

Public participation

8. Before establishing a corporation under section 3, a municipality shall consult with the public about the proposal to establish the corporation.

The City of Brampton has previously initiated the process to establish a Municipal Development Corporation. In principle, City Council has adopted the Business Case and Asset Transfer Policy as required under O. Reg. 599/06 s. 6 and 7 of the *Ontario Municipal Act*.

The next step prior to establishing the Municipal Development Corporation, as cited above, was the requirement to consult with the public about the proposal.

This Report details the rationale for the public consultation process and methodology, particularly during the pandemic, a summary of stakeholder feedback, and recommendations Council may adopt to address concerns raised.

Upon acceptance of this report, the City of Brampton could establish the Brampton Municipal Development Corporation and designate it an Economic Development Corporation for "the acquisition, development and disposal of sites in the municipality for residential, industrial, commercial and institutional uses" as per O. Reg. 599/06 s. 9 (4).

Chronology of Events

<u>Date</u>	<u>Event</u>
July 5, 2017	City Council approves a staff-led <i>Real Estate Acquisition, Disposal and Leasing Strategy</i> . A new internal inter-departmental committee received delegated authority pertaining to real estate transactions.
May 1, 2019	Staff seeks City Council approval to engage a third-party consultant to prepare a business case and offer advice for the possible establishment of a Municipal Development Corporation related to real estate matters.
December 11, 2019	City Council receives third-party consultant report that identifies "significant potential" of a Municipal Development Corporation. In turn, Council approves the Municipal Development Corporation "in principle" and authorizes staff to engage a third-party consultant to prepare a workplan.
August 5, 2020	City Council receives MENESCO report of a Municipal Development Corporation Business Plan (workplan) and authorizes staff to proceed to public consultations.
September 2020	MENESCO develops public consultation assets in consultation with staff from the communications and public engagement departments, including consultation website, public survey and marketing materials.
November 4, 2020	Public consultation period begins, with feedback being received until December 2, 2020.
December 3, 2020	MENESCO submits final report to City staff.

Background

As per the *Municipal Act*, any municipality may establish a municipal service corporation. Specifically, section 203 of the *Municipal Act* authorizes municipalities to establish corporations. Ontario Regulation 599/06 provides further clarification on the authorization outlines the process for how a municipality may establish a municipal services corporation. As per the direction from Council, the Brampton Municipal Development Corporation is envisioned to be a municipal services corporation providing economic development services.

As per Ontario Regulation 599/06 s. 6-8, prior to establishing a Brampton MDC, the City must:

- | | |
|--|--|
| 1. Develop a Business Case | Completed and approved in principle on August, 2020. |
| 2. Develop an Asset Transfer Policy | Included with the Business Case and approved in principle on August, 2020. |
| 3. Consult the Public about the Proposal | <i>Completed with the approval of this report.</i> |

After receiving a report on the significant potential of a municipal service corporation and adopting a workplan, City Council approved the establishment of a municipal service board "in principle" for real estate matters and economic development (this entity is referred to as the "Brampton Municipal Development Corporation" or "Brampton MDC").

This report completes the regulatory requirement for the municipality to consult with the public about the proposal to establish the Brampton MDC.

4.0

Methodology

Although Ontario Regulation 599/06 requires a municipality to conduct public consultation prior to establishing a municipal development corporation, the regulation does not specify what constitutes an acceptable public consultation process.

Furthermore, with the current pandemic environment, traditional public consultation methods via in-person townhalls, meetings and workshops are not possible.

