



The Regional Municipality of Durham

Finance and Administration Committee Revised Agenda

Tuesday, January 17, 2023, 9:30 a.m.

Regional Council Chambers

Regional Headquarters Building

605 Rossland Road East, Whitby

If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2054.

Note: This meeting will be held in a hybrid meeting format with electronic and in-person participation. Committee meetings may be [viewed via live streaming](#).

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*5.4 Mary Simpson, Director - Risk Management, Economic Studies, & Procurement re: Public Process for the Passage of a New Regional Development Charge By-law (2023-F-2) [Item 8.2 b)]	88
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Ukrainian Relief Project
re: Durham Ukrainian Relief Project

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8. Finance

8.1 Correspondence

8.2 Reports

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Development Charge By-law, along with the proposed
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Development Charge By-laws

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of Use Agreement for Durham OneNet Inc.'s use of Regional
assets

9. Advisory Committee Resolutions

There are no advisory committee resolutions to be considered

10. Confidential Matters

There are no confidential matters to be considered

11. Other Business

12. Date of Next Meeting

Tuesday, February 14, 2023 at 9:30 AM

13. Adjournment

Notice regarding collection, use and disclosure of personal information:

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If this information is required in an accessible format, please contact 1-800-372-1102 ext. 2097.

The Regional Municipality of Durham

MINUTES

FINANCE & ADMINISTRATION COMMITTEE

Tuesday, December 13, 2022

A regular meeting of the Finance & Administration Committee was held on Tuesday, December 13, 2022 in the Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby, Ontario at 9:30 AM. Electronic participation was offered for this meeting.

1. Roll Call

Present: Councillor Ashe, Chair
Councillor Leahy, Vice-Chair
Councillor Garrod
Councillor Lee
Councillor McDougall
Councillor Schummer
Councillor Woo
Regional Chair Henry

Also

Present: Councillor Barton*
Councillor Crawford
Councillor Dies*
Councillor Foster*
Councillor Jubb*
Councillor Marimpietri
Councillor Mulcahy*
Councillor Neal
Councillor Roy*
*** denotes Councillors participating electronically**

Absent: None

Staff

Present: E. Baxter-Trahair, Chief Administrative Officer
B. Goodwin, Commissioner of Corporate Services
N. Taylor, Commissioner of Finance
B. Bridgeman, Commissioner of Planning & Economic Development
J. Demanuele, Director, Business Services
A. Harras, Regional Clerk/Director of Legislative Services
A. Hector-Alexander, Director, Diversity, Equity, and Inclusion
W. Holmes, General Manager, DRT
M. Hubble, Manager, Environmental Services Design

J. Hunt, Regional Solicitor/Director of Legal Services, Corporate Services – Legal
N. Prasad, Assistant Secretary to Council, Corporate Services – Legislative Services
J. Presta, Commissioner of Works
N. Pincombe, Director, Business Planning & Budgets
R. Inacio, Systems Support Specialist, Corporate Services - IT
L. Fleury, Legislative Officer and Deputy Clerk Pro Tem, Corporate Services – Legislative Services

2. Election of Finance & Administration Committee Vice-Chair

The Chair called for nominations for the position of Vice-Chair of the Finance & Administration Committee.

Moved by Councillor Garrod, Seconded by Councillor Lee,
(72) That Councillor Leahy be nominated for the position of Vice-Chair of the Finance & Administration Committee.

Moved by Regional Chair Henry, Seconded by Councillor Leahy,
(73) That nominations be closed.

CARRIED

The Chair asked if Councillor Leahy wished to stand. Councillor Leahy indicated he would stand.

Chair Ashe declared Councillor Leahy the Vice-Chair of the Finance & Administration Committee.

3. Declarations of Interest

There were no declarations of interest.

4. Adoption of Minutes

Moved by Councillor Leahy, Seconded by Councillor Lee,
(74) That the minutes of the regular Finance & Administration Committee meeting held on Tuesday, June 14, 2022, be adopted.

CARRIED

5. Statutory Public Meetings

There were no statutory public meetings.

6. Delegations

There were no delegations.

7. Presentations

7.1 Alexander Harras, Director of Legislative Services and Regional Clerk, re: Procedural By-law Updates

B. Goodwin, Commissioner of Corporate Services provided opening remarks. Alexander Harras, Director of Legislative Services and Regional Clerk provided a presentation with respect to the Procedural By-law Updates. Highlights of the presentation included:

- Objectives
- Proposed Revisions
- Structural Changes
- Public Participation
- Council Member Participation
- Alternate Members

A. Harras responded to questions with respect to delegates appearing at both Committee and Council meetings, extending the time for delegations, when motions to reconsider a previous decision are required, the parameters for alternate members of Council, the rules for virtual participation, and the best way to request further revisions to the procedural by-law.

7.2 Nancy Taylor, Commissioner of Finance & Treasurer, John Presta, Commissioner of Works, and Nicole Pincombe, Director - Business Planning & Budgets, re: 2023 Consolidated Water Supply and Sanitary Sewerage Systems User Rates and Business Plans and Budget

Nancy Taylor, Commissioner of Finance & Treasurer, John Presta, Commissioner of Works, and Nicole Pincombe, Director - Business Planning & Budgets provided a presentation with respect to the 2023 Consolidated Water Supply and Sanitary Sewerage Systems User Rates and Business Plans and Budget. Highlights of the presentation included:

- 2023 User Rates
- Details of the 2023 Business Plans and Budget
- Overview of the Capital Program
- Details of the 2023 Capital Budget
- Summary

Staff responded to questions with respect to the frequency of unexpected capital expenditures, fluctuations in the use of user rates for annual operating costs, impacts on borrowing limits, water consumption levels, whether there is a formula for determining how capital projects are funded, and the use of reserve funds to lower user rates.

7.3 Allison Hector-Alexander, Director of Diversity, Equity & Inclusion, re: Durham Region Employee Census

Allison Hector-Alexander, Director of Diversity, Equity & Inclusion provided a presentation with respect to the Durham Region Employee Census. Highlights of the presentation included:

- Workforce Census
- Departmental Response Rate
- Sense of Inclusion
- Indigeneity & Racial Identity
- Immigration Status
- Age
- Years of Service
- Disability
- Gender Identity
- Sexual Orientation
- Religion / Faith
- Next Steps

A. Hector-Alexander responded to questions with respect to whether the Durham Region Employee Census survey data identifies which respondents are members of the senior leadership team; when the action plan will be implemented; the level of engagement with Corporate Services – Human Resources; plans to encourage students to enter municipal careers; whether Councillors were included in the Census; whether ageism causes division amongst staff; why some staff chose not to answer the survey; and the use of gendered pronouns.

Moved by Councillor Leahy, Seconded by Councillor Lee,
(75) That Committee recess for ten minutes.

CARRIED

The Committee recessed at 11:55 AM and reconvened at 12:06 PM

8. Administration

8.1 Correspondence

There were no communications to consider.

8.2 Reports

A) Procedural By-law (2022-A-23)

Report #2022-A-23 from Barb Goodwin, Commissioner of Corporate Services, was received. Staff responded to questions with respect to the number of resolutions that were reconsidered last year, and what the suggested amendments would change procedurally. Discussion ensued with respect to delegates appearing at both Committee and Council.

Moved by Councillor Leahy, Seconded by Councillor Lee,
(76) That we recommend to Council:

That Procedural By-law #44-2018, as amended, be repealed, and replaced with a by-law generally in the form included as Attachment #1 to Report #2022-A-23.

