

By-law Number 2026-015

of The Regional Municipality of Durham

Being a by-law to authorize the submission of an application to Ontario Infrastructure and Lands Corporation (“OILC”) for financing of certain capital work(s) of the Regional Municipality of Durham (the “Municipality”); to authorize temporary borrowing from OILC to meet expenditures in connection with such capital work(s); and to authorize long-term borrowing for such capital work(s) through the issue of debentures to OILC.

Whereas subsection 5(3) of the Municipal Act, 2001 (Ontario), as amended, (the “Act”) provides that a municipal power shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

And Whereas clause 405 (1)(a) of the Act provides, amongst other things, that a municipality may authorize temporary borrowing to meet expenditures made in connection with a work to be financed in whole or in part by the issue of debentures if, the municipality is an upper-tier municipality, a lower-tier municipality in a county or a single-tier municipality and it has approved the issue of debentures for the work;

And Whereas subsection 401 (1) of the Act provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt;

And Whereas subsection 408 (1) of the Act also provides that a municipality shall authorize long-term borrowing by the issue of debentures or through another municipality under section 403 or 404 of the Act;

And Whereas subsection 408 (3) of the Act provides that the term of a debt of a municipality or any debenture or other financial instrument for long-term borrowing issued for it shall not extend beyond the lifetime of the capital work for which the debt was incurred and shall not exceed 40 years;

And Whereas clause 408 (4)(a) of the Act provides that a debenture by-law shall provide for raising in each year as part of the general upper-tier levy the amounts of principal and interest payable in each year under the by-law to the extent that the amounts have not been provided for by other taxes or by fees or charges imposed on persons or property by a by-law of any municipality and clauses 408 (4) (b) and (c) provide that a debenture by-law shall include provisions that contemplate the payment of principal and interest in each year. Subsection 408 (5) of the Act further provides that the total amount of principal and interest that must be raised in a year under clause 408 (4)(a) of the Act does not include any outstanding amount of principal specified as payable on the maturity date of a debenture if one or more refinancing debentures are issued by the municipality on or before the maturity date in respect of the outstanding principal;

And Whereas OILC has invited Ontario municipalities wishing to obtain debt financing in order to meet capital expenditures incurred or to be incurred in connection with eligible capital works, to make an application to OILC for such financing by completing and submitting an application in the form provided by OILC (the “Application”) and by entering into a financing agreement with OILC (the “Financing Agreement”);

And Whereas the Financing Agreement will provide for: (i) the provision of temporary borrowing from OILC, pending the issue of debentures, for the capital work(s) described in column (2) of Schedule "A" attached hereto and forming part of this By-law ("Schedule "A"), hereinafter referred to as the "Capital Work(s)", in a principal amount which does not exceed the respective maximum debenture amount set out in column (4) of Schedule "A" (the "Maximum Debenture Amount"); and (ii) the provision of long-term borrowing from OILC pursuant to the issuance of debentures for the Capital Work(s) in a principal amount which does not exceed the respective Maximum Debenture Amount, subject to the terms and conditions of the Financing Agreement;

And Whereas the Council of the Municipality has passed the by-law(s) enumerated in column (1) of Schedule "A" authorizing the Capital Work(s) in the respective amount of the estimated expenditure set out in column (3) of Schedule "A" (the "Estimated Expenditure");

And Whereas before the Council of the Municipality approved the Capital Work(s) in accordance with section 4 of Ontario Regulation 403/02 (the "Regulation"), the Council of the Municipality had its Treasurer calculate an updated limit in respect of its then most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the "Updated Limit"), and the Treasurer calculated the estimated annual amount payable in respect of the Capital Work(s) based on long-term financing for such Capital Work(s) in an amount that did not exceed the respective Maximum Debenture Amount for the Capital Work(s), and determined that the estimated annual amount payable in respect of each respective Maximum Debenture Amount, did not cause the Municipality to exceed the Updated Limit, and accordingly the approval of the Ontario Land Tribunal, pursuant to the Regulation, was not required before any of such Capital Work(s) was authorized by the Council of the Municipality;

And Whereas the Municipality has completed and submitted, or is in the process of completing and submitting, the Application to request financing for the Capital Work(s) by way of long-term borrowing through the issue of debentures to OILC and, if applicable, by way of temporary borrowing from OILC pending the issue of such debentures;

And Whereas OILC has accepted and has approved, or will notify the Municipality only if it accepts and approves, the Application, as the case may be.