In response, the following methodology was proposed and accepted by the City of Brampton:

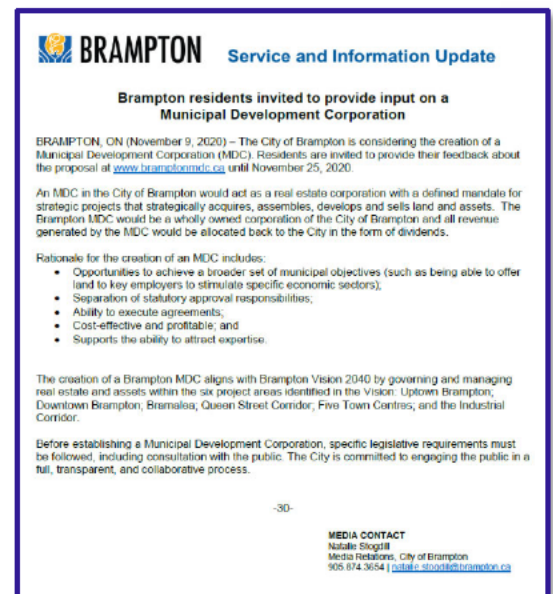
4.1

Promotion

The public consultation was advertised via social media platforms, print media, multilingual media outlets (digital/radio), business and stakeholder email lists, and the City's website. Brampton staff assumed responsibility for the promotion plan.

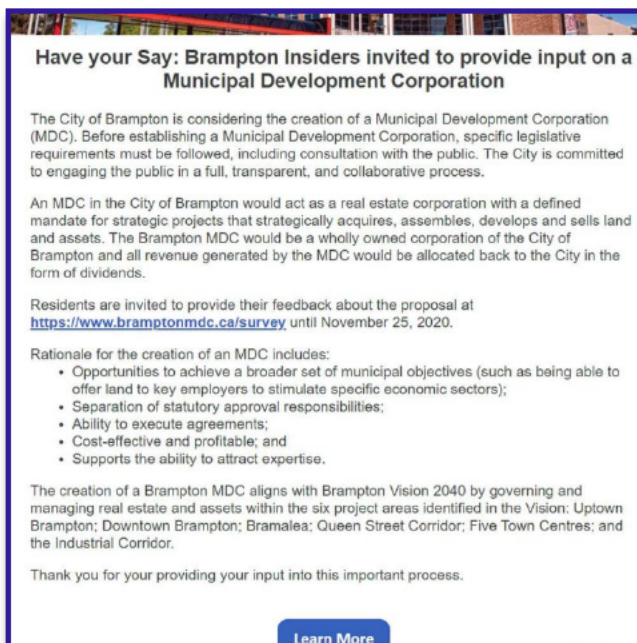
Promotion entailed:

- Service and Information Update
- Social media campaign
- Paid ad in local newspapers (print/digital)



- Home page tile linking to website
- Banner ad: InBrampton
- Community organizations e-blast (Using Brampton Insiders list)
- Business Survey Outreach: Ethnic Communities: To ensure Brampton's diverse business community was reached, the City invested in paid advertisements in multilingual media outlets (digital/radio) as well as direct outreach to ethnic businesses.
- Business Outreach: To ensure promotion reached business owners directly, to the City leveraged contacts and share communications through ethnic business associations and chambers of commerce, such as the Brampton Chinese Business Association, the Banquet Hall Association, the BIA, BBOT and the Indo Canada Chamber of Commerce.

Language	Platform	Outlet
French	Print	Le Metropolitain
Punjabi	Radio	Y Media: South Asian Pulse
Urdu	Radio	Radio Pakistan
Gujarati	Digital	Gujarat Abroad
Hindi	Digital	Hindi Express
Tamil	Print & Digital	Uthayan
Spanish	Radio	Ondas FM
Portuguese	Print	Correo da Manha
Filipino	Digital	Philippine Reporter
Italian	Print	Lo Specchio
Vietnamese	Print	Thoi Moi
SA English	Digital	Southasian Weekender
Black/Caribbean	Digital	Toronto Caribbean



Have your Say: Brampton Insiders invited to provide input on a Municipal Development Corporation

The City of Brampton is considering the creation of a Municipal Development Corporation (MDC). Before establishing a Municipal Development Corporation, specific legislative requirements must be followed, including consultation with the public. The City is committed to engaging the public in a full, transparent, and collaborative process.