CARRIED AS AMENDED LATER
IN THE MEETING
(See Following Motions)

Moved by Councillor Leahy, Seconded by Councillor Schummer,
(77) That the foregoing main motion (76) of Councillors Leahy and Lee be amended as follows:

- A) Motions to reconsider are not required after 12 months.
- B) Delegation extensions be permitted by a simple majority vote for 2 minutes.
- C) Members of the public who wish to address council be permitted to delegate at Council if they delegate at a Standing Committee first.

PART A) was CARRIED
PARTS B) and C) were DEFEATED
(See Following Motion)

Moved by Councillor Leahy, Seconded by Councillor Lee,
(78) That the foregoing amending motion (77) of Councillors Leahy and Schummer be divided in order to vote on each part separately.

CARRIED

Part A) of the amending motion (77) of Councillors Leahy and Schummer was then put to a vote and CARRIED.

Part B) of the amending motion (77) of Councillors Leahy and Schummer was then put to a vote and DEFEATED.

Part C) of the amending motion (77) of Councillors Leahy and Schummer was then put to a vote and DEFEATED.

The main motion (76) of Councillors Leahy and Lee was then put to a vote and CARRIED AS AMENDED.

B) 2022 Durham Region Employee Census (2022-A-24)

Report #2022-A-24 from Elaine Baxter-Trahair, Chief Administrative Officer, was received.

Moved by Councillor Lee, Seconded by Councillor McDougall,

(79) That Report #2022-A-24 be received for information.

CARRIED

C) Appointment of Directors to Durham OneNet Inc. (2022-A-25)

Report #2022-A-25 from Barb Goodwin, Commissioner of Corporate Services, was received. Staff responded to a question with respect to how members for the Board of Directors were selected.

Moved by Regional Chair Henry, Seconded by Councillor Leahy,
(80) That we recommend to Council:

- A) That the following persons be appointed to the Board of Directors as members.
 - i) Catherine Rosebrugh
 - ii) David Stevens
 - iii) Ingrid Robinson
 - iv) Francis Garwe; and
- B) That the Shareholder's Direction be amended as follows:
 - i) S. 7.1 (k) be amended to add ". . . and set employee compensation such that total compensation is comparable to Regional staff with comparable roles and duties."
 - ii) S. 7.2 (b) (ii) be amended to remove ". . . and the slate of six shall include the President of the Corporation."; and
- C) That the Regional Solicitor as Secretary for the OneNet Inc. Board is directed to carry out such tasks as may be required to implement the recommendations from Regional Council.

CARRIED

9. Finance

9.1 Correspondence

- A) Memorandum from the Works Committee, re: Works Department - 2023 Water Supply and Sanitary Sewerage Systems Business Plans and Budgets (2022-W-42)
-

Moved by Councillor Woo, Seconded by Councillor Lee,
(81) That the Memorandum from the Works Committee, re: Works Department – 2023 Water Supply and Sanitary Sewerage Systems Business Plans and Budgets (2022-W-42) be referred to consideration of Report #2022-F-22.

CARRIED

9.2 Reports

- A) Temporary Borrowing By-law for 2023 (2022-F-20)
-

Report #2022-F-20 from Nancy Taylor, Commissioner of Finance, was received.

Moved by Councillor Woo, Seconded by Councillor Leahy,
(82) That we recommend to Council:

- A) That the Regional Chair and the Treasurer be authorized in 2023 to borrow funds not to exceed \$500 million to meet current expenditures and liabilities until such time as the general tax revenues of the Region are received and;
- B) That approval be granted for the requisite by-law(s).

CARRIED

B) 2023 Interim Regional Property Tax Levy (2022-F-21)

Report #2022-F-21 from Nancy Taylor, Commissioner of Finance, was received.

Moved by Councillor Leahy, Seconded by Councillor Garrod,
(83) That we recommend to Council:

- A) That a 2023 interim regional property tax levy be imposed on the lower-tier municipalities for all property tax classes; and
- B) That the amount due from each lower-tier municipality is estimated to be equivalent to 50% of their respective share of the regional property taxes collected in 2022;
- C) That the 2023 interim regional property tax levy be paid by the lower-tier municipalities seven days subsequent to the instalment due dates established by each lower-tier municipality for the collection of their respective interim municipal property taxes;
- D) That the Regional Clerk be requested to advise the lower-tier municipalities of the imposition of the 2023 interim regional property tax levy for all property tax classes; and;
- E) That approval be granted for the requisite by-law.

CARRIED

C) 2023 Business Plans and Budget and Nine-Year Capital Forecast for the Consolidated Water Supply and Sanitary Sewerage Systems (2022-F-22)

Report #2022-F-22 from Nancy Taylor, Commissioner of Finance, was received.

Moved by Councillor Lee, Seconded by Councillor McDougall,
(84) That we recommend to Council:

- A) That the 2023 Business Plans and Budget for the Water Supply System, with a total gross expenditure of \$222.66 million (net user rate supported expenditure of \$122.82 million) and related financing as set out below, be approved:

EXPENDITURES	2022 Gross Budget (\$ 000's)	2023 Gross Budget (\$ 000's)	Variance Incr/(Decr) (\$ 000's)
Operations:			
Watermain Cleaning and Repairs	3,545	3,481	(64)
Valves and Hydrants	3,255	3,129	(126)
Water Connections	4,725	4,405	(320)
Water Meter Repair and Testing	594	590	(4)
Depot Operations	6,220	7,181	961
Water Supply Plants - Plants East	3,332	3,498	166
Water Supply Plants - Plants Central	14,601	15,492	891
Water Supply Plants - Plants North	3,011	3,316	305
Sun Valley Co-Operative Water System	30	30	-
Engineering and Staff Support	8,293	8,804	511
Facilities Management	8,184	8,535	351
Administration	342	370	28
Headquarters Shared Costs	1,153	1,203	50
Utility Finance	3,552	3,620	68
Share of Regional Corporate Costs	13,043	13,495	452
Subtotal Operations	73,880	77,149	3,269
Capital/Debt Charges:			
TCA Capital	6,812	23,320	16,508
Construction of Municipal Services	120,104	120,878	774
Debt Charges	1,312	1,312	-
Subtotal Capital/Debt Charges	128,228	145,510	17,282
TOTAL EXPENDITURES	202,108	222,659	20,551
FINANCING			
Contributions from Reserve Funds:			
Residential Development Charges - Growth Related Capital	63,793	68,205	4,412
Commercial Development Charges - Growth Related Capital	2,420	2,462	42
Industrial Development Charges - Growth Related Capital	1,607	-	(1,607)
Industrial Development Charges - Debt Charges	415	415	-
Institutional Development Charges - Debt Charges	22	22	-
Water Rate Stabilization Reserve Fund	5,882	3,644	(2,238)
Asset Management Reserve Fund	5,623	5,763	140
Servicing of Employment Lands	683	-	(683)
Equipment Replacement Reserve	63	40	(23)
Fees and Service Charges	3,240	3,521	281
Financing From Others:			
Federal Grant	67	-	(67)
Debenture Proceeds:			
Depot Rationalization - Ajax Depot Expansion	-	1,667	1,667
Depot Rationalization - New Oshawa/Whitby Depot	-	12,667	12,667
Depot Rationalization - New Sunderland Depot	-	1,333	1,333
Financing From Non-User Revenue Sources	83,815	99,739	15,924
User Revenues Financing (includes \$102 in 2023 frontage charges)	118,293	122,920	4,627
TOTAL FINANCING	202,108	222,659	20,551

