

## MEMORANDUM

To: Daryl Keleher (Altus Group Economic Consulting Group)

From: Andrew Mirabella and Courtney King, Hemson Consulting Ltd.

Date: August 24<sup>th</sup>, 2022

Re: Brampton 2022 CBC Strategy Response to Questions

CONFIDENTIAL AND WITHOUT PREJUDICE

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This letter provides a response to the key items identified in the memorandum received from the Building Industry and Land Development Association and Altus Group Economic Consulting on August 16<sup>th</sup>, 2022. The original questions have been copied in for reference and the responses are provided in *italics* below.

### A. BRAMPTON CBC REVIEW - RESPONSE

1. Does the \$13 million in land costs for Housing specifically relate to the \$8 million "Housing Catalyst" project? How many units are proposed to be funded by the Housing Catalyst project?

*The \$13 million in land costs is associated to the Housing Catalyst project. This project is intended to generate innovative affordable housing solutions. The funding can be used by non-profit proponents for design and construction, however, non-profits face biggest challenges in finding funding for associated land components. In the first round of this project, around 500 units could be generated from the proposals outlined in the submissions. Subsequent phases may generate similar numbers, depending on the EOIs.*

2. We have several questions regarding the Multi-Purpose Cricket facility (Item 3.2 with gross cost of \$49 million)
  - a) Several recent news reports indicate that the primary user of the facility may be a private enterprise, and the City has considered using a public-private partnership for construction costs and transfer of lands currently used for the CAA Centre. What costs are included in the \$49 million shown in the CBC study?

*The cost estimate of \$49 million (which includes, but is not limited to design, construction management and construction) was based on cost assumptions for the project as of June 2022 with the initial and preliminary scoping of a stadium with permanent and temporary seating. The scope also includes the cricket field, facility amenities and parking. The cost estimate is based on the City of Brampton constructing the facility. Staff are seeking Council direction to initiate a public engagement framework on the CAA lands and the Multipurpose Cricket Facility on September 14, 2022, which would continue until Q3 of 2023. The design and construction scope and ownership/operational model may change and the result of any formal changes to the proposed scope (or building model) will be reflected in the next CBC Strategy. The inclusion of this project does not impact the 4% of the value of land charge proposed to be levied under the new by-law to establish community benefit charges.*

- b) A City staff report dated found that a significant proportion (\$7.5 million) of project costs would be funded by 'Reserve #134 Recreation Development Charges ', with additional funding requested through future capital budgets, but that staff will review the impacts of remaining funding on future DC studies. Why does the CBC Study not include any anticipated DC funding?

If Council wishes to directly pursue the traditional project delivery method, a new capital project would need to be established in the aggregate amount of \$7.5 million for the Design, Contract Administration and Cricket Advisory Services of a Multipurpose Cricket Facility at CAA Centre lands, with funding to be transferred from Reserve #134 Recreation Development Charges. Sufficient funding is available. Additional funding in the aggregate amount of \$41.5 million is projected to be required and would be requested as part of the 2023 and 2024 Capital Budget submissions, subject to Council approval. The Multipurpose Cricket Facility was not part of the previous Development Charges Study. Accordingly, staff will review included projects, funding available, as well as potential impacts for the next Development Charges Study.

*The CBC Strategy identifies that other growth funding tools would be required to fund the residual \$45.4 million (i.e. non-CBC related share) of the total project cost. This 'other funding 'share would include development charges and is therefore considered in the overall funding framework of this*

*project.*

3. Why is no BTE allocation made for Downtown Corridor Trail Development?

*The downtown corridor trail development is being constructed as a result of new growth occurring city-wide and the project is considered to be entirely growth related. As a result, no BTE share is identified.*

4. We have several questions with the Eco Park project:

- a) Will any capital funding for the Eco Park project be provided by the Credit Valley Conservation Authority?

*Currently, there is no funding anticipated from the Credit Valley Conservation Authority (CVCA) to offset the cost of this project. Although not anticipated at this time, if any funds were received from CVCA, the funds will be used to offset a portion of the project cost and the CBC eligible share will be adjusted for accordingly.*

- b) Is any of the proposed Eco Park parkland improvements located on CVCA lands such as the Claireville Conservation Area?

*No, it is anticipated that the Eco Park will be on City lands and will not be on CVCA lands.*

- c) The City's Eco Park Strategy document identified that in 2020, the City would be initiating a stormwater user fee for all residents and businesses in the City, and that some of these funds could be available for Eco Park projects that help with stormwater management in the City. Does the CBC reflect any anticipated funding from this funding source?

