



GRAND VALLEY

STAFF REPORT

To: Mayor Soloman and Members of Council

From: Steven Freitas, Director of Finance/Treasurer

Meeting Date: December 10, 2024

Report Number: **2024-126**

Subject: Application for Long-Term Financing Bridge 10

Recommendation

THAT Council receive report Application for Long-Term Financing Bridge 10 and further that Council authorizes the application to Ontario Infrastructure and Lands Corporation (“OILC”) and directs staff to prepare and present the necessary By-law for passing.

Executive Summary

Purpose

In order to submit a loan application for long-term financing of Bridge 10 capital works, a By-law is required to be passed to approve the submission of the application to Ontario Infrastructure and Lands Corporation (“OILC”); and to authorize the entering into of a rate offer letter agreement pursuant to which the municipality will issue debentures to OILC.

Key Findings

Financial Implications

Long-term financing of Bridge 10 capital works in the maximum principal amount of \$1,150,000 plus an estimated 3.49% interest rate (IO indicative lending rates – rates are not final) on a 5-year amortizing debenture.

At least five (5) business days prior to the passing of the debenture by-law in connection with the issue of the debentures in respect of the Bridge 10 capital works, OILC will provide the Town with a rate offer letter agreement (the “Rate Offer Letter Agreement”).

For the purposes of meeting the Obligations, the Town 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.

Report

Background

At the December 12, 2023, Special Council Meeting, Council passed Resolution 2023-12-19 approving the 2024 Capital Budget which included a budget of \$1,400,000 for Bridge 10 replacement, to be financed.

Discussion

Enclosed with this report is the By-law required to approve the submission of the loan application.

Financial Impact

Long-term financing of Bridge 10 capital works in the maximum principal amount of \$1,150,000 plus an estimated 3.49% interest rate (IO indicative lending rates – rates are not final) on a 5-year amortizing debenture.

Consultations

Meghan Townsend, CAO/Clerk/Deputy Treasurer

Attachments

Attachment 1 – Borrowing By-Law

Attachment 2 – Schedule “B” OILC Application

Attachment 3 – Certificate of Treasurer Regarding Litigation

Attachment 4 – OILC Indicative Standard Rates

This report was submitted by

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This report was approved by

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