- B) That the Nine-Year Capital Forecast for 2024 to 2032 inclusive, in the amount of \$1.77 billion, including project debenture financing of \$441.98 million, as detailed in the Water Supply System Capital Budget, be received for information;
- C) That the 2023 Business Plans and Budgets for the Sanitary Sewerage System with a total gross expenditure of \$285.48 million (net user rate supported expenditure of \$123.44 million) and related financing as set out below, be approved:

	2022	2023	Variance
	Gross Budget	Gross Budget	Incr/(Decr)
	(\$ 000's)	(\$ 000's)	(\$ 000's)
<u>EXPENDITURES</u>			
Operations:			
Cleaning, Repairs and Maintenance Holes	2,188	2,208	20
Sewer Connections	3,567	3,388	(179)
Depot Operations	3,492	3,612	120
WPCPs and Pumping Stations	25,240	26,393	1,153
Duffin Creek WPCP	38,399	46,580	8,181
Regional Environmental Laboratory	3,213	3,053	(160)
Engineering and Staff Support	8,076	8,439	363
Facilities Management	9,516	10,243	727
Administration	345	373	28
Headquarters Shared Costs	1,153	1,203	50
Utility Finance	3,552	3,620	68
Share of Regional Corporate Costs	16,436	16,767	331
Subtotal Operations	<u>115,177</u>	<u>125,879</u>	<u>10,702</u>
Capital/Debt Charges:			
Duffin Creek WPCP - TCA Capital	3,044	2,007	(1,037)
Regional Environmental Lab - TCA Capital	1,057	703	(354)
TCA Capital	4,804	18,484	13,680
Construction of Municipal Services	138,660	126,309	(12,351)
Debt Charges	13,028	12,094	(934)
Subtotal Capital/Debt Charges	<u>160,593</u>	<u>159,597</u>	<u>(996)</u>
TOTAL EXPENDITURES	<u>275,770</u>	<u>285,476</u>	<u>9,706</u>
<u>FINANCING</u>			
Contributions from Reserve Funds:			
Residential Development Charges - Growth Related Capital	25,703	36,203	10,500
Residential Development Charges - Debt Charges	7,836	7,758	(78)
Commercial Development Charges - Growth Related Capital	2,341	2,609	268
Commercial Development Charges - Debt Charges	820	815	(5)
Industrial Development Charges - Growth Related Capital	192	1,874	1,682
Industrial Development Charges - Debt Charges	532	509	(23)
Institutional Development Charges - Debt Charges	8	7	(1)
Sanitary Sewer Rate Stabilization Reserve Fund	9,826	442	(9,384)
Asset Management Reserve Fund	9,275	11,107	1,832
Servicing of Employment Lands	509	-	(509)
Equipment Replacement Reserve	44	40	(4)
Regional Environmental Lab Equipment Replacement Reserve	750	475	(275)
Fees and Service Charges	7,044	7,639	595
Financing From Others:			
Federal Grant	27	-	(27)
Region of York - TCA	2,505	1,692	(813)
Region of York - Construction of Municipal Services	60,883	38,999	(21,884)
Region of York - Operating	29,488	35,821	6,333
Region of York - Environmental Lab Operations	456	349	(107)
Debenture Proceeds:			
Depot Rationalization - Ajax Depot Expansion	-	1,667	1,667
Depot Rationalization - New Oshawa/Whitby Depot	-	12,667	12,667
Depot Rationalization - New Sunderland Depot	-	1,333	1,333
Financing From Non-User Revenue Sources	<u>158,239</u>	<u>162,006</u>	<u>(11,900)</u>
User Revenues Financing (includes \$27 in 2023 frontage charges)	<u>117,531</u>	<u>123,470</u>	<u>5,939</u>
TOTAL FINANCING	<u>275,770</u>	<u>285,476</u>	<u>9,706</u>

- D) That the Nine-Year Capital Forecast for 2024 to 2032 inclusive, in the amount of \$2.26 billion, including project debenture financing of \$460.72 million, as detailed in the Sanitary Sewerage System Capital Budget, be received for information;
- E) That capital project approval be granted for expenditures and financing for the 2023 capital projects detailed in the 2023 Capital Project Appendices within the 2023 Consolidated Water Supply and Sanitary Sewerage Systems Business Plans and Budget, where contract awards are compliant with the Region's Budget Management Policy; and
- F) That the necessary By-laws with respect to the 2023 Business Plans and Budget for the Consolidated Water Supply and Sanitary Sewerage Systems be presented to Regional Council.

CARRIED

D) Recommended 2023 Water and Sanitary Sewer User Rates (2022-F-23)

Report #2022-F-23 from Nancy Taylor, Commissioner of Finance, was received. Staff responded to questions with respect to considering a policy for base level increases to user rates so the increases are consistent each year; what percentage of the Region's capital assets are comprised of the water and sewer systems; and what the dollar value is for the water and sewer capital assets.

Moved by Councillor McDougall, Seconded by Councillor Lee,
(85) That we recommend to Council:

- A) That the 2023 Regional Water and Sanitary Sewer User Rates increase by 4.3 per cent for an average residential customer effective January 1, 2023, with the Regional water rates increasing by 3.6 per cent and the Regional sanitary sewer rates increasing by 5.0 per cent from the 2022 user rate levels as set out in Attachment #1 and Attachment #2 of this report respectively;
- B) That the 2023 Raw Water rates for the Whitby raw water customer be increased by 3.6 per cent as set out in Attachment #1 of this report, effective January 1, 2023;
- C) That the 2023 water charges for the Sun Valley Heights Homeowners Co-operative Water System be as set out in Attachment #3 of this report, effective January 1, 2023;
- D) That the 2023 Regional Water and Sanitary Sewer Systems Miscellaneous Fees and Charges be as set out in Attachment #4 of this report, effective January 1, 2023;
- E) That the 2023 fee schedule for laboratory services at the Regional Environmental Laboratory located at the Duffin Creek Water Pollution Control Plant be as set out in Attachment #5 of this report, effective January 1, 2023; and

- F) That the Regional Solicitor be instructed to prepare the necessary by-laws to implement the foregoing recommendations.

CARRIED

10. Advisory Committee Resolutions

There were no advisory committee resolutions to be considered.

11. Confidential Matters

There were no confidential matters to be considered.

12. Other Business

There was no other business to be considered.

13. Date of Next Meeting

The next regularly scheduled Finance & Administration Committee meeting will be held on Tuesday, January 17, 2022 at 9:30 AM in Council Chambers, Regional Headquarters Building, 605 Rossland Road East, Whitby.

14. Adjournment

Moved by Councillor Leahy, Seconded by Councillor Lee,
(86) That the meeting be adjourned.