An MDC in the City of Brampton would act as a real estate corporation with a defined mandate for strategic projects that strategically acquires, assembles, develops and sells land and assets. The Brampton MDC would be a wholly owned corporation of the City of Brampton and all revenue generated by the MDC would be allocated back to the City in the form of dividends.

Residents are invited to provide their feedback about the proposal at <https://www.bramptonmdc.ca/survey> until November 25, 2020.

Rationale for the creation of an MDC includes:

- Opportunities to achieve a broader set of municipal objectives (such as being able to offer land to key employers to stimulate specific economic sectors);
- Separation of statutory approval responsibilities;
- Ability to execute agreements;
- Cost-effective and profitable; and
- Supports the ability to attract expertise.

The creation of a Brampton MDC aligns with Brampton Vision 2040 by governing and managing real estate and assets within the six project areas identified in the Vision: Uptown Brampton; Downtown Brampton; Bramalea; Queen Street Corridor; Five Town Centres; and the Industrial Corridor.

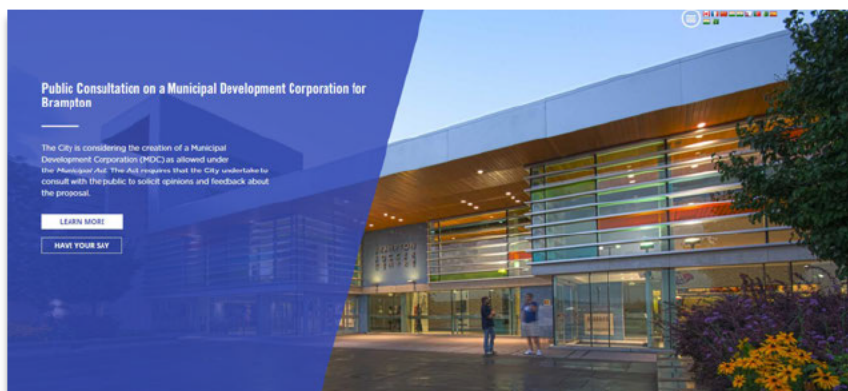
Thank you for your providing your input into this important process.

[Learn More](#)

- Outreach to businesses through existing business and community engagement lists.

4.2 Website

A dedicated website(<https://www.bramptonmdc.ca>) was created to provide background information and reports. The website was accessible in multiple languages.



The website also provided a portal for individuals to complete an online survey or provide written comments.

4.3 Surveys

The public, business community, community stakeholders, and councillors were directly invited to complete online surveys to provide direct input.

Data collected from the various points on public input were then analyzed for the preparation of this report.

A screenshot of an online questionnaire titled "Questionnaire". It includes a disclaimer about the collection of personal information under the Municipal Act S.O. 2001, c.25. The questionnaire is divided into sections: "1 Governance", "2 Setting Conditions", "3 Funding", and "4 Conclusion". The current section is "MDC Governance Model", which describes the proposed governance structure. It asks "Would you agree with this governance structure?" with "Yes" and "No" radio button options. Below this is a text area for "Please provide any other comments related to Governance issues/questions/concerns". At the bottom is a "Next" button.

The full survey questions can be found in Appendix B.

4.4

Webinar

A public webinar was provided as an option for those who wished to learn more information and to interact directly. The webinar was held on Nov 30th for those who signed up via the website.



The complete webinar presentation can be found in Appendix C.

5.0

Analysis: What We Heard

In total, the public consultation has 397 engagements, which includes survey answers, email feedback and comments during the webinar. As expected, based on individual views, the feedback received from the public consultation varied in terms of both support for and opposition to the formation of a Brampton MDC. This report will identify a summary of the feedback received and offer commentary on the feedback and possible mitigating factors to address identified issues.

5.1

Opposition Towards Brampton MDC

From the public perspective, those who expressed an opinion or provided comments against the concept of forming a Brampton MDC, can be categorized in the following two statements:

1. A previous attempt, such as the Brampton Downtown Development Corporation had failed, and this would repeat the failure; and
2. The Brampton MDC will lead to corruption and cronyism.

