

## THE REGIONAL MUNICIPALITY OF NIAGARA

## BY-LAW NO. &lt; &gt;

A BY-LAW TO APPROVE THE SUBMISSION OF AN APPLICATION TO ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (“OILC”) FOR THE LONG-TERM FINANCING OF CERTAIN CAPITAL WORK(S) OF THE REGIONAL MUNICIPALITY OF NIAGARA (THE “MUNICIPALITY”); AND TO AUTHORIZE THE ENTERING INTO OF A RATE OFFER LETTER AGREEMENT PURSUANT TO WHICH THE MUNICIPALITY WILL ISSUE DEBENTURES TO OILC

WHEREAS 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 the Council of the Municipality has passed the by-law(s) enumerated in column (1) of Schedule “A” attached hereto and forming part of this By-law (“**Schedule “A”**”) authorizing the capital work(s) described in column (2) of Schedule “A” (“**Capital Work(s)**”) in the amount of the respective estimated expenditure set out in column (3) of Schedule “A” , subject in each case to approval by OILC of the long-term financing for such Capital Work(s) requested by the Municipality in the Application as hereinafter defined;

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, on the basis of the authorized estimated expenditure for the Capital Work or each Capital Work, as the case may be, as set out in column (3) of Schedule “A” (the “**Authorized Expenditure**” for any such Capital Work), the Treasurer calculated the estimated annual amount payable in respect of the Capital Work or each Capital Work, as the case may be, and determined that the estimated annual amount payable in respect of the Capital Work or each Capital Work, as the case may be, did not cause the Municipality to exceed the Updated Limit, and accordingly the approval of the Local Planning Appeal Tribunal pursuant to the Regulation, was not required before any such Capital Work was authorized by the Council of the Municipality;

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 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 OILC has invited Ontario municipalities desirous of obtaining long-term debt financing in order to meet capital expenditures incurred on or after the year that is five years prior to the year of an application in connection with eligible capital works to make application to OILC for such financing by completing and submitting an application in the form provided by OILC;

AND WHEREAS the Municipality has completed and submitted or is in the process of submitting an application to OILC, as the case may be to request financing for the Capital Work(s) by way of long-term borrowing through the issue of debentures to OILC, substantially in the form of Schedule "B" hereto and forming part of this By-law (the "**Application**");

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;

AND WHEREAS at least five (5) business days prior to the passing of the debenture by-law in connection with the issue of Debentures as defined below, OILC will provide the Municipality with a rate offer letter agreement substantially in the form as provided to the Municipality on or prior to the date of this By-law (the "**Rate Offer Letter Agreement**");

NOW THEREFORE THE COUNCIL OF THE REGIONAL MUNICIPALITY OF NIAGARA ENACTS AS FOLLOWS:

1. The Council of the Municipality hereby confirms, ratifies and approves the execution by the Regional Treasurer of the Application and the submission by such authorized official of the Application, duly executed by such authorized official, to OILC for the long-term financing of the Capital Work(s) in the maximum principal amount of \$15,000,000, 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 Regional Treasurer are hereby authorized to execute and deliver for and on behalf of the Municipality the Rate Offer Letter Agreement under the authority of this By-law in respect of the Capital Work(s) on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.
3. Subject to the terms and conditions of the Rate Offer Letter Agreement, the Regional Chair and the Regional Treasurer are hereby authorized to long-term borrow for the Capital Work(s) and to issue debentures to OILC on the terms and conditions provided in the Rate Offer Letter Agreement (the “**Debentures**”); provided that the principal amount of the Debentures issued in respect of the Capital Work or of each Capital Work, as the case may be, does not exceed the Authorized Expenditure for such Capital Work and does not exceed the related loan amount set out in column (4) of Schedule “A” in respect of such Capital Work.
4. 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 under the Debentures (the “**Obligations**”) and to pay such amounts to OILC from the Consolidated Revenue Fund.
5. For the purposes of meeting the Obligations, the Municipality shall provide for raising in each year as part of the general levy, the amounts of principal and interest payable in each year under the Debentures issued pursuant to the Rate Offer Letter 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.
6. (a) The Regional Chair and the Regional Treasurer are hereby authorized to execute and deliver the Rate Offer Letter Agreement, and to issue the Debentures, one or more of the Regional Clerk and the Regional 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 terms and conditions that apply to the Municipality as set out in the Rate Offer Letter Agreement and to perform the Obligations of the Municipality under the Debentures, and the Regional Treasurer is

authorized to affix the Municipality's municipal seal to any such documents and papers.

- (b) The money realized in respect of the Debentures, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related 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.

7. This By-law takes effect on the day of passing.

THE REGIONAL MUNICIPALITY OF NIAGARA

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James Bradley, Regional Chair

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Ann-Marie Norio, Regional Clerk

Passed: < >

Schedule "A"

**(Capital Work(s))**

(1)	(2)	(3)	(4)
<b><u>By-Law Number</u></b>	<b><u>Description of Capital Work</u></b>	<b><u>Estimated Expenditure</u></b>	<b><u>Loan Amount</u></b>
2017-105	Port Dalhousie Wastewater Treatment Plant Upgrade	\$39,500,000	\$15,000,000

Schedule “B”

Please insert the OILC Application into Schedule “B”.



**Webloans Loan Application PDF**

FA Number 1645

Application for Niagara, The Regional Municipality of

**Projects**

SIT Project ID	Project ID	Project Name	Construction/Purchase Start	Construction/Purchase End	Project Cost	OILC Loan Amount
1640	1	Port Dalhousie Wastewater Treatment Plant Upgrade	01/01/2016	12/31/2023	\$39,500,000.00	15,000,000.00

**Details of Project Port Dalhousie Wastewater Treatment Plant Upgrade**

Project Category Sewage Treatment Infrastructure

Project Name Port Dalhousie Wastewater Treatment Plant Upgrade

Construction/Purchase Start 01/01/2016

Construction/Purchase End 12/31/2023

Energy Conservation

Project Address 1 40 Lighthouse Road

Project Address 2

City / Town St. Catharines

Province ON

Postal Code L2N 7P5

Description Construction – Various upgrades to the Port Dalhousie Wastewater Treatment Plant.

Comments and/or Special Requests Direct to debenture. No construction financing. Debenture will be issued to cover off \$5,517,000 in costs incurred to date, plus additional \$15,317,000 forecasted to be incurred to the end of 2021.

Project Life Span (Years) 30

**Project Financial Information**

Project Cost (A)

339,500,000.00

Schedule "B"

<b>Other Project Funding / Financing (B):</b>			
Description	Timing	Amount	
Federal Gas Tax Funding	Existing	\$4,000,000.00	
Rate Reserves	Existing	\$20,500,000.00	
<b>Other Project Funding/Financing Total (B)</b>		<b>\$24,500,000.00</b>	
<b>OILC Loan Amount (A-B)</b>		<b>\$15,000,000.00</b>	

Only include long-term borrowing in this section. If you anticipate that you will require short-term financing during the construction phase of the project, the information will be gathered as part of the Financing Agreement.

Required Date	Amount	Term	Type
12/31/2021	\$15,000,000.00	30	- Serial -
<b>Long-term Borrowing Total</b>		<b>\$15,000,000.00</b>	

  

**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.

  

**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	100.00
Service Charges	0.00
Development Charges	0.00
Connection Fees	0.00
Repayment Subsidies	0.00
Other	
<b>Total</b>	<b>100.00%</b>

## Schedule "B"

**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.

**Infrastructure Ontario**

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