CARRIED

The meeting adjourned at 12:34 PM

Respectfully submitted,

K. Ashe, Chair

L. Fleury, Legislative Officer



Office of the CAO

Elaine Baxter-Trahair, CAO

Finance & Administration
Committee Orientation
January 17, 2023



Office of the CAO

Elaine Baxter-Trahair
Chief Administrative Officer

Sandra Austin

Director Strategic Initiatives

Alison Burgess

Director Communications and Engagement

Allison Hector-Alexander

Director Diversity, Equity and Inclusion

James Kilgour

Director Durham Emergency Management

Jason Hunt

Director Legal Services

Strategic Initiatives Division

Five areas of Strategic Initiatives:

1. Strategic Planning and Organizational Performance
2. Climate Action and Environmental Sustainability
3. Government and Community Relations (transitioning to Communications)
4. Key Policy Initiatives
5. Innovation

Durham Region Strategic Plan 2020-2024

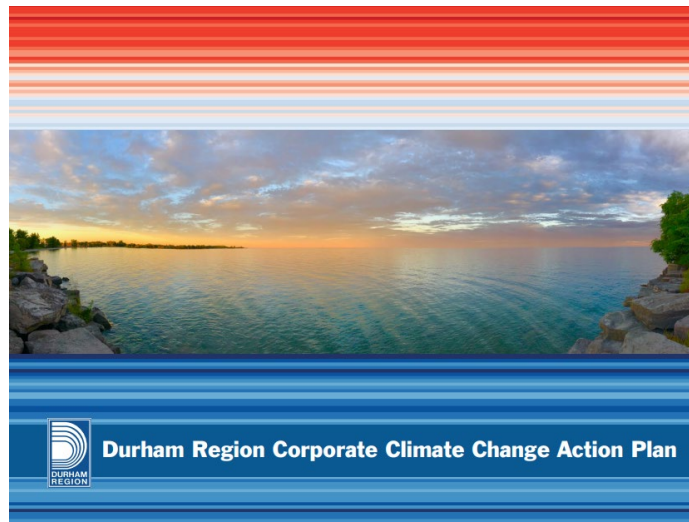


Durham
Region
Strategic
Plan

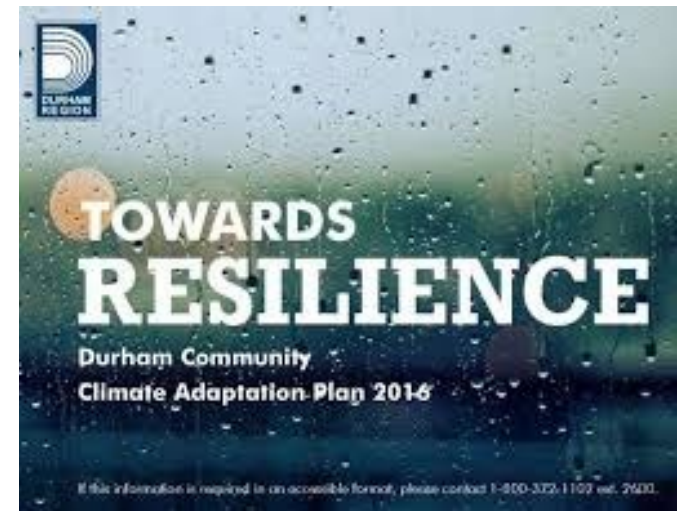
	Environmental Sustainability Objective: To protect the environment for the future by demonstrating leadership in sustainability and addressing climate change.
	Community Vitality Objective: To foster an exceptional quality of life with services that contribute to strong neighbourhoods, vibrant and diverse communities, and influence our safety and well-being.
	Economic Prosperity Objective: To build a strong and resilient economy that maximizes opportunities for business and employment growth, innovation and partnership.
	Social Investment Objective: To ensure a range of programs, services and supports are available and accessible to those in need, so that no individual is left behind.
	Service Excellence Objective: To provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery.

Durham's commitment to climate action

- Regional Council declared a climate emergency in January 2020
- The ability of municipal governments to influence the reduction of GHG emissions varies



DURHAM COMMUNITY ENERGY PLAN



Government Relations



Durham Region
Community
Engagement
Toolkit



Policy Goals

Lead corporate initiatives that anticipate, influence and respond to policy changes that are likely to impact the community or Regional operations by:

- Monitoring and managing urgent and emerging policy issues
- Advocating Regional positions through policy submissions
- Developing policy processes/practices and increasing policy expertise across the organization

Innovation Strategy

Becoming an Innovation Leader by building capacity to innovate.

COLLECTIVE FOCUS

Aligning innovation around a purpose

TRANSFORM

An Innovation Incubator program

CONNECT

Corporate systems that enable innovation

PRACTICE

Sharpening our innovation skills and learning from each other



This is a 3 Year Strategy: 2022 - 2024

Diversity, Equity and Inclusion Division

Four areas of Diversity, Equity and Inclusion:

1. Accessibility
2. Local Immigration Partnership
3. Community Safety and Well-Being
4. Equity and Inclusion

Diversity, Equity and Inclusion

- Regional DEI Office
- Addressing anti-Black racism - Durham Region Anti-Racism Task Force (DRART) and action implementation
- Permanent location for MSIFN flag; commemorative sidewalk
- Recognition of Canada's first National Day for Truth and Reconciliation
- Introduced Durham's first Community Safety and Well-Being Plan





Emergency Management

Three areas of Emergency Management:

1. Emergency Management
2. Business Continuity
3. Nuclear and Public Education / Awareness

Durham Emergency Management Program

- Emergency Plan
- Training and Exercises
- Nuclear
- Business Continuity
- Public Education and Awareness
- Collaborate and coordinate with the local Fire Chief



Corporate Communications Office

Key activities include:

- Communications strategies and plans
- Internal communications
- Community engagement support
- Media relations, social media, brand management
- Crisis communications and issues management
- Photography and videography
- Creative design support, web content
- Campaign metrics measurement
- Speech writing for the Regional Chair

Legal Services Division

Three areas of Legal Services:

1. Solicitors' Office
2. POA Court Services
3. POA Prosecution Services



“Be leaders in the Region and the Province in the innovative provision of expert legal solutions in partnership with our clients.”

Solicitors' Office – Major Files & Projects

- York Durham Sewage System
- Durham York Energy Centre
- Organics Management
- Broadband – Durham One Net Inc.
- Social Housing
- Transit Oriented Development
- Bus Rapid Transit
- Seaton Community



POA Court Services – Major Files & Projects

- Red Light Cameras & Automated Speed Enforcement
- Hybrid (Virtual & In Person) Court upgrades
- Hybrid Court Service improvements
- COVID Backlog Recovery
- Administrative Monetary Penalties Implementation
- Provincial File Management System Upgrade
- Courtroom Security
- Digital Evidence
- POA Modernization
- Customer Service Improvements to French Language Services

POA Prosecution Services – Major Files & Projects

- Transfer of Part III and Part IX Prosecutions from Province
- Administrative Monetary Penalties
- Local Tier Prosecutions
- Lack of Judicial Resources
- Digital Evidence





Thank you

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durham.ca
[@RegionofDurham](https://www.instagram.com/RegionofDurham)





F&A Presentation Corporate Services Department

Barb Goodwin

Commissioner of Corporate
Services

January 17th, 2023

[durham.ca](https://www.durham.ca)

@RegionofDurham



Agenda

1. Overview of Corporate Services Divisions
2. Outline of Services
3. 2023 Priorities and Challenges
4. Questions

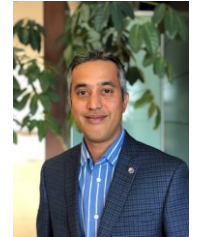


Corporate Service Department

- Human Resources – Louise O’Dell
Director of Human Resources



- Information Technology - Kalyan Chakravarthy (KC)
Chief Information Officer



- Legislative Services - Alexander Harras
Regional Clerk



- Service Durham - Junaid Sarwar
Director of Service Durham



Human Resources Division

Four areas of Human Resources Services:

1. Employee and Labour Relations
2. Compensation and Benefits
3. Health, Safety and Wellness
4. Talent Acquisition and Organization Development