Sample Comment

"waste of time and money. as we already had a development corporation and it failed. see Brampton Downtown Development Corporation"

The Brampton Downtown Development Corporation (BDDC) was formed in 2006 for the purpose of marketing a designated downtown area and managing the area's real estate transactions. A review of the BDDC was conducted in 2013 by Malone Given Parsons (MGP). The MPG report concluded that the BDDC was performing the BIA functions of its mandate successfully. However, due to a range of factors the BDDC was not fulfilling its development mandate.

The identified factors that limited the success of BDDC's development mandate were:

- Lack of staff specializing in real estate, planning and project management;
- Lack of funds, assets (land), or borrowing/lending capabilities;
- Lack of clarity on the ability to enter private-public partnerships;
- Lack of authority (Council had veto powers); and
- Limited geographical scope.

Overall, the consultants recommended continuing the marketing functions with the formation of a Brampton Downtown Business Improvement Association (Downtown

BIA) and that the municipality should form a new development corporation "with a broader focus".

In 2015, City Council adopted the recommendations for the BDDC to be dissolved, form the downtown Business Improvement Area, and the consideration of a new development corporation with a broader mandate. In the interim, the development mandate would be assigned to the City's economic development division.

In 2019, MENESCO reviewed learnings as a result of the dissolved BDDC and developed a Business Case and workplan to address identified issues related to specialized staffing, funding, authority, and broadening the scope of a potential successor to the BDDC.

5.2 Transparency and Accountability

Participant comments expressed concern related to the potential for the MDC to become a vehicle for unethical conduct.

Sample Comment

"the whole corporation is an invitation for corruption and cronyism"

"raises all the flags for potential of abuse and mismanagement of assets"

With the Brampton Downtown Development Corporation (BDDC), there were significant allegations, criticism and litigation related to downtown development projects. For example, the city hall expansion project was subject to allegations related to abuse and mismanagement.

In 2019, MENESCO reviewed the criticism related to the BDDC and developed a Business Case containing accountability measures to address those issues.

It is recommended that the new development corporation implement accountability policies ("Code of Conduct" and "Compliance, Discipline, Reprisal and Whistleblower Policy") as identified in Appendix B of the Business Case. The formal contractual agreement contains functional accountability clauses.

In addition, the Business Case requires the new corporation file an annual report to City Council. At a minimum, the annual report would include an independent audit report, progress reports on development, and identified performance measures.

Furthermore, it would be recommended that Directors of the new corporation be credentialed via educational programs offered by leading universities, such as The

Directors College at McMaster University or the Institute of Corporate Directors at the University of Toronto.

5.3 Board of Directors Composition

From the public consultation, there were several comments related to the composition of the Board of Directors.

Sample Comments

"there's too many political representatives...the successful Waterfront Toronto: it has 13 representatives, mostly professionals, but one city councillor"

"a board of directors filled with members of council and the CAO does not sound independent"

The Business Case describes a Board of Directors consisting of the Mayor, two (2) Councillors and four (4) Community representatives as voting members, and the City CAO and Brampton MDC CEO as non-voting members.

The number of elected members selected to the Board of Directors is discretionary. City Council has the option of selecting one (1) elected official, such as CreateTO, three (3) elected officials forming a minority vote, as recommended in the Business Case, five (5) elected officials forming a majority vote, or any other combination. In fact, consultation participants highlighted the need to include input from Peel Housing, senior citizens, and youth representation.

It is fully recognized that the City of Brampton is a mosaic, consisting of a celebrated community of many diverse cultures. The Board of Directors should reflect the community's diversity. Further, there is no requirement that Board of Directors need to reside in the municipality.

5.4 Governance Structure

Specific to the governance structure, comments identified the need for greater public input.

