



Report of the Commissioner of Finance

Developer Financing for Expansion of the Nobleton Wastewater System

1. Recommendation

1. The Regional Chair and Regional Clerk be authorized to enter into a financing agreement with Star Westview Inc., Crisdan Holdings Inc., Nobleton 2715 Developments Limited, TG Nobleton GP Inc. and Prebrick System (BT) Corp. (the Nobleton Landowner Group) for the capital cost of expanding the Nobleton Wastewater Works, subject to the satisfaction of the Commissioner of Finance and Regional Treasurer and of the Regional Solicitor and General Counsel.
2. Staff be authorized to negotiate the principles of a Prepaid Development Charges (DC) Credit Agreement with the Nobleton Landowner Group.

2. Purpose

This report requests authorization to enter into a financing agreement with the Nobleton Landowner Group to advance financing for construction costs related to expansion of the Nobleton Wastewater Works (Works) and to negotiate the principles for a Prepaid Development Charges (DC) Credit Agreement.

Key Points:

- The Nobleton Landowner Group has requested that the Region advance construction of the Works under the same terms and conditions of the existing Environmental Assessment (EA) and Design Work Funding Agreements
- The Region will finance and construct the water works portion of the project

- The Region intends to include the total construction costs for the Works in its 2026 Nobleton Area-Specific DC Bylaw, expected to be tabled with Committee and Council during the first quarter of 2026
- The Nobleton Developer Group and Regional staff are in the process of finalizing the key principles of a Prepaid DC Credit Agreement for the Works, which will be brought forward in a future report to Council

3. Background

Construction of the existing Works was advanced through a Prepaid DC Credit Agreement in 2008

The Nobleton Community Plan covers approximately 1,450 hectares (3,583 acres) of land with a projected population of approximately 6,500 people. To achieve this projected population, it was necessary to build wastewater infrastructure including a water resource recovery facility.

As construction of the infrastructure was not included in the Region's 10-year capital plan, a landowner in the village requested that the construction of the required wastewater infrastructure be advanced through a [Prepaid DC Credit Agreement](#). As a result, the 2006 Nobleton Area-Specific DC Bylaw was put in place in the Village of Nobleton, to recover growth-related wastewater costs for this standalone infrastructure. A Prepaid DC Credit Agreement was subsequently executed in 2008 and the infrastructure was constructed.

Increased densities have resulted in a higher population target within the existing Nobleton urban boundary

On September 23, 2019, King Council adopted the Township of King Official Plan (2019) which was approved by the Region on September 24, 2020. The Plan revised the population target for the existing Urban Area Boundary of Nobleton to an anticipated total of 10,900 persons, if all lands designated for residential development and intensification were developed. The King Official Plan was appealed to the Ontario Land Tribunal. The appeal decision is pending, so the approval is not final yet. The revised population target was a result of higher-than-expected densities being achieved by developers within the existing village. Accordingly, Township Council requested that the Region undertake a Municipal Class EA to determine how to accommodate the proposed population increase.

The Environmental Assessment was completed in 2021, recommending expansion of the Works and associated infrastructure

In May 2017, an EA Funding Agreement for expansion of water and wastewater servicing in the Nobleton Urban Area was signed by the Region, Star Westview Inc. & Crisdan Holdings Inc. with \$2.5 million in securities provided to the Region.

The EA recommended water and wastewater servicing solutions to accommodate planned growth, including expanding capacity of the Works.

Upon completion of the EA, the Nobleton Landowner Group agreed to advance design of the recommended works. On April 26, 2022, the [agreement principles were approved](#) by Council for a total design work cost of approximately \$7.4 million. An additional \$4 million in equipment pre-purchase costs was required in advance of the construction, bringing the overall design cost to \$11.4 million (to date, the Nobleton Developer Group has provided \$13.9 million in securities). Design is currently progressing, with anticipated completion in the third quarter of 2025.

4. Analysis

The Nobleton Landowner Group has proposed to finance the cost of construction to advance timing of the Works

The Nobleton Landowner Group has financed the EA and design and is now requesting that construction of the Works be advanced to facilitate full buildout of their lands. The Nobleton Landowner Group have indicated that they are willing to enter into a Prepaid DC Credit Agreement with the Region to finance the Works' construction costs.