Human Resources – Employee and Labour Relations

Overview of Services:



- Union Relations, Contract Negotiations, Grievances
- Investigations, Conflict Resolution, Facilitated Discussions
- Harassment/Discrimination/Racism
- Workplace Violence, Process Reviews, Safety Plans
- Attendance/Absenteeism Support Program
- Performance and Learning Plans
- Policy – Legislation reviews, maintenance, Collective Agreement
- Training
- Client Services

Human Resources – Compensation and Benefits

Overview of Services:

- Benefits Administration
- Pension Administration
- Compensation Management
- Joint job evaluations
- Union negotiations support
- Pay Equity Legislation Compliance
- Organization Structure(s)



Human Resources – Health, Safety and Wellness

Overview of Services:

- Health and Safety Systems
 - Health and Safety legislative compliance
 - Joint Health and Safety Committees – 23 across the Region
- Disability Management
 - Manage Medical Accommodations
 - WSIB claims administration through electronic records management
 - Reporting of absences for pension reconciliation and insurance claims
 - Administer and manage staff core committee (reassignment due to restrictions) and return to work plans
- Healthy Workplace Initiatives (“Wellness”)
 - Wellness programs
- Employee Assistance programming
 - Mental health program



Human Resources – Talent Acquisition and Organization Development

“Our People, Our Future”

- Recruitment
- Onboarding / Offboarding Employees
- Succession Planning
- Employee Learning and Development
- Organization and Employee Services
- HRIS - Data and metrics analytics and benchmarking



Corporate Services - Information Technology Division

Information Technology Services:

1. Application Services, Data Centre Infrastructure and Service Delivery
2. Corporate Geographic Information Systems (GIS)
3. Project Services
4. Networking, IT Security, and Cyber Security



CS-IT – Application Services, Data Centre Infrastructure and Service Delivery

- itHelp desk responds to over 13,000 email requests for assistance and approximately 12,000 telephone call assists every year
- They support over 4,000 devices at desks, 1,200 mobile devices, 300+ servers and 70 networked sites
- Staff Wi-Fi in 57 of our 70 Regional sites
- Instrumental in ensuring that hybrid work happens seamlessly



CS-IT – Geographic Information Systems (GIS)

- Urban Heat Island Maps (Climate)
- North Durham Map Viewers
- North Durham “What's My Ward?”
- Settlement Services Map (Immigration)
- Technology Asset Story Map (Durham Technology & Innovation Portal)
- **Coming Soon!**
 - Surplus Lands Map (Housing Task Force)
 - Durham Region Transit Information Hub
 - Data Sharing Portal for Local Partners
 - DEMO Information Hub (Emergency Management)



CS-IT – Project Services

- Main Project during 2021 to 2023 - **myDurham 311**
- ✓ Customer Relationship Management (CRM) system is operating while more features and functionality are being implemented during 2023
- ✓ myDurham 311 Customer Portal branding
- ✓ myDurham 311 Knowledge Base has 260 articles to be used by our Customer Service Representatives – target August 2023 to complete
- ✓ 311 enabled dialing (see report #2022-INFO-96)
- ✓ 311 e-module

Other projects:



CS-IT - Security

- Network and Data Security
 - Ethical Hacks
 - Phishing Campaigns
 - Information Security Risk Management
 - Multi-Factor Authentication
 - Vulnerability Assessments and remediations



Legislative Services Division

Three areas:

1. Council Services
2. Information Management
3. Access & Privacy Office



Legislative Services – Council Services

- Legislative Compliance
- Council and Committee Management
- Accountability and Transparency
 - Integrity Commissioner – Principles Integrity
 - Ombudsman – Provincial Ombudsman’s Office
 - Closed Meeting Investigations – Local Authority Services Ltd. (LAS)
- Municipal Elections



Legislative Services – Information Management

- Keeps all official records of the corporation
- Maintains Records Retention and Classification Scheme
- Processes requests to retrieve historical records
- Ensures proper destruction of expired records
- By the numbers:
 - Currently maintaining over 16,000 boxes of physical records in storage
 - In the last term of office (2018-2022):
 - Processed over 12,000 requests for records retrievals
 - Provided training to over 540 staff on records management practices



Legislative Services – Access & Privacy Office

- Responds to Freedom of Information requests submitted by the public
- Investigates & resolves identified privacy issues
- Provides corporate training and education on privacy protection
- Last term, responded to over 730 freedom of information (FOI) requests



Service Durham

Service Durham is the newest division of Corporate Services responsible for administering myDurham311 program.



Three areas of Service Durham services include:

1. myDurham311 Project
2. 311 Contact Centre – Single point of contact for all non-emergency Regional inquiries, programs and services
3. Public Front Counters, Regional Headquarters – First point of contact (In Person)

Service Durham – myDurham 311



Combining 60 phone numbers and 28 business units

250,000+ telephone calls and 5000+ emails answered in 2022
6000+ visitors served at the Regional Headquarters front counters



311 dialing enabled across the Region in December 2022



myDurham311



Service Durham

Service Durham – Contact Centre



- CRM – Customer Relationship Management System – Microsoft Dynamics
- Knowledge based service
- Training and Knowledge Management
- Process Excellence and Quality Assurance
- MOU for local and neighbouring municipalities

Service Durham – Public Front Counters



Front Counter Principles



No Wrong Door

Customers will be served where they arrive, and when necessary, transitioned through warm transfers.



Streamlined Flow

Customer services will be delivered near entry points to buildings, and signage will aid customer movement.



Resolution

Customer inquiries will be resolved at first contact, where possible.



Omnichannel

Services resolved through customer's channel of choice. The same service delivered regardless of channel.



Human Resources Focus for 2023 and beyond

- Supporting multi-generational workers
- Providing recruitment for the Region during a labour shortage
- Balancing being a competitive employer with fiscal responsibilities
- Supporting employee wellness, particularly mental health supports during the pandemic, and ensuring the workforce is engaged and managed in a hybrid virtual environment
- Supporting community partners with employment outreach initiatives
- Building workplace respect awareness
- Support employee development to ensure employee retention and corporate knowledge transfer

Information Technology Focus for 2023 and beyond

- Focus on implementing data analytics and reporting
- Phone system upgrades
- Ransomware protection for backups
- Cloud optimization
- Service delivery enhancements

Legislative Services Focus for 2023 and beyond

- Continuous improvement of the new Council Chambers AV system & e-Agenda software
- Training & Education on new Council procedure by-law (approved December 2022)
- 2022 Municipal Elections: Candidate Financial Statements & Compliance Audit period
- Implementation of a corporate Public Conduct Policy
- Pilot deployment of electronic records management system & business case development for software acquisition



Service Durham – 2023 Plan and Priorities

- Continue implementation of the myDurham 311 program for the remainder of the departments
- Service Durham anticipates approximately 700,000 transactions in 2023 and over 1 million transactions in 2024
- Service Channels will be expanded to include 311 email and chat
- Omnichannel Platform
- 311 Customer Portal will be implemented to enable self service
- January 2023 – new program with Durham College





Finance Department

*Overview, Strategic Priorities,
and Key Responsibilities*

*Finance and Administration
Committee, January 17, 2023*



Finance Department

Mission Statement

Provides financial stewardship and policy advice to guide business decisions so that resources are invested in the Regional programs and services the community values



Nancy Taylor
Commissioner
of Finance
and Treasurer

Shannon MacGregor
Administrative
Assistant

Annual Deliverables

- Business Plans and Budgets and the Ten-Year Capital Plan
- Strategic Property Tax Study
- Water Supply and Sanitary Sewer User Rate Report
- Annual Investment Report
- Annual Financial Statements
- Other legislated financial reporting