Sample Comments

"More public or taxpayer input"

"Residents should have a stronger role in determining what is needed in their neighborhoods, because they actually live there"

To address the theme of greater public input, the Business Case identifies a Board of Directors and six associated steering committees. There is a Steering Committee designated for each of the six defined development areas and includes the intended goal "[w]ith the inclusion of community members on the Steering Committee, local stakeholder participation and input will enhance the culture and economic prospects on the project area."

The inclusion of community members on the Board of Directors and the associated Steering Committees will provide significant input from the community, representing the interests of the individual neighbourhoods.

5.5 Mandate and Responsibilities

Many of the comments received agreed with the defined responsibilities contained in the Business Case and as permitted in provincial legislation. This included:

- The promotion of the City's real estate objectives, including the collection and dissemination of information and the alignment with economic development strategic plans;
- The acquisition, development, and disposal of sites in the municipality for residential, industrial, commercial, and institutional uses;
- Provision of general parking facilities;
- Provision of certified employment sites for job growth;
- Undertaking community improvement consistent with a community improvement plan approved by the municipality under subsection 28 (4) of the Planning Act;
- Improvement, beautification, and maintenance of municipally-owned land, buildings and structures in an area designated by the municipality beyond the standard provided at the expense of the municipality generally, and promotion of any area of the municipality as a business or shopping area;

- Provision of facilities for amusement or for conventions and visitors' bureaus; and
- Provision of culture and heritage systems.

Sample Comments

"I would define In line with Brampton City Council's priorities of creating more opportunities and embedding diversity in our operations...I would make the selection process to include a majority from and not inclusive but must have an outreach component"

"the city shouldn't be afraid to engage a non-Bramptonian...a professional who with a reputation and experience"

"YES ! I agree with the governance structure. This Corporation is needed and it is about time. I look forward to the composition of the corporation and expect that at least one of the members of the board of Directors will be a senior."

Participants suggested that heritage, arts and culture should remain the responsibility of the City. and that the City should consult, rather than direct, art and cultural programs via a Cultural Arts Council.

In response, the City has adopted a Culture Master Plan, which includes the recommendation to create an "arm's length organization". Specifically, the Master Plan identifies "...that there is significant value in developing an arm's-length organization for arts and culture that would work alongside the City to build a vibrant arts scene and creative economy in Brampton".

A representative from the proposed Brampton MDC could join the organization as a supportive or participating member. As per the Culture Master Plan, "The research and consultations show that arts and culture enhances quality of life, brings diverse communities together and contributes to the economic well-being of the city".

Observations and Recommendations

Although the global pandemic of Covid-19 has inhibited traditional public consultation processes such as workshops and town halls, significant effort was made to collect public feedback relating to the possible generation of a Brampton Municipal Development Corporation. This included the development of a dedicated website (bramptonmdc.ca) containing background information and feedback mechanisms.

From the public consultation, the draft Business Case could be revised to include the following:

- The Business Case should include a Community Member Selection Guide. This guide will assist Council in approving community members to be appointed to the Board of Directors and the associated Steering Committees. A sample guide is included in Appendix A of this report.
- All selected members of the Board of Directors, including elected officials, should be certified in a "Board of Director" educational program offered at the post-secondary level. If a member is selected without certification, they should be encouraged to enroll in an educational program.
- Although already included in both the Business Case and provincial legislation, the contractual agreement between the City of Brampton and Brampton MDC should include specific references to an Annual Report. The Annual Report to City Council would contain an independent auditor's report, project status reports, and quantifiable performance measures.
- It should be determined which committee should receive reports from Brampton MDC:
 - Council directly;
 - Committee of Whole; or
 - Planning and Development Committee.
- The Business Case recommends a Board of Directors consisting of the Mayor, two (2) Councillors and four (4) Community members. This composition could be revised at Council's discretion with the following options:
 - One (1) elected official and six (6) community members;

- Three (3) elected officials and four (4) community members (minority voting power);
 - Five (5) elected officials and three (3) community members (majority voting power); or
 - Any other combination of elected and community members with a smaller Board (3 to 5 Members) or larger Board (9 to 13 Members).
- Given the adopted Culture Master Plan, representation from Brampton MDC should either join as a participant or as a supporting partner to any independent Cultural Arts Council that is formed.
- The Brampton MDC should be reviewed in 5 years to measure the overall performance of the corporation, ensuring that the goals and objectives of the City of Brampton is being achieved.