*The stormwater charge provides dedicated funding for operations, maintenance, renewal and rehabilitation of City's stormwater infrastructure which is valued at over \$1.3 billion (source: 2021 City of Brampton Corporate Asset Management Plan). The stormwater charge does not fund Eco Park projects and therefore the CBC does not reflect any anticipated funding from this revenue source. Should the capital funding model change moving forward, the CBC Strategy can be amended accordingly.*

5. What is the nature of the "Parking Structure (550 spaces)" facility shown as item 6.1 with a capital cost of \$30,250,000 and it is unclear whether it is required by growth in high-density developments subject to CBCs.

On one hand, in making the case for Active Transportation works to be CBC-eligible, the CBC study says that higher-density growth will require more active transportation and generate reduced (on-site) parking requirements:

The City of Brampton has been investing significantly in a comprehensive plan to expand active transportation infrastructure across the City. A portion of the City's future growth is achieved through redevelopment and intensification, and these land uses will reduce on-site parking requirements, display lower use of single-occupancy motorized vehicles and higher active transportation modes of transportation.

Yet, when establishing the estimated need for Parking services, despite earlier stating that higher-density land uses will display lower use of vehicles, reducing the need for on-site parking, and higher demand for active transportation modes, the CBC study says that development in dense neighbourhoods will also generate need for investment in public parking infrastructure.

Investment in parking infrastructure improvements is very important to maintain accessibility and usability of the transportation network particularly in denser neighbourhoods. Under the previous legislative regime, parking was a service included in the City's Development Charges (DC). ...

On-street City provided parking as well as parking structures are required as the City continues to grow. The City will continue to experience demand for additional parking arising from development/redevelopment.

Can the City clarify why it is assumed that higher-density growth will both have reduced demand for on-site parking, but lead to significant growth in demand for off-site parking? This disconnect appears to be leading to the inclusion of significant funding for both Active Transportation works and a large-scale public parking garage, which is allocated 100% to growth (given that no BTE allocation is made for this project).

*Brampton's Transportation Planning Update (2015) aims to extensively improve the transit system and active transportation networks and to achieve the following modal split targets by 2041: 16% Brampton transit, 6% active*

*Transportation, 28% auto passenger, 50% single-occupancy vehicles. Reduced demand for on-site parking would result from this modal shift.*

*As stated in the draft policy recommendations of the Brampton Parking Plan (May 2022), the provision of off-site public parking facilities in higher density mixed-use areas would facilitate shared parking and optimize parking utilization among land uses with varying times of peak demand. As a result, the capital program includes for a new Parking Structure (assumed at 550 spaces). Please note, only a portion of this project, \$1.45 million is considered to be CBC eligible in this strategy relative to the total project cost of \$30.25 Million.*

6. We have several questions regarding the inclusion of Heritage Assets in the CBC capital project list:

- a) Can the City provide justification regarding how funds for preservation of Heritage Assets in the CBC capital study are being required by growth?

*The heritage assets included in this study relate specifically to those facilities which are being refurbished to create space to increase City programming arising from growth. Without these initiatives, the space could not be used for programming purposes. It is important to note that the heritage preservation projects have been assigned a benefit to existing share which reduces the total capital cost by \$4.35 million.*

- b) The CBC study notes that these assets are to be refurbished to create space for City programming what programming is anticipated in these buildings?

*At present, the focus of these buildings is intended to accommodate arts and culture programming with a public focus outreach. That said, the type of programming which could take place in this facility may change relative to the needs and demands of the community moving forward.*

- c) Would the City sell these assets once refurbished, and if so, would the proceeds from the capital investments from CBC funds be returned to the CBC reserve or general reserves?

*The intention is that these assets will remain under City ownership with no future plans to sell the assets once refurbished.*

- d) Does the City own or lease the Former OPP facility?

*The City owns the former OPP facility.*

- e) Why are 'City Costs Associated with Relocation' assigned a 100% CBC share, while the actual capital costs of the various Heritage projects assigned the 7% CBC share? It would appear that if the City costs associated with relocation are related to the specific projects, the CBC share should be consistent?

*The relocations are assigned 100% to CBCs as these projects are a direct result of high density development occurring. These costs are only incurred by the City due to the nature and type of development arising which would require heritage assets to be relocated to other areas to accommodate new high-density development.*

## **B. OTHER COMMENTS**

*After a review of the CBC Strategy (August 2<sup>nd</sup> 2022) posted for public consultation, City staff have identified two additional projects which have been added to the strategy for a combined gross cost of \$35.1 million, of which, \$2.22 million is considered to be CBC eligible. The projects relate to Active Transportation and Parks and Trails associated with the Riverwalk project. The inclusion of these projects does not impact the 4% of the value of land charge already proposed to be levied under the new by-law to establish community benefit charges.*