Periodic Deliverables

- Budget Status Report on Financial Performance
- Development Charges
- Asset Management Plan



Joanne Cermak
Financial
Services

- Centralized financial accounting and reporting for all Regional activities including Durham Region Transit and Durham Regional Local Housing Corporation
- Collect and secure monies and payment of liabilities
- Prepare and publish the financial statements for the Regional Corporation



Nicole Pincombe
Business Planning
and Budgets

- Lead the annual business planning and budget process and long-term operating and capital forecasting
- Prepare the annual Strategic Property Tax Study including setting property tax policy, ratios and rates
- Set the annual Water Supply and Sanitary Sewerage rates
- Oversee the Corporate Asset Management Plan



Mary Simpson
Risk Management,
Economic Studies and
Procurement

- Deliver centralized risk management for the Region and the Durham Municipal Insurance Pool
- Long-term strategic advice, economic analysis, credit rating reviews, fiscal impact analysis, financing strategies and benchmarking
- Lead the Region's Development Charges Study
- Centralized procurement for all Regional services



Vacant
Financial Solutions,
Utility Finance and
Investment Portfolio
Management

- Provide the Corporation with fully supported and secure financial applications
- Water meter reading, billing and customer service activities
- Manage the Region's investment portfolio and Regional and local municipal debt issuance requirements



Jatinder Singh
Internal Audit

- Promote accountability of the Regional Corporation for the quality and value of its stewardship over public funds, support best practices in the Corporation



Strategic Priorities

As part of the Region’s commitment to provide exceptional value to Durham taxpayers through responsive and effective customer service delivery the Finance Department is - led by a clear vision, modernized technologies and streamlined organizational structures – committed to providing exceptional value to Durham taxpayers through the delivery of a series of transformations. These priorities include:



Lead the updates to the Region’s **Development Charges** by-law and related policies including changes announced by the Province in Bill 23



Implement substantive **system upgrades** to PeopleSoft Financial and Human Capital Management systems that drive enhanced reporting and leverages dashboards



Lead the multi-year business planning and budget process review and **modernization project** that will:

- Review and streamline business planning and budget processes;
- Procure and implement a new integrated business planning, budget and forecast system with robust financial reporting that will support and automate the Region’s renewed business planning and budget process; and
- Embed enhanced public engagement in the Region’s business planning and budget process



Partner corporately to implement the Region’s **Cyber Security Program** to ensure the continual delivery of services securely



Continue the implementation of the Region’s modernized **investment policy** for optimizing returns under sound financial management of the Region’s investment portfolio



Enhance meter reading activities through installation of remote radio frequency devices to enable meters to be read without physical contact with the customer’s premise



Increase the Region’s **on-line payments program** allowing residents to pay for more regional services online



Increase enrolment in **MyDurhamWater** to provide enhanced water and sewage billing services



Expand rollout of the **WorkForce Management** solution to the Oral Health Division providing management of scheduling, time and attendance for staff



Financial Services Overview

Provide innovative and effective centralized financial management, reporting and accounting services to the Regional Corporation, including Durham Region Transit, the Durham Regional Local Housing Corporation, and Durham Regional Police Services



Key Targets

- 4,500 invoices issued per accounts receivable staff member - a decrease of 11% from 2021 levels due to COVID-19 impacts
- \$396,000 dollars collected per POA staff member - a 5% increase from 2021 actuals
- Every dollar spent in the collection of POA defaulted fines is expected to result in \$2.23 recovered – consistent with 2021 budgeted levels
- 6,000 staff actively using the PeopleSoft Financials, Human Capital Management, Enterprise Learning Management, and Employee Portal applications including 4,600 Regional staff and 1,400 police staff
- Continue to innovate by modernizing financial applications in order to better serve our business partners and our community

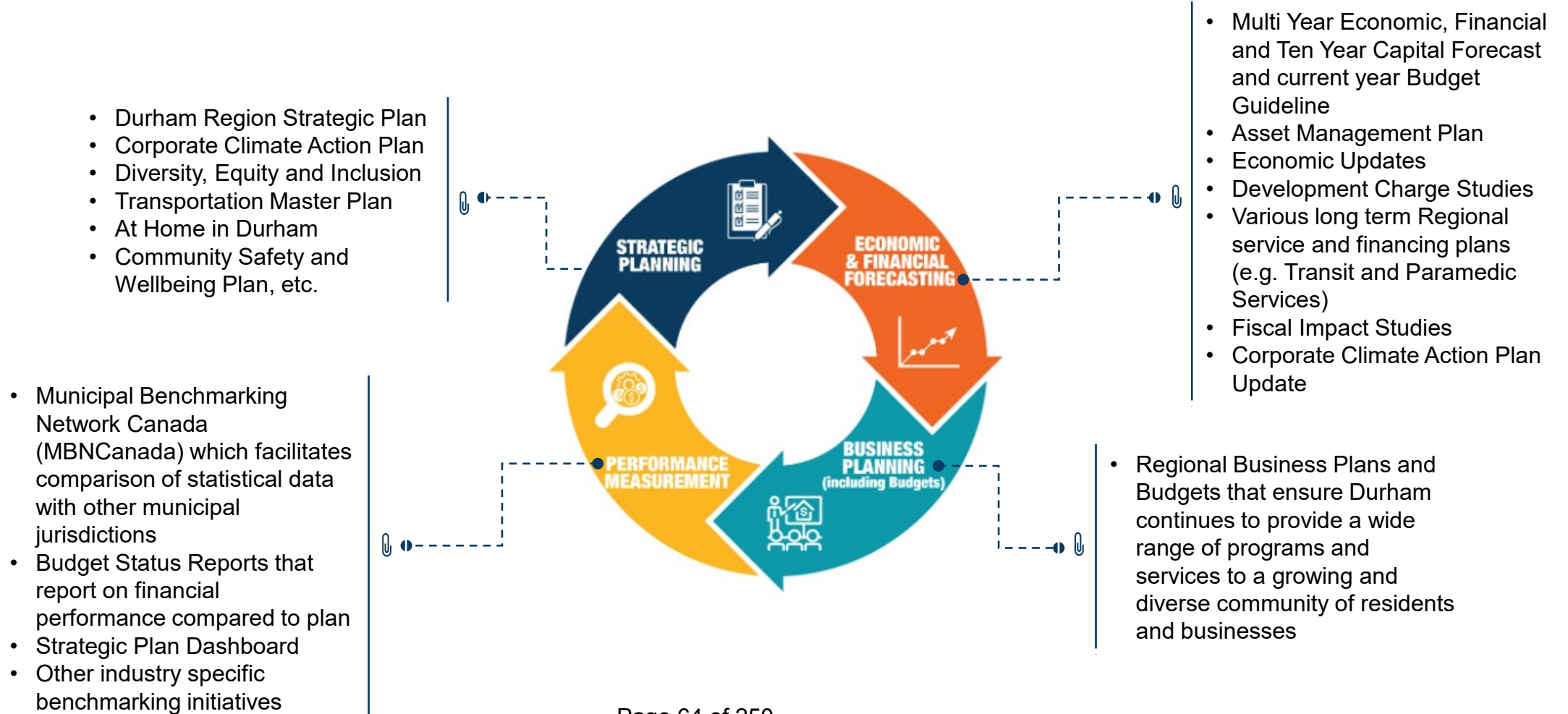


Budget Management Policy

- Council approved policy to provide accountability and oversight
- Provides process for budget exceptions
- Departments provide budgeted level of service within discretionary limits
- Finance provides overall monitoring, ensures funding available and advises on financial implications
- Incorporates delegated authority to CAO, Treasurer and Department Heads depending upon preapproved limits and reporting mechanism to Committees