Now therefore, the Council of The Regional Municipality of Durham hereby enacts as follows:

1. The Council of the Municipality hereby confirms, ratifies and approves the execution by the Treasurer of the Application and the submission by such authorized official of the Application, duly executed by such authorized official, to OILC for the financing of the Capital Work(s) in an amount that does not exceed \$90,976,949.00 (the aggregate of the Maximum Debenture Amount(s) set out in column (4) of Schedule "A"), substantially in the form of Schedule "B" attached hereto and forming part of this By-law, with such changes thereon as such authorized official may hereafter approve, such execution and delivery to be conclusive evidence of such approval.
2. The Regional Chair and the Treasurer are hereby authorized to negotiate and

enter into, execute and deliver for and on behalf of the Municipality the Financing Agreement on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.

3. The Regional Chair and/or the Treasurer are hereby authorized, pending the substantial completion of the Capital Work(s), or as otherwise agreed with OILC, to temporarily borrow from OILC pursuant to section 405 of the Act in respect of the Capital Work(s), on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may approve. The Financing Agreement provides that the information contained in the Record, as defined in the Financing Agreement, in respect of such temporary borrowing shall be deemed final, conclusive and binding on the Municipality, and such provision is hereby approved. The Treasurer is authorized to sign such certifications as OILC may require in connection with such borrowing in respect of the Capital Work(s); provided that the amount of borrowing allocated to the Capital Work(s) does not exceed the respective Maximum Debenture Amount for each such Capital Work.
4. Subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OILC may otherwise require, the Regional Chair and the Treasurer are hereby authorized to long-term borrow for the Capital Work(s) and to issue debentures, including refinancing debentures, if applicable, to OILC on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may approve (the "Debentures"); provided that the principal amount of the Debentures issued in respect of the Capital Work(s) does not exceed the respective Maximum Debenture Amount for each such Capital Work.
5. In accordance with the provisions of section 25 of the Ontario Infrastructure and Lands Corporation Act, 2011, as amended from time to time hereafter, the Municipality is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding the amounts that the Municipality fails to pay to OILC on account of any unpaid indebtedness of the Municipality to OILC in respect of any outstanding temporary borrowing and/or the Debentures, as the case may be, and to pay such amounts to OILC from the Consolidated Revenue Fund.
6. The Municipality shall provide for raising in each year as part of the general upper-tier levy, the amounts of principal and interest payable in each year in respect of any outstanding temporary borrowing and/or any Debenture outstanding pursuant to the Financing Agreement, to the extent that the amounts have not been provided for by any other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality, subject to the ability of the Municipality to issue one or more refinancing debentures on or before the maturity date in respect of the outstanding principal, if applicable. As a matter of clarification, any amounts payable by the Municipality as interest in respect of temporary borrowing shall be paid out of current revenue.
7. The Regional Chair and the Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement and to issue the Debentures, one or both of

the Clerk and the Treasurer are hereby authorized to generally do all things and to execute all other documents and papers in the name of the Municipality in order to perform the obligations of the Municipality under the Financing Agreement to request and receive any temporary borrowing, pending the issue of the Debentures, if applicable, and to issue the Debentures, and the Clerk or the Treasurer is authorized to affix the Municipality's municipal seal to any such documents and papers.

8. The money realized in respect of any temporary borrowing for the Capital Work(s), if applicable, and the Debentures, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related to any such temporary borrowing, if any, and to the issue of the Debentures, if any, shall be apportioned and applied to the respective Capital Work and to no other purpose except as permitted by the Act.
9. This By-law takes effect on the day of passing.

This By-law Read and Passed on the 25th day of March, 2026.