As the EA and design works were not originally included in the Region's capital plan and DC Bylaw, recovery of the EA and design costs is dependent on the Nobleton Landowner Group advancing expansion of the Works and all the works being included in the 2026 DC bylaw. The Nobleton Landowner Group have agreed to proceed with financing the construction works at their risk to accommodate the proposed population increase in the Village of Nobleton.

The Works will be included in the 2026 Nobleton Area-Specific DC Bylaw

The original wastewater works were included in the 2006 Nobleton Area-Specific DC Bylaw. In 2022 the EA and design for the expansion Works were included in the Regional DC Bylaw, at a cost of approximately \$22 million, and planned for 2033.

The Region-wide DC Bylaw is scheduled to be updated in 2026, simultaneously with the Nobleton Area-Specific DC Bylaw. It is intended that the total EA, design and construction costs for the Works be included in the 2026 Nobleton Area-Specific DC Bylaw and removed from the Region-wide DC Bylaw. Table 1 below outlines tentative timelines for the 2026 Area-Specific DC Bylaw.

Table 1
Tentative Timeline for 2026 Nobleton Area-Specific DC Bylaw

Deliverable	Tentative Timeline*
Draft 2026 Area-Specific DC Bylaw and Background Study made public	Q1 2026
2026 Area-Specific DC Bylaw and Background Study to Council for consideration of approval and comes in effect (by July 30, 2026)	Q2 2026**
Prepaid DC Credit Agreement to be executed	Q2 2026**

*Dates are tentative; subject to 2026 Committee and Council schedule and number of public meetings

**Subject to Council approval and determination of in-effect date

The Nobleton Landowner Group has agreed in principle to proceed with financing the Works

The Region is advancing significant water system improvements related to existing and future performance and will address the additional water capacity needs through this upgrade program. The Region will finance and construct the water works and the Nobleton Landowner Group have agreed to provide financing for construction of the Works to facilitate the buildout of their lands. To expedite the construction process, the Nobleton Landowner Group shall provide financing to tender and award the Works as necessary. As the Works are now being advanced, the costs for the EA and design will now be eligible for DC Credit once the bylaw is updated. The parties have decided to proceed with tendering and potentially awarding construction of the Works. A subsequent report will be brought to Council with principles of an agreement that includes tendered project costs, and how any future credits will be applied, once the 2026 Nobleton Area-Specific DC Bylaw is approved.

Current cost estimates related to the works can be seen in Table 2 below.

Table 2
Preliminary Construction Cost Estimates

Infrastructure	Construction Cost Estimate Range*
Janet Avenue Sewage Pumping Station	\$23.6M to \$32.0M
Nobleton Water Resource Recovery Facility	\$43.4M to \$57.3M
Nobleton Well 6 Construction	\$2.9M (completed)
Nobleton Well 2 Facility	\$5.2M to \$6.2M
New Iron / Manganese Treatment Facility	\$24.1M to \$29.2M
Well 2 Raw Watermain	\$1.6M to \$2.6M
Total	\$100.8M to \$130.2M

*Based on 30%, 60% or 90% design stage cost estimates as of February, 2025

Regional staff and the Nobleton Landowner Group have initiated discussions on the principles for construction of the Works

Staff are engaging in discussions with the Nobleton Landowner Group to establish key principles for financing and construction of the Works. It is recommended that staff be directed by Council to negotiate the terms of a Prepaid DC Credit Agreement with the Nobleton Landowner Group and confirm the key principles in a subsequent Council report. Following Council approval, an executable version of the agreement will be made available to the Nobleton Landowner Group.

5. Financial Considerations

This report does not present current or anticipated financial changes to the Region’s budget or fiscal position. The Nobleton Developer Group has indicated their intention to finance advanced construction of the Works.

6. Local Impact

Advancement of the construction for the Works supports the servicing and build-out of the Village of Nobleton. It is the Township of King’s responsibility for allocating the capacity.

7. Conclusion

This report requests authorization to proceed with construction of the Works and to negotiate principles for a Prepaid DC Credit Agreement with the Nobleton Developer Group to advance financing.

It is expected that the Works will be included in the 2026 Nobleton Area-Specific DC Bylaw.

For more information on this report, please contact David Cohen, Director (A), Treasury Office at 1-877-464-9675 ext. 71660. Accessible formats or communication supports are available upon request.

Recommended by:



Laura Mirabella

Commissioner of Finance and Regional Treasurer



Approved for Submission:

Erin Mahoney

Chief Administrative Officer

February 18, 2025
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