Business Planning Cycle

The Region's business planning cycle provides the framework for critical financial processes and reports – ensuring these are aligned with the Region's strategic plans and informed by performance outcomes and continuous improvements

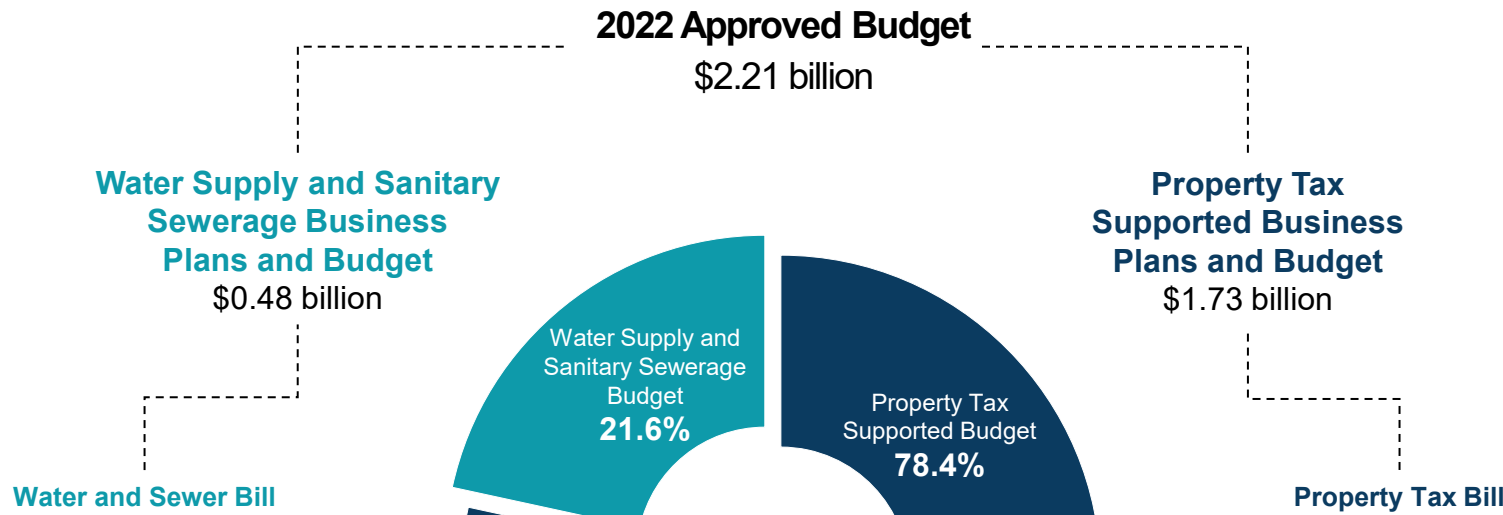




Overview of the Region's 2022 Business Plans and Budget

Outlines the cost of delivering essential Regional programs and services and ensures resource allocations are aligned with Regional Council's strategic objectives and meet service, infrastructure and legislative requirements within a framework of financial stability and transparency

Business Planning and Budgets



THE REGIONAL MUNICIPALITY OF DURHAM
SHELF NUMBER: 800 808-8880 8911
905-882-7222
TTY: 905-882-7222
TELEPHONE INFORMATION - SEE REVERSE FOR YOUR AREA

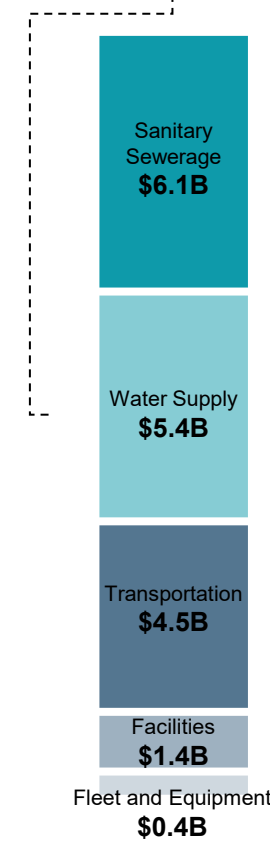
WATER AND SANITARY SEWER BILL
SEE THE BOTTOM FOR YOUR RECORDS
SEE REVERSE FOR FURTHER BILLING AND PAYMENT INFORMATION

PERIOD BILLED	10
ACCOUNT NUMBER	
PERIOD BILLED	10
PLEASE QUOTE THIS NUMBER WHEN INQUIRING	
CURRENT WATER METER READING	
PREVIOUS WATER METER READING	
CONSUMPTION	
Typical Quarterly Average (56 cubic metres)	
WATER METER SIZE	
UNMETERED FIRE LINE SIZE	
AMOUNT DUE NOW	\$236.30
2% LATE PAYMENT CHARGE EFFECTIVE AFTER	
AMOUNT DUE AFTER DATE SHOWN	

DESCRIPTION	AMOUNT
Water Consumption	\$61.60
Water Service Charge	\$55.44
Total Water Charges	\$117.04
Sanitary Sewer Usage Charge	\$98.56
Sanitary Sewer Service Charge	\$20.20
Total Sewer Charges	\$119.26
AMOUNT DUE NOW	\$236.30