Conclusions and Next Steps

The City of Brampton has completed the steps identified under the *Duties of the Municipality* sections of Ontario Regulation 599/06 and can now proceed to establish a Municipal Development Corporation if they choose to do so.

The next steps will be for Council to:

- 1) Prepare a motion authorizing the creation of the MDC.
- 2) Ensure that staff has clear direction regarding any of the options informed by the public consultation.
- 3) Specify, within the enabling motion, that the MDC is to provide "economic development services".
- 4) Pass the enabling by-law.
- 5) Incorporate the MDC.
- 6) Appoint Council Board Members.
- 7) Recruit and Appoint Citizen appointments.
- 8) Adopt the Asset Transfer Policy.

Appendix A – Selection Guide for Brampton MDC Board of Directors

Elected Official

1. Members of Council selected to the Brampton MDC Board of Directors should:
 - a. Be available to attend all scheduled meetings,
 - b. Include the Chair of the Planning and Development Committee, and
 - c. Be certified or willing to be certified in a "Board of Director" educational program.

Community Member

2. Members of the Community selected to the Brampton MDC Board of Directors should include:
 - a. Be available to attend all scheduled meetings;
 - b. Be available to Chair an associated Steering Committee,
 - c. Representation from Brampton's celebrated cultural and diverse communities;
 - d. Representation from First Nations community;
 - e. Gender neutral (not dominated by male representation);
 - f. Age considerations (recognizing the need to be inclusive of senior citizens and youth);
 - g. LGBTQ2+ inclusion;
 - h. Be certified or willing to be certified in a "Board of Director" educational program;
 - i. Be willing to sign confidentiality and conflict of interest agreements,
 - j. Professional designation as an asset (planner, lawyer, accountant, real estate, etc.); and
 - k. Board experience as an asset

Appendix B – Survey Questions

MDC Governance Model

The proposed Brampton MDC would be governed by an independent Board of Directors consisting of City Councillors and members of the Public. The Business Case recommends the Mayor (for the term of Council), 2 Councillors (for the term of Council), 4 Community Members (with the required expertise, appointed for staggered terms), and the Brampton CAO (non-voting).

MDC Development Area Specific Steering Committees

For each of the proposed six strategic development areas (Uptown Brampton; Downtown Brampton; Bramalea; Queen Street Corridor; Five Town Centres; and the Industrial Corridor) a Steering Committee would be formed to make recommendations to the Board of Directors. Each Steering Committee would consist of a Board member, Brampton MDC staff, City of Brampton staff, other agencies as required (such as Peel Region, Alectra Utilities, etc.) and community stakeholders unique to each development area.

MDC Responsibilities

The Brampton MDC would be responsible for the following provisions. Please check each responsibility in which you would agree that the responsibility is the best suited for Brampton MDC:

Select All

- ☐ the promotion of the City's real estate objectives, including the collection and dissemination of information and the alignment with economic development strategic plans
- ☐ the acquisition, development, and disposal of sites in the municipality for residential, industrial, commercial, and institutional uses
- ☐ provision of general parking facilities
- ☐ provision of certified employment sites for job growth
- ☐ undertaking community improvement consistent with a community improvement plan approved by the municipality under subsection 28 (4) of the Planning Act
- ☐ improvement, beautification, and maintenance of municipally-owned land, buildings and structures in an area designated by the municipality beyond the standard provided at the expense of the municipality generally, and promotion of any area of the municipality as a business or shopping area
- ☐ provision of facilities for amusement or for conventions and visitors' bureaus

- ☐ provision of culture and heritage systems.

