

THE CORPORATION OF THE COUNTY OF MIDDLESEX

BY-LAW #7265

A BY-LAW to adopt a Middlesex County Loan Program.

WHEREAS:

- A. Section 5(3) of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended (the "Act"), provides that a municipal power shall be exercised by by-law;
- A. Section 9 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;
- B. Section 10 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, provides that a municipality may pass by-laws respecting any service or thing that the municipality considers necessary or desirable for the public;

NOW THEREFORE the Council of The Corporation of the County of Middlesex enacts as follows:

- 1. THAT the Middlesex County Loan Program, attached hereto as *Schedule "A"*, be approved.
- 2. AND THAT this By-Law will come into force and take effect on March 12, 2024.

PASSED IN COUNCIL this 12th day of March, 2024.

Aina DeViet, Warden

Paul Shipway, County Clerk



Middlesex County Loan Program

Subject: Middlesex County Loan Program

Issued: April 13, 1999

Revised: February 13, 2024

Reviewed:

SECTION 1 - SEWER & WATER INFRASTRUCTURE FUND GUIDING PRINCIPLES

- 1.1 Sewer and Water Infrastructure Funds may be made available to Middlesex County lower-tier water and sewer projects that will benefit the Middlesex County property assessment base.
 - 1.1.1 Priority shall be given to growth related projects including, but not limited to, treatment plant and trunk main oversizing and extensions that are designed to grow the Middlesex County property assessment base.
 - 1.1.1.1 Further priority shall be given to growth related projects that are designed to grow the Middlesex County industrial property assessment base.
 - 1.1.2 Water and sewer lot connections and secondary lines shall not be eligible for funding.
 - 1.1.3 All projects must be in accordance with the policies and guidelines established in the Middlesex County Official Plan.
- 1.2 The Sewer and Water Infrastructure Fund shall not be depleted to a negative balance.
- 1.3 Middlesex County lower-tier municipalities shall be eligible to gain access to the Sewer and Water Infrastructure Fund for one project at a time.
- 1.4 The Middlesex County lower-tier municipality must have a significant financial interest, as determined by Middlesex County, in the project that is being applied for under the Middlesex County Loan Program.
- 1.5 Funding from the Middlesex County Loan Program is not intended to replace Middlesex County lower-tier development charges or existing revenue sources, instead it is to be primarily used to help offset and/or avoid the capital and debt servicing costs associated with water and sewer capital projects.
- 1.6 Funding from the Middlesex County Loan Program is not intended to replace additional sources of government funding available for water and sewer infrastructure, instead it is to be primarily used to help offset and/or avoid the lower-tier capital and debt servicing



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costs associated with water and sewer capital projects.

- 1.7 Middlesex County Council shall provide the final decision on eligibility of all Middlesex County Loan applications based upon Middlesex County staff analysis utilizing the Middlesex County Loan Program established and approved by Middlesex County Council.
- 1.8 A Middlesex County lower-tier municipality receiving funding from the Middlesex County Loan Program shall be required to sign a Loan Agreement to the satisfaction of Middlesex County.

SECTION 2 - EVALUATION CRITERIA & FUNDING CONDITIONS

- 2.1 A Middlesex County lower-tier municipality project is eligible for, the lesser of, a Middlesex County Loan Program contribution of \$4,800,000 or 50% of the eligible capital costs of the lower-tier municipal portion of the project.
- 2.2 Middlesex County Loan Program funding will be repaid to Middlesex County within a maximum payback period of fifteen (15) years.
 - 2.2.1 Middlesex County Loan Program lower-tier repayments will be made in equal installments.
- 2.3 All Middlesex County Loan Program loans will be interest free, unless the lower-tier municipality fails to meet the repayment scheduled established in the Middlesex County Loan Agreement, in which case, interest will be charged on the past due amount at the rate of 15% per annum.
- 2.4 All Middlesex County Loan Program applications will be subject to a complete analysis by Middlesex County staff, prior to Middlesex County Council consideration.
- 2.5 Middlesex County Loan Program applications shall be provided to Middlesex County a minimum of sixty (60) days in advance of Middlesex County Council funding consideration, and will include, but not be limited to, the following information:
 - 2.5.1 Project information including designs, specifications, studies, and background reports.
 - 2.5.2 All funding agreements associated with the project.