The Corporation of the City of Peterborough

By-Law Number 14-073

Being a by-law to authorize certain capital works of the Corporation of the City of Peterborough (the “Municipality”); to authorize the submission of an application to the Ontario Infrastructure and Lands Corporation (“OILC”) for financing such works and certain other ongoing works; to authorize temporary borrowing from OILC to meet expenditures made in connection with such works; and to authorize long term borrowing for such works through the issue of 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-laws enumerated in column (1) of Schedule “A” attached hereto and forming part of this By-law authorizing the ongoing capital works described in column (2) of Schedule “A” (individually, an “Ongoing Project”, collectively, the “Ongoing Projects”) in the amount of the respective estimated expenditure set out in column (3) of Schedule “A”;

And Whereas it is now deemed to be expedient to authorize for the (1) purposes of the Municipality the new capital works described in column (2) of Schedule “B” (individually, a “New Project”, collectively, the “New Projects”, and, together with the Ongoing Projects, the “Projects”) attached hereto and forming part of this By-law (“Schedule “B”) in the amount of the estimated expenditure set out in column (3) of Schedule “B”;

And Whereas before the Council of the Municipality approved each Ongoing Project, in accordance with Section 4 of Ontario Regulation 403/02 of the Act, the Council of the Municipality had its Treasurer update its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the “Prior Updated Limit”), and, on the basis of the authorized expenditure for each Ongoing Project as set out in column (3) of Schedule “A” (referred to hereinafter as the “Authorized Expenditure” for each such Ongoing Project), the Treasurer calculated the estimated annual amount payable in respect of each Ongoing Project and determined that the estimated annual amount payable in respect of each Ongoing Project would not exceed the Prior Updated Limit, and accordingly the approval of the Ontario Municipal Board under the Ontario Municipal Board Act (Ontario), as amended, was not required before any such Project was authorized by Council;

And Whereas in accordance with Section 4 of Ontario Regulation 403/02, the Council of the Municipality has had its Treasurer update its 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 expenditure for each New Project as set out in column (3) of Schedule “B” (referred to hereinafter as the “Authorized Expenditure” for such New Project), the Treasurer has calculated the estimated annual amount payable in respect of each New Project (collectively the “New Project Limits”) and has determined that the aggregate of the New Project Limits does not exceed the Updated Limit, and accordingly the approval of the Ontario Municipal Board under the Ontario Municipal Board Act (Ontario), as amended, is not required before any such New Project is authorized by Council;

And Whereas subsection 405(1) of the Act provides 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,
(a) 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;

(b) the municipality is a lower-tier municipality in a regional municipality and it has approved the work and the upper-tier municipality has approved the issue of debentures for the work; or

(c) the municipality has approved the issue of debentures for another municipality or a school board under Section 404;

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 temporary and long term debt financing to meet capital expenditures incurred after December 31, 2003 in connection with eligible capital projects to make application to OILC for such financing by completing and submitting an application on the form provided by OILC (the “Application”);

And Whereas the Municipality has submitted an Application to OILC to request financing in order to meet capital expenditures incurred after December 31, 2003 in connection with the Ongoing Projects (the “Ongoing Project Expenditures”) and capital expenditures to be incurred hereafter in connection with the New Projects (the “New Project Expenditures”) by way of long term borrowing through the issue of debentures to OILC and by way of temporary borrowing from OILC pending the issue of such debentures;

And Whereas OILC has accepted and has approved the Municipality’s Application;

Now Therefore, The Corporation of the City of Peterborough by the Council thereof hereby enacts as follows:

1. The Council of the Municipality hereby confirms, ratifies and approves the completion 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 Ongoing Project Expenditures and New Project Expenditures in the maximum aggregate principal amount of $10,440,400 substantially in the form of Schedule “C” hereto and forming part of this By-law, with such changes thereon as such authorized official approved.