J. Henry, Regional Chair and CEO

A. Harras, Regional Clerk

Schedule "A"

	(1)	(2)	(3)	(4)
<u>Item #</u>	<u>Authorizing By-Law Number</u>	<u>Description of Capital Work</u>	<u>Estimated Expenditure</u>	<u>Maximum Debenture Amount</u> <u>(cannot exceed the Estimated Expenditure)</u>
			\$	\$
1	074-2023	Newcastle Water Pollution Control Plant Expansion	\$13,100,000	\$10,411,618
2	074-2023	Sanitary Sewer Kingston Road from 675 meters east of Whites Road to Rougemount Precinct Sanitary Sewage Pumping Station, Pickering	\$16,200,000	\$13,494,600
3	2024-055	Whitby Water Supply Plant - Upgrades & Rehabilitation	\$32,000,000	\$18,000,000
4	2024-056	Courtice Trunk Sanitary Sewer (Phase 4) - Trulls Road from Bloor Street to future Adelaide Avenue and Adelaide Avenue from Trulls Road to Niddery Street, Clarington	\$60,500,000	\$49,070,731

Schedule "B"



Webloans Loan Application PDF

FA Number

Application for

Projects

Loan Application ID	Project Name	Construction/Purchase Start	Construction/Purchase End	Project Cost	OILC Loan Amount
1007	Whitby Water Supply Plant	04/01/2026	12/31/2028	\$32,000,000.00	18,000,000.00
1007	Courtice Trunk Sanitary Sewer Phase 4 Clarington	10/01/2025	12/31/2028	\$60,500,000.00	49,070,731.00
1007	Sanitary Sewer Kingston Road	07/01/2025	12/31/2026	\$16,200,000.00	13,494,600.00
1007	Newcastle Water Pollution Control Plant Capacity Re rating 4 MLD to 7 MLD	11/25/2024	10/01/2027	\$13,100,000.00	10,411,618.00

Details of Project Whitby Water Supply Plant Upgrades and Rehabilitation

Project Category

Project Name

Construction/Purchase Start

Construction/Purchase End

Energy Conservation

Project Address 1

Project Address 2

City / Town

Province

Postal Code

Description

Proposed works to include but is not limited to building envelope improvements, filter treatment process upgrades, rehabilitation works for electrical, mechanical and process systems.

Comments and/or Special Requests

(For HEW projects, please specify the initial fixed interest term of the debenture amortization period (e.g. the first 10/20/30 years in a 40 year amortization period)

The Location of the Housing Developments will be un-developed urban areas of Seaton, Brooklin, Columbus, North Oshawa, Kedron, and Courtice. Intensification corridors within Pickering, Ajax, Whitby, Oshawa, and Courtice. Housing Construction is currently occurring and the project will allow development to continue into the future. Important to note that this is one of the first in a series of projects required to enable the housing numbers. End of Housing Construction expected in 2034 per the schedule below.

2025 - 6,100
2026 - 6,100
2027 - 6,100

Useful Life of Asset (Years)

30

Project Financial Information

Type of Financing

Housing Enabling Water/Construction Interest Paid

Payment Frequency

Semiannually

Project Cost (A)

\$32,000,000.00

Other Project Funding / Financing (B):

Description	Timing	Amount
Water Rate Stabilization Reserve Fund	Expected	\$14,000,000.00

Other Project Funding/Financing Total (B)

\$14,000,000.0

OILC Loan Amount (A-B)

\$18,000,000.0

Only include long-term borrowing in this section

Required Date	Amount	Term	Type
06/01/2028	\$46,000,000.00	20	Amortizing
Long-term Borrowing Total	\$46,000,000.00		

Details of Enabled Housing

Estimate on number of net new housing units enabled by the project?