MDC Funding

A portion of the net revenue of Brampton MDC would be re-allocated to future asset acquisitions. Net revenue from the MDC would be used to both fund future projects and provide the City with a dividend.

Conclusion

Are there any other concerns, comments and/or recommendations you would like to provide regarding the development of a Brampton Municipal Development Corporation specific to the provision of realty services?

Appendix C – Webinar Slides

Brampton MDC

Public Consultation Webinar



Public Consultation on a Municipal Development Corporation (MDC) for Brampton

- The City is considering the creation of a Municipal Development Corporation (MDC) as allowed under the *Municipal Act*.
- The Act requires that the City undertake to consult with the public to solicit opinions and feedback about the proposal.



What is an MDC?

- A Municipal Development Corporation is a Corporation wholly-owned by a Municipality, managed by a Board of Directors appointed by Council.
- The Corporate structure allows municipalities to develop properties with the profits being returned to the Municipality in the form of dividends.
- By acting as the “developer”, the MDC is able to directly control the design and amenities of new development to the benefit of the Municipality as a whole.



Why an MDC?

- The *Ontario Municipal Act* (sec 203(1)) permits municipalities to create corporations and they are governed under regulation O.Reg. 599/06
- These Economic Development Corporations are allowed to provide “Economic Development Services” which includes “the acquisition, development and disposal of sites in the municipality for residential, industrial, commercial and institutional uses.” *O.Reg. 599/06 s. 9 (4)*



Why an MDC?

The Brampton MDC as proposed will be responsible for managing the realty transactions of the City in relation to the 5 key areas identified in the strategic plan:

- Uptown Brampton
- Downtown Brampton
- Bramalea & Queen St Corridor
- Industrial Core
- Town Centres
 - Bram West
 - Heritage Heights
 - BramGo
 - Bram East
 - Trinity Commons



MDC Process

Before creating an MDC, Brampton must:

1. Prepare a Business Case Study
2. Establish Asset Transfer Policies
3. Consult with the Public about the proposal



MDC Consultation Process

The Public Consultation process during COVID has consisted of:

- Establishing a website with survey
- Conducting telephone interviews (as requested)
- Surveying key stakeholders
- Conducting a webinar



MDC Governance Model

The proposed Brampton MDC would be governed by an independent Board of Directors consisting of City Councillors and members of the Public. The Business Case recommends:

- the Mayor (for the term of Council)
- 2 Councillors (for the term of Council)
- 4 Community Members (with the required expertise, appointed for staggered terms)
- and the Brampton CAO (non-voting).



MDC Steering Committees

For each of the proposed six strategic development areas (Uptown Brampton; Downtown Brampton; Bramalea; Queen Street Corridor; Five Town Centres; and the Industrial Corridor) a Steering Committee would be formed to make recommendations to the Board of Directors.

Each Steering Committee would consist of a Board member, Brampton MDC staff, City of Brampton staff, other agencies as required (such as Peel Region, Alectra Utilities, etc.) and community stakeholders unique to each development area.



MDC Funding Model

Initially, the MDC would be funded through City taxes (re-allocation of the services being paid already by the City)

Over time, the MDC would be expected to be self-sufficient as property development generated revenues for the MDC.

A portion of the net revenue of Brampton MDC would be re-allocated to future asset acquisitions. Net revenue from the MDC would be used to both fund future projects and provide the City with a dividend.



What we have heard so far:

Concerns over MDC being another BDDC (Brampton Downtown Development Corporation)

When the BDDC was dissolved, the recommendation was to separate the Downtown Business Improvement Area functions from the realty functions – this follows from those recommendations

Concerns over Accountability and Transparency

The proposed MDC would have clear lines of accountability, including audit reporting responsibilities, code of conduct, conflict of interest and key performance indicators reporting obligations to the City.



MDC Discussion and Feedback

Questions?

Concerns?

Suggestions?