2. (a) Work in respect of each New Project in the amount of the respective estimated Authorized Expenditure set out in column (3) of Schedule “B” is hereby approved and authorized;

(b) the Mayor and the Treasurer are hereby authorized to conclude contracts on behalf of the Municipality for work in respect of the New Projects in accordance with the Municipality’s usual protocol;

(c) where applicable, the Engineer of the Municipality will forthwith make such plans, profiles and specifications and furnish such information as in the opinion of the Engineer is necessary for work in respect of the New Projects; and

(d) where applicable, work in respect of the New Projects shall be carried on and executed under the superintendence and according to the direction and orders of such Engineer.
3. The Mayor and the Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Municipality a financing agreement (a “Financing Agreement”) with OILC that provides for temporary and long term borrowing from OILC in respect of the Ongoing Project Expenditures and the New Project Expenditures on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.

4. The Mayor and/or the Treasurer are hereby authorized, pending the substantial completion of a Project or as otherwise agreed with OILC, to make temporary borrowings pursuant to Section 405 of the Act, in order to meet Ongoing Project Expenditures or New Project Expenditures, as the case may be, on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree, and to sign such evidence of indebtedness as OILC may require (a “Note”); and the Treasurer is authorized to sign such certifications as OILC may require in connection with such borrowings in respect of each Project; provided that the amount of borrowings allocated to any Project does not exceed the Authorized Expenditure for such Project and does not exceed the loan amount set out in column (4) of Schedule “A” or Schedule “B” in respect of such Project as appropriate.

5. Subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OILC may otherwise require, the Mayor and the Treasurer are hereby authorized to enter into long term borrowing in respect of the Projects and to issue debentures to OILC on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree (“Debentures”); provided that the principal amount of such Debentures issued in respect of any Project does not exceed the Authorized Expenditure for such Project and does not exceed the loan amount set out in column (4) of Schedule “A” or Schedule “B” in respect of such Project as appropriate.

6. In accordance with the provisions of Section 25 of the Ontario Infrastructure and Lands Corporation Act, 2011, as amended from time to time hereafter, as security for the payment by the Municipality of the indebtedness of the Municipality to OILC under the Debentures (the “Obligations”), 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 OILC on account of the Obligations and to pay such amounts to OILC from the Consolidated Revenue Fund.

7. For the purposes of meeting the obligations of the Municipality in respect of the Note and any Debentures to the extent that such amounts relate to Ongoing Project Expenditures, 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 Note and any outstanding Debenture, to the extent that such amounts have not been provided for by any other available source including other taxes or fees or charges imposed by persons or property by a by-law of any municipality.

8. For the purposes of meeting the obligations of the Municipality in respect of the Note and any Debentures to the extent that such amounts relate to New Project Expenditures, 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 Note and any outstanding Debenture, to the extent that such 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.
9. (a) The Mayor and/or the Treasurer are hereby authorized to execute the Note, the Mayor and the Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement and to cause Debentures to be issued, the Clerk and Treasurer are severally hereby authorized to generally do all things and to execute all other documents and papers in the name of the Municipality in order to carry out the issuance of the Note and Debentures and the Treasurer is authorized to affix the Municipality’s municipal seal to any such documents and papers.

(b) The proceeds realized in respect of the Note and Debentures, after providing for the expenses related to their issue, if any, shall be apportioned and applied for the respective Projects and for no other purpose except as permitted by the Act.

By-law read a first, second and third time this 9th day of June, 2014.

(Sgd.) Daryl Bennett, Mayor

(Sgd.) John Kennedy, City Clerk
### Schedule A – Ongoing Projects

<table>
<thead>
<tr>
<th>Ref</th>
<th>By-Law (1)</th>
<th>Description of Capital Work (2)</th>
<th>Authorized Expenditure $ (3)</th>
<th>Loan Amount $ (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2013-047</td>
<td>Ashburnham - Lansdowne to Maria Street</td>
<td>500,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2</td>
<td>2013-051</td>
<td>Various Road Resurfacing</td>
<td>1,300,000</td>
<td>300,000</td>
</tr>
<tr>
<td>3</td>
<td>2013-057</td>
<td>Sidewalk Reconstruction</td>
<td>1,000,000</td>
<td>1,000,000</td>
</tr>
<tr>
<td>4</td>
<td>2013-041</td>
<td>Museum Storage Facility</td>
<td>2,035,200</td>
<td>2,035,200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Airport Projects:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>2012-159 &amp;</td>
<td>Airport - Seneca College - Airside Development</td>
<td>10,226,200</td>
<td>3,056,200</td>
</tr>
<tr>
<td>6</td>
<td>2013-066</td>
<td>Airport - Crosswind Taxiway</td>
<td>1,029,000</td>
<td>1,029,000</td>
</tr>
<tr>
<td>7</td>
<td>2013-087</td>
<td>Airport - Taxiway Bravo</td>
<td>2,395,000</td>
<td>2,395,000</td>
</tr>
</tbody>
</table>