* 61000

Breakdown of net new housing units by housing type using CMHC categorizations

Singles

* 13800

Semis

* 2200

Row

* 21400

Apartment and Other

* 23600

Details of Project Courtice Trunk Sanitary Sewer Phase 4 Clarington

Project Category Housing Enabling Water - Waste Water

Project Name Courtice Trunk Sanitary Sewer Phase 4 Clarington

Construction/Purchase Start 10/01/2025

Construction/Purchase End 12/31/2028

Energy Conservation

Project Address 1 Trulls Road from Bloor Street to future Adelaide Avenue, and Adelaide Avenue from Trulls Road to Nid

Project Address 2

City / Town Clarington

Province ON

Postal Code

Description
Installation of approximately 3.8km of a new 1800mm sanitary trunk sewer, including local watermain, local sanitary sewer and third party utility relocations to accommodate microtunnel launch and receiving shafts.

Comments and/or Special Requests

(For HEW projects, please specify the initial fixed interest term of the debenture amortization period (e.g. the first 10/20/30 years in a 40 year amortization period)

The Location of the Housing Developments will be un-developed urban areas of Brooklin, Columbus, North Oshawa, Kedron, and Courtice. Housing Construction is currently occurring and the project will allow development to continue into the future. Important to note that this is one of the first in a series of projects required to enable the housing numbers. End of Housing Construction expected in 2034 per the schedule below.

- 2025 - 1,900
- 2026 - 1,900
- 2027 - 1,900
- 2028 - 1,900

Useful Life of Asset (Years)

80

Project Financial Information

Type of Financing

Housing Enabling Water/Construction Interest Paid

Payment Frequency

Semiannually

Project Cost (A)

\$60,500,000.00

Other Project Funding / Financing (B):

Description	Timing	Amount
Capital Project Reserves	Existing	\$5,258,269.00
User rates	Existing	\$6,171,000.00
Other Project Funding/Financing Total (B)		\$11,429,269.0
OILC Loan Amount (A-B)		\$49,070,731.0

Only include long-term borrowing in this section

Required Date	Amount	Term	Type
06/01/2028	\$49,070,731.00	20	Amortizing
Long-term Borrowing Total	\$49,070,731.00		

Details of Enabled Housing

Estimate on number of net new housing units enabled by the project?

* 19200

Breakdown of net new housing units by housing type using CMHC categorizations

Singles

* 7400

Semis

* 600

Row

* 7800

Apartment and Other

* 3400

Details of Project Sanitary Sewer Kingston Road

Project Category

Housing Enabling Water - Waste Water

Project Name

Sanitary Sewer Kingston Road

Construction/Purchase Start

07/01/2025

Construction/Purchase End

12/31/2026

Energy Conservation

Project Address 1 Kingston Road from 675 meters east of Whites Road to Rougemount Precinct Sanitary Sewage Pumpi

Project Address 2

City / Town Pickering

Province ON

Postal Code

Description
Installation of a new 900mm and a new 525mm sanitary trunk sewer from 675 meters east of Whites Road to Rougemount Precinct Sanitary Sewage Pumping Station in Pickering.

Comments and/or Special Requests

(For HEW projects, please specify the initial fixed interest term of the debenture amortization period (e.g. the first 10/20/30 years in a 40 year amortization period)

The Location of the Housing Developments will be properties fronting on the new trunk sewer on Kingston Rd from 675 m east of Whites Rd to the intersection of Kingston Rd & Rosebank Rd. Housing Construction will potentially begin in 2025 and the end of Housing Construction is expected in 2034 per the schedule below.

- 2025 - 440
- 2026 - 440
- 2027 - 440
- 2028 - 440
- 2029 - 440

Useful Life of Asset (Years) 80

Project Financial Information

Type of Financing Housing Enabling Water/Construction Interest Paid

Payment Frequency Semiannually

Project Cost (A) \$16,200,000.00

Other Project Funding / Financing (B):

Description	Timing	Amount
User rates	Existing	\$1,652,400.00
Commercial Development Charges	Existing	\$1,053,000.00

Other Project Funding/Financing Total (B) \$2,705,400.00

OILC Loan Amount (A-B) \$13,494,600.0

Only include long-term borrowing in this section

Required Date	Amount	Term	Type
06/01/2026	\$13,494,600.00	15	Amortizing
Long-term Borrowing Total	\$13,494,600.00		

