



Administration and Operations Committee Report

To: The Chair and Members of the Administration and Operations Committee
From: Rob Walton, General Manager of Operations
Date: June 17, 2025
Report #: RPT-0143-25
Subject: St. George Infrastructure Front-Ending Agreement
Purpose: For Approval

Recommendation

Whereas the County of Brant (the County) is proceeding with transportation, water and wastewater servicing projects (Infrastructure Projects) to service proposed development within the County of Brant's urban settlement area of St. George;

And Whereas a group of developers (St. George Landowners Group) have approached the County to assist with financing and construction of the Infrastructure Projects to provide services which allow housing to proceed in St. George.

And Whereas Committee is also considering approval in principle of the St. George Water and Wastewater Servicing Allocation Policy (RPT-0144-25) at the June 17, 2025, Administration and Operations Committee Meeting subject to a public consultation period;

That the St. George Infrastructure Front-Ending Agreement be approved in principle subject to public consultation for the St. George Water and Wastewater Servicing Allocation Policy with final consideration by Council in July.

Strategic Plan Priority

Strategic Priority 2 - Focused Growth and Infrastructure

Impacts and Mitigation

Social Impacts

The Infrastructure Front-Ending Agreement will support the sustainable growth proposed in St. George, providing capacity for both new greenfield developments as well as infill and intensification of the built area. It will also help keep water and wastewater rates from increasing dramatically.

Environmental Impacts

The infrastructure proposed to service the development in St. George was planned through the Municipal Class Environmental Assessment process with environmental issues considered throughout the process.

Economic Impacts

The water supply and wastewater treatment projects for St George are large financial commitments. Fortunately for the County, the \$35M grant from the Province and the Infrastructure Front-Ending Agreement will minimize the County's borrowing requirement for this project and reduces overall financing costs.

Report

Background

Developers in St. George have been working on new developments in the settlement area since 2008. Limited capacity on the wastewater plant has limited the availability to proceed with this development. In 2014 a Class Environmental Assessment to increase capacity of the water and wastewater plants was initiated. These studies have now been completed. Between water, wastewater and roads there is approximately \$85M of Infrastructure to be constructed external to the developments. With all of the other infrastructure needs in the County, this amount could be difficult for the County to finance.

There are five (5) major developments in St. George that have Draft Plan Approval through the LPAT or OLT processes. The developers are Losani, Empire, Riverview, Pinevest and Stremma. They are collectively known as the St. George Landowners Group (LOG). A map showing the development locations is enclosed as Attachment 1.

To show their commitment to development in St. George, the LOG approached the County offering to build and finance the needed infrastructure which includes the wastewater plant (\$60M), water plant on Howell Road (\$14M), Hwy 5 Roundabout (\$5M) and the sanitary trunk sewer (\$6M). Staff have agreed that the LOG can build the Roundabout and the trunk sanitary sewer through the Losani Development.

Since the financing discussions with the LOG commenced, the County has been successful in receiving \$35M of grant money for the Wastewater plant and is in the process of applying for \$10M for the Water Plant. This certainly helps with the negotiations with the LOG as not as much money is required from them.

Analysis

The draft agreement is not enclosed as some issues are not finalized and the agreement schedules are not completed. The highlights of the agreement are as follows:

- This agreement is a front-ending agreement under section 44 of the Development Charges Act. Accordingly, the money loaned by the LOG does not go against the County Annual Repayment Limit.

- In exchange for the financing, the LOG gets guaranteed access to 2500 m3/day of the wastewater plant capacity (3900 m3/day).
- For the wastewater plant, there are two (2) payments of \$10M each. This amount can be increased up to 10% if tenders are higher than the project estimates. Payment back to the LOG happens the quarter after Development Charges are paid at a fixed rate per unit that DCs have been paid until fully reimbursed. After 10 years, the LOG can request their money back but if so, they lose their guaranteed capacity. Cash flow estimates have been completed, and the loan should be paid back within 10 years
- For the water plant, \$7M is to be paid in two (2) installments. Payback terms are the same as for wastewater. If the County gets the grant we are applying for, no financing is required for water.
- The interest rate is not set but it will be substantially lower than the current County borrowing rates from Infrastructure Ontario.
- The LOG will build the Hwy 5 roundabout at their cost, and the County will contribute a small amount which is the benefit to existing share in Development Charges terms.
- There is no infrastructure loan for the trunk sanitary sewer, but the LOG is to build it through the Losani development.

Summary and Recommendations

This Report and RPT-0144-25 St. George Water and Wastewater Allocation Policy should be read together as they are closely related subject matter. Staff recommend that Council approve the St. George Infrastructure Front-Ending Agreement in principle and that consideration for final approval by Council happen in July after the public consultation for the St. George Water and Wastewater Allocation Policy.

Attachments

1. Map of Landowner's Group Properties and Associated Infrastructure Projects

Reviewed By

D. Mellor, General Manager of Operations
H. Boyd, General Manager of Corporate Services
C. Glassford, Assistant County Solicitor

Copied To

M. Maxwell, Director of Engineering and Infrastructure Planning
A. Dyjach, General Manager of Development Services

By-law and/or Agreement

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|---|----|
| By-law Required | No |
| Agreement(s) or other documents to be signed by Mayor and /or Clerk | No |