**Total - All Projects**

<table>
<thead>
<tr>
<th>Authorized Expenditure $</th>
<th>Loan Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>16,485,400</td>
<td>10,056,400</td>
</tr>
</tbody>
</table>
### Schedule B – New Projects

<table>
<thead>
<tr>
<th>Ref</th>
<th>Project # (1)</th>
<th>Description of Capital Work (2)</th>
<th>Authorized Expenditure $ (3)</th>
<th>Loan Amount $ (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>07-478</td>
<td>Municipal Operations Centre</td>
<td>2,450,000</td>
<td>375,000</td>
</tr>
</tbody>
</table>

**Total - All Projects**

<table>
<thead>
<tr>
<th></th>
<th>2,450,000</th>
<th>375,000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ref</strong></td>
<td><strong>Total</strong></td>
<td><strong>Loan</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
A. GENERAL INFORMATION - Borrowing Municipality

Name: The City of Peterborough
Address: 500 George Street North
ID: 15014
City: Peterborough, ON
Postal Code: K9H 3R9
Name of Treasurer(or equivalent): Sandra Clancy
Title: Director Corporate Services
Telephone Number: 705-742-7777 x1863
Fax No.: 705-748-8839
Email: sclancy@peterborough.ca

B. CONTACT INFORMATION

Questions regarding the information contained in the application form should be addressed to:

Name: Erica Arkell
Title: Financial Analyst, Special Projects
Telephone: 705-742-7777 x1628
Fax No.: 705-748-8839
Email: earkell@peterborough.ca

C. PROJECT SUMMARY INFORMATION

<table>
<thead>
<tr>
<th>No.</th>
<th>Project Name</th>
<th>Category</th>
<th>Type</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2014 Debenture Issue</td>
<td>Municipal Roads</td>
<td>Infrastructure</td>
<td>$10,440,400.00</td>
</tr>
</tbody>
</table>

Total Loan Amount $10,440,400.00
ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION

Project Details - Municipal Roads Infrastructure

Project Name: 2014 Debenture Issue
Category: Municipal Roads Infrastructure
Construction Start Date: Jan-02-2013
Construction End Date: Jan-02-2014

Please indicate below if any aspect of the project pertains to:

Energy Conservation:  
- [ ] Yes  
- [X] No

The Municipal Eco Challenge Fund (MECF) is a three year, $20 million grant and $200 million loan initiative to help municipalities reduce Green House Gas (GHG) emissions from their infrastructure.

Please indicate whether the loan is for a project that will reduce energy consumption or GHG emissions from a municipally-owned facility (building, arena, etc.).

- [ ] Yes  
- [X] No

Is this project also being considered for an MECF grant?

- [ ] Yes  
- [X] No

Please provide:

An estimate of the reduction in energy consumption or GHG emissions as a result of the project.

[ ]

or

A short description of the energy conservation benefits.

[ ]

Address of the project: Locations throughout the City

Type of work (e.g. new construction, renovation of existing facilities, redevelopment, deferred maintenance, etc.): redevelopment

Description of the project:

2014 Debenture Issue for the following projects with total debenture required:

- Municipal Operations Centre - $375,000
- Ashburnham - Lansdowne to Maria Street - $250,000
<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various Road Resurfacing</td>
<td>$300,000</td>
</tr>
<tr>
<td>Sidewalk Reconstruction</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Museum Storage Facility</td>
<td>$2,035,200</td>
</tr>
</tbody>
</table>

Airport Projects:
- Airport - Seneca College - Airside Development - $3,056,200
- Airport - Crosswind Taxiway - $1,029,000
- Airport - Taxiway Bravo - $2,395,000

**TOTAL DEBENTURE AMOUNT:** $10,440,400

**Additional comments:**

List of all projects with more detail regarding total project costs will be supplied separately.