Details of Enabled Housing

Estimate on number of net new housing units enabled by the project? * 4400

Breakdown of net new housing units by housing type using CMHC categorizations

- Singles * 0
- Semis * 0
- Row * 800
- Apartment and Other * 3600

Details of Project Newcastle Water Pollution Control Plant Capacity Re rating 4 MLD to 7 MLD

Project Category Housing Enabling Water - Waste Water

Project Name Newcastle Water Pollution Control Plant Capacity Re rating 4 MLD to 7 MLD

Construction/Purchase Start 11/25/2024

Construction/Purchase End 10/01/2027

Energy Conservation

Project Address 1 1000 Toronto St, Newcastle, ON L1B 0A6

Project Address 2

City / Town Clarington

Province ON

Postal Code

Description New raw sewage pumps, new headworks equipment, new odor control, new blowers, new chemical phosphorous removal (alum) system, replacing the existing chlorination disinfection system with an ultraviolet (UV) disinfection system and outfall modifications.

Comments and/or Special Requests

(For HEW projects, please specify the initial fixed interest term of the debenture amortization period (e.g. the first 10/20/30 years in a 40 year amortization period)

The Location of the Housing Developments will be un-developed urban areas of Newcastle. Housing Construction is currently occurring and the project will allow development to continue into the future. Important to note that this is one of the first in a series of projects required to enable the housing numbers. End of Housing Construction expected in 2034 per the schedule below.

2025 - 110
 2026 - 110
 2027 - 110
 2028 - 110
 2029 - 110

Useful Life of Asset (Years)

20

Project Financial Information

Type of Financing

Housing Enabling Water/Construction Interest Paid

Payment Frequency

Semiannually

Project Cost (A)

\$13,100,000.00

Other Project Funding / Financing (B):

Description	Timing	Amount
User rates	Existing	\$2,688,382.00
Other Project Funding/Financing Total (B)		\$2,688,382.00
OILC Loan Amount (A-B)		\$10,411,618.0

Only include long-term borrowing in this section

Required Date	Amount	Term	Type
06/01/2027	\$15,788,382.00	15	Amortizing
Long-term Borrowing Total		\$15,788,382.00	

Details of Enabled Housing

Estimate on number of net new housing units enabled by the project?

* 1110

Breakdown of net new housing units by housing type using CMHC categorizations

Singles

* 900

Semis

* 10

Row

* 100

Apartment and Other

* 100

Debt and Re-payments Summary

Has there been any new/undisclosed debt acquired since last FIR was submitted?

Yes No

Please describe any re-financing plans for any existing "interest only" debt, if applicable.

Non Re-payments of Loans or Debenture

In the last 10 years, has the borrower ever failed to make a loan payment or debenture repayment on time to any lender, including the Provincial Government?

If yes, please provide details.

No

OILC Loan Repayment Information

Please indicate the source(s) of revenue you plan to use to repay the OILC Loan

Taxation	0.00
User Fees	26.27
Service Charges	0.00
Development Charges	73.73
Connection Fees	0.00
Repayment Subsidies	0.00
Other	
Total	100.00%

Documentation and Acknowledgements

Please ensure all required documents are submitted with the signed application. OILC requires originals as noted below to be mailed or couriered. Also, please retain a copy of all documents submitted to OILC for your records.

To obtain templates for documents see listed below.

- Loan Application Signature Page signed and dated by the appropriate individual (original to be submitted)
- Certificate and sealed copy of OILC template By-law authorizing project borrowing and applying for a loan (original with seal)
- Certificate of Treasurer Regarding Litigation using the OILC template (original, signed & sealed)
- Updated Certified Annual Repayment Limit Calculation (original)

I acknowledge and agree that all of the above referenced documents must be submitted in the form required by OILC and understand that the application will not be processed until such documents have been fully completed and received by Infrastructure Ontario.

Please note: OILC retains the right to request and review any additional information or documents at its discretion.

Confidential Information

OILC is an institution to which the Freedom of Information and Protection of Privacy Act (Ontario) applies. Information and supporting documents submitted by the Borrower to process the loan application will be kept secure and confidential, subject to any applicable laws or rules of a court or tribunal having jurisdiction.