

Clause 13 in Report No. 7 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on April 19, 2018.

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Ontario Infrastructure and Lands Corporation Loan for the  
Town of Whitchurch-Stouffville

Committee of the Whole recommends adoption of the following recommendations contained in the report dated March 19, 2018 from the Commissioner of Finance:

1. Council approve a request by the Town of Whitchurch-Stouffville for long-term financing in an amount not to exceed \$2,820,000 to fund a bridge for a term not to exceed 20 years.
2. Council approve the submission of an application to Ontario Infrastructure and Lands Corporation for all or part of the above financing, on behalf of the Town of Whitchurch-Stouffville.
3. The Regional Chair and Regional Treasurer be authorized to execute the necessary documents, subject to review by Legal Services.

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Report dated March 19, 2018 from the Commissioner of Finance now follows:

1. Recommendations

It is recommended that subject to the receipt of the necessary supporting documents from the Town of Whitchurch-Stouffville:

1. Council approve a request by the Town of Whitchurch-Stouffville for long-term financing in an amount not to exceed \$2,820,000 to fund a bridge for a term not to exceed 20 years.
2. Council approve the submission of an application to Ontario Infrastructure and Lands Corporation for all or part of the above financing, on behalf of the Town of Whitchurch-Stouffville.
3. The Regional Chair and Regional Treasurer be authorized to execute the necessary documents, subject to review by Legal Services.

2. Purpose

This report seeks approval of long-term financing from the Ontario Infrastructure and Lands Corporation to finance a bridge in the Town of Whitchurch-Stouffville.

3. Background

Regional Council authority is required to issue long-term debt for local municipalities

On April 3, 2018, Council for the Town of Whitchurch-Stouffville authorized debt financing for an amount up to \$2,820,000 and a term not to exceed 20 years.

The Town has now requested that the Region approve a long-term loan from the Ontario Infrastructure and Lands Corporation for this amount to finance the bridge listed in Table 1.

**Table 1**  
**Town of Whitchurch-Stouffville Capital Project Requiring**  
**Long-Term Financing**

<b>Project Name</b>	<b>Financing Amount Requested</b>	<b>Financing Term (years)</b>
Baker Hill Bridge (310-16-00032)	\$2,820,000	20

Under section 401 of the Municipal Act, 2001, Regional Council approval is required for all long-term financing required by local municipalities, including applications to Ontario Infrastructure and Lands Corporation for financing. Additionally, the Municipal Act, 2001, states that all debentures issued by the Region for either its own purposes or the purposes of its lower-tier municipalities will be direct, joint and several obligations of the Region and its lower-tier municipalities. The Region's role for the duration of the loan will be to guarantee the repayment of debt and ensure that payments are received by Ontario Infrastructure and Lands Corporation on a timely basis from the local municipality

#### 4. Analysis and Implications

The requested loan of \$2,820,000 is within the Annual Repayment Limit for the Town of Whitchurch-Stouffville

The Town Treasurer has indicated that Whitchurch-Stouffville's most recent annual debt and financial obligation limit from the Ministry of Municipal Affairs has been updated to incorporate the additional financing costs associated with the requested loan and that the town's borrowing remains within the limit set by the Ministry.

The Town of Whitchurch-Stouffville's borrowing will not affect the Region's Annual Repayment Limit

The Municipal Act excludes the Region's repayment of the long-term debt borrowed for its local municipalities from the Region's own annual repayment limit calculation. Therefore, the Town of Whitchurch-Stouffville's borrowing will not affect the Region's annual repayment limit.

[Link to key Council-approved plans](#)

The Region supports its local municipalities by assisting them in acquiring long term financing for their capital projects. These projects align with the Town of Whitchurch-Stouffville's priorities.

#### 5. Financial Considerations

There is no financial impact to the Region, as it only acts as an intermediary in the Ontario Infrastructure and Lands Corporation loan process. The Corporation's borrowing rates are available to municipalities.

#### 6. Local Municipal Impact

A twenty-year amortizing loan for \$2,820,000 at a borrowing rate of 3.26% will cost the Town of Whitchurch-Stouffville \$193,033 per year

Based upon Ontario Infrastructure and Lands Corporation's currently posted borrowing rate of 3.26% for a 20-year term amortizing loan (as at March 16, 2018), the Town would incur costs of \$193,033 per year for 20 years to service an \$2,820,000 loan.

## 7. Conclusion

The Town of Whitchurch-Stouffville has requested up to \$2,820,000 long-term financing from Ontario Infrastructure and Lands Corporation. The financing is for a bridge and is consistent with the Town's priorities.

The Region's role is to act as an intermediary in the Ontario Infrastructure and Lands Corporation's loan process.

For more information on this report, please contact Edward Hankins, Director, Treasury Office, at 1-877-464-9675 ext. 71644.

The Senior Management Group has reviewed this report.

March 19, 2018

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Accessible formats or communication supports are available upon request.