**What is the life span of the project in years?** (i.e. the physical asset) **30**

**Please identify your Ministry contact (If applicable):**

- **Ministry:**
- **Contact Name:**
- **Contact Phone:**
### Project Information

**Project Name**: 2014 Debenture Issue  
**Category**: Municipal Roads Infrastructure

**Project Cost (A)** $30,790,032.00

### Project Funding/Financing

List existing and expected Funding/Financing sources for the project (eg. Reserves, other cash on hand, approved grants, etc.).

<table>
<thead>
<tr>
<th>Source/Description</th>
<th>Timing</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves</td>
<td>Existing</td>
<td>$20,349,632.00</td>
</tr>
</tbody>
</table>

**Total Amount (B)** $20,349,632.00

**OILC Loan Amount (A-B)** $10,440,400.00

Please enter your long-term borrowing requirements including the estimated date the funds are required. 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.

<table>
<thead>
<tr>
<th>Estimated Date Required</th>
<th>Amount</th>
<th>Term (in years)</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul-02-2014</td>
<td>$10,440,400.00</td>
<td>10</td>
<td>Serial</td>
</tr>
</tbody>
</table>

**Total Long-Term Financing** $10,440,400.00
D. DEBT AND REPAYMENT SUMMARY

Financial Information Returns (FIR)

Please be aware that OILC will be unable to complete the processing of your application until you have filed your most current FIR with the Ministry of Municipal Affairs and Housing. If you have not filed your FIR, you should submit your application to OILC and send your FIR to MMAH as soon as possible.

ARL

Please provide a copy of the Borrower’s most recent ARL issued by MMAH.

Existing Borrowing:

Please provide the following details on the existing debt, including capital leases and unsecured debt.

<table>
<thead>
<tr>
<th>Loan #</th>
<th>Loan Purpose</th>
<th>Initial Amount Borrowed</th>
<th>Amount Outstanding as per Most Recent Audited Financials</th>
<th>Annual Interest Rate (%)</th>
<th>Date Borrowed (mm/dd/yyyy)</th>
<th>Maturity Year</th>
<th>Summary of Existing Pledges, Conditions, Covenants</th>
<th>Payment Type</th>
<th>Periodic Amount Payable</th>
<th>Payment Frequency</th>
</tr>
</thead>
</table>

Please elaborate on re-financing plans and options for any existing "interest only" debt, if applicable

Please see existing FIR for details of all debt.

Existing Encumbrances:

Does the Borrower have any existing liens, pledges and any other encumbrances on existing assets?

☐ Yes  ☑ No

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.

**Contribution to OILC Loan Payments (%)**

<table>
<thead>
<tr>
<th>Source</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxation</td>
<td>100.00</td>
</tr>
<tr>
<td>User Fees</td>
<td></td>
</tr>
<tr>
<td>Service Charges</td>
<td></td>
</tr>
<tr>
<td>Development Charges</td>
<td></td>
</tr>
<tr>
<td>Connection Fees</td>
<td></td>
</tr>
<tr>
<td>Subsidies</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>Description of Other Source</td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
</tr>
</tbody>
</table>

**Audited Financial Statements**

A copy of the most recent audited financial statements must be attached with this loan application.
E. LITIGATION

Is there any litigation threatened or existing which would affect any projects or substantially impair the Borrower’s ability to pay debt service costs on its general obligation indebtedness? Please indicate Yes or No.

☐ Yes ☑ No

Please complete the Certificate of Litigation template found under the Forms menu.

F. NON-REPAYMENT OF LOANS OR DEBENTURES

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

☐ Yes ☑ No

If yes, please provide details. If necessary, attach details.

G. PROVINCIAL GRANTS AS SECURITY

Pursuant to OILC’s enabling legislation, the Minister of Finance may deduct funds from provincial grants to the Borrower appropriated by the Legislative Assembly of Ontario for payment to OILC to satisfy any outstanding unpaid amounts owed by the Borrower to OILC.

H. ATTACHMENTS

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.

- Loan Application Signature Page signed and dated by the appropriate individual (original to be submitted)
- Certified 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)
- OMB approval if exceeding debt repayment limit, if applicable
- Capital Plan if applicable
- Project management letter
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.

☑️ I acknowledge that I have read and understood the Project Management and Best Practices Reporting Requirements

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.