2021 Year End Asset Replacement Value

\$17.8 billion

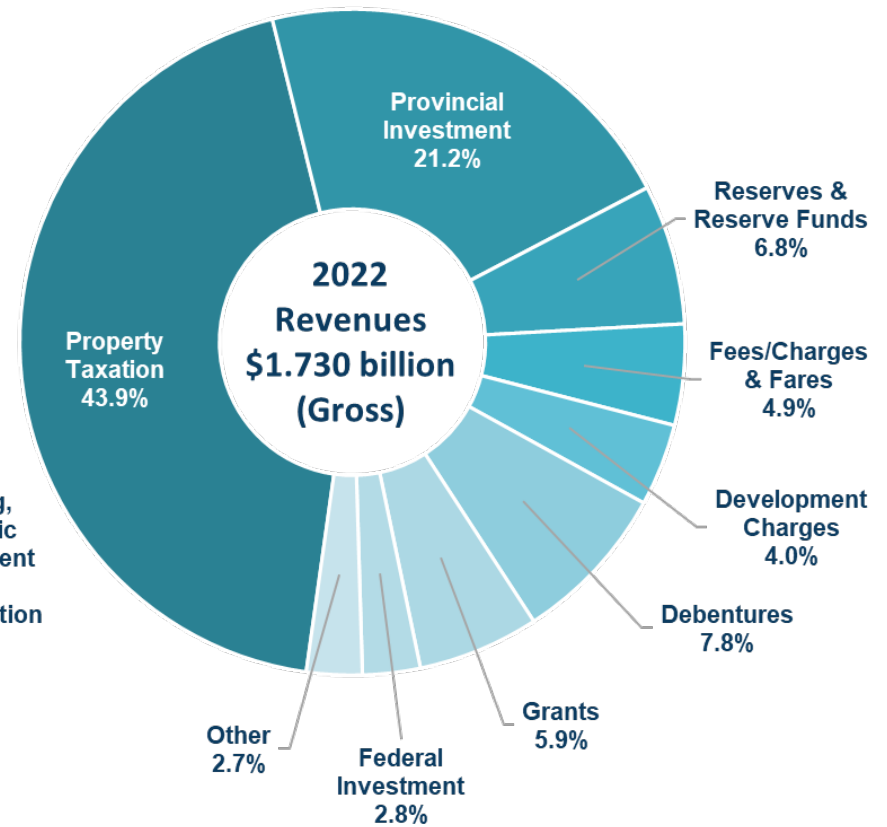
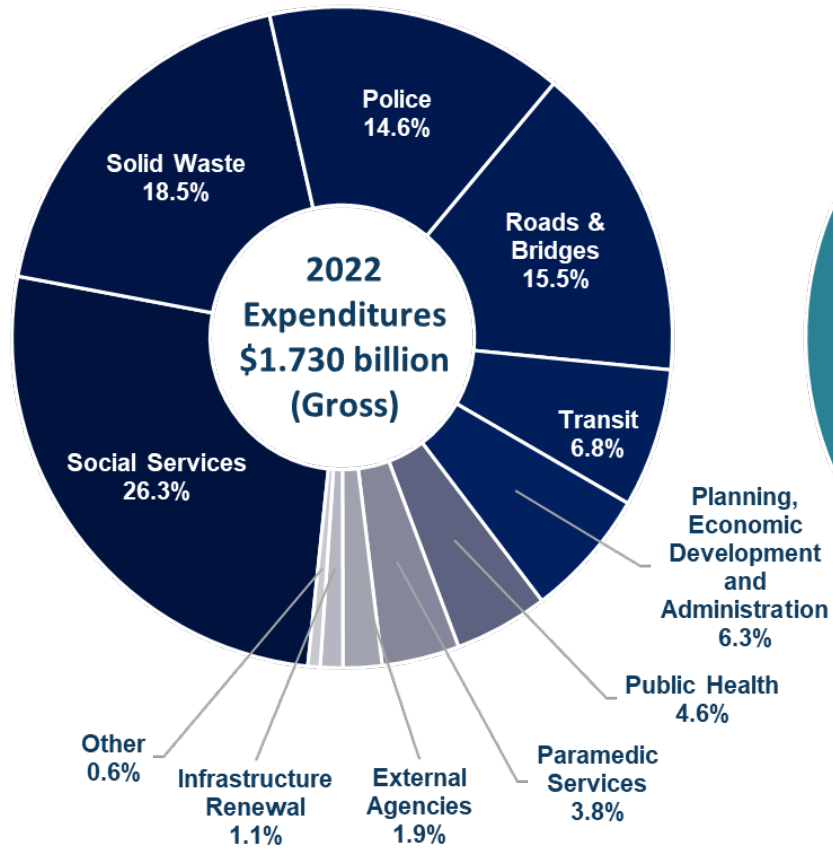


Investment / Household to Replace all Assets \$73,435





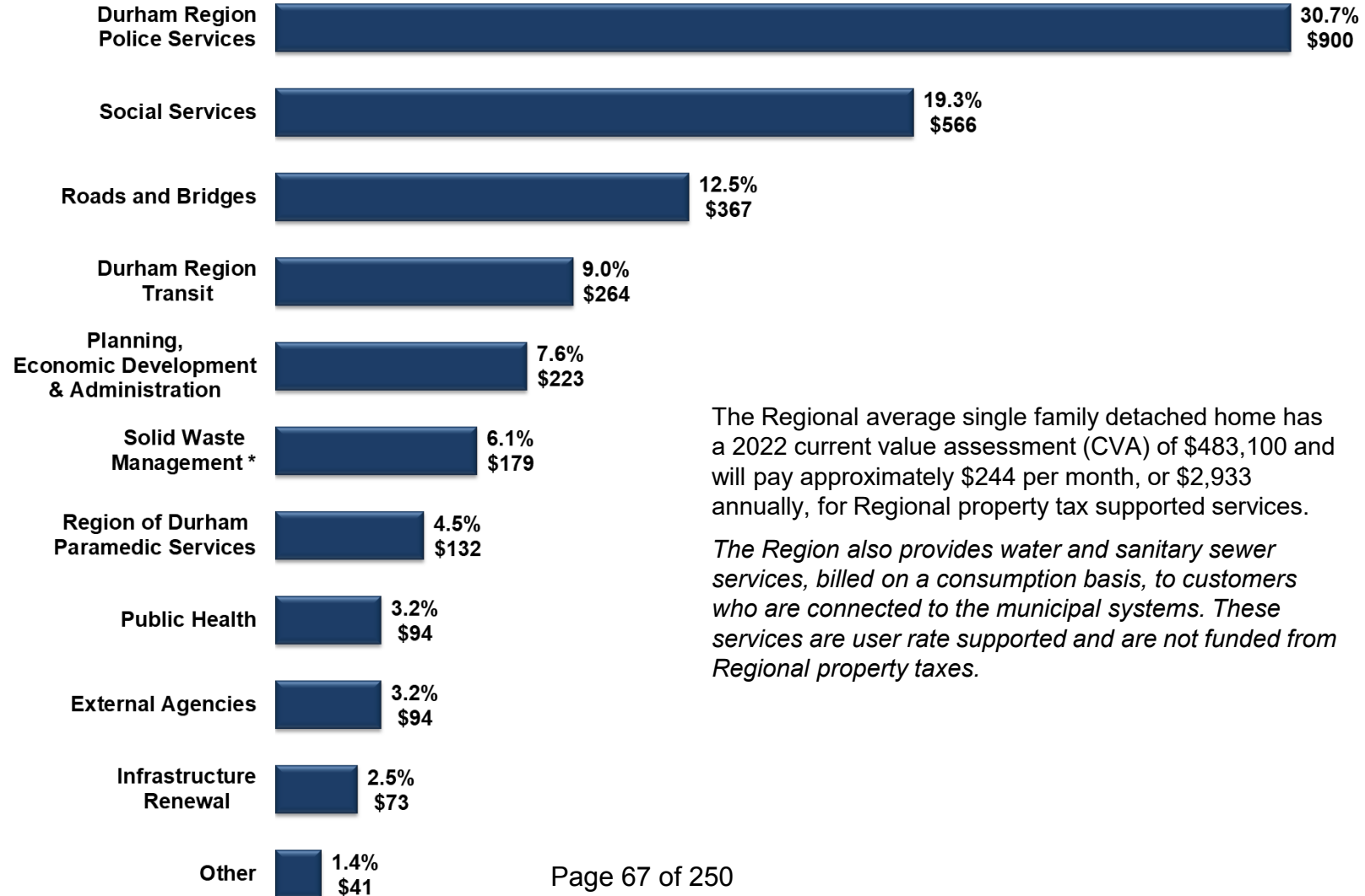
2022 Property Tax Supported Budget





2022 Property Tax Supported Budget *Continued*

What Do Property Taxes Pay For?



The Regional average single family detached home has a 2022 current value assessment (CVA) of \$483,100 and will pay approximately \$244 per month, or \$2,933 annually, for Regional property tax supported services.

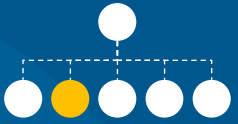
The Region also provides water and sanitary sewer services, billed on a consumption basis, to customers who are connected to the municipal systems. These services are user rate supported and are not funded from Regional property taxes.

* Solid Waste Management varies as Oshawa and Whitby residential collection services are provided by the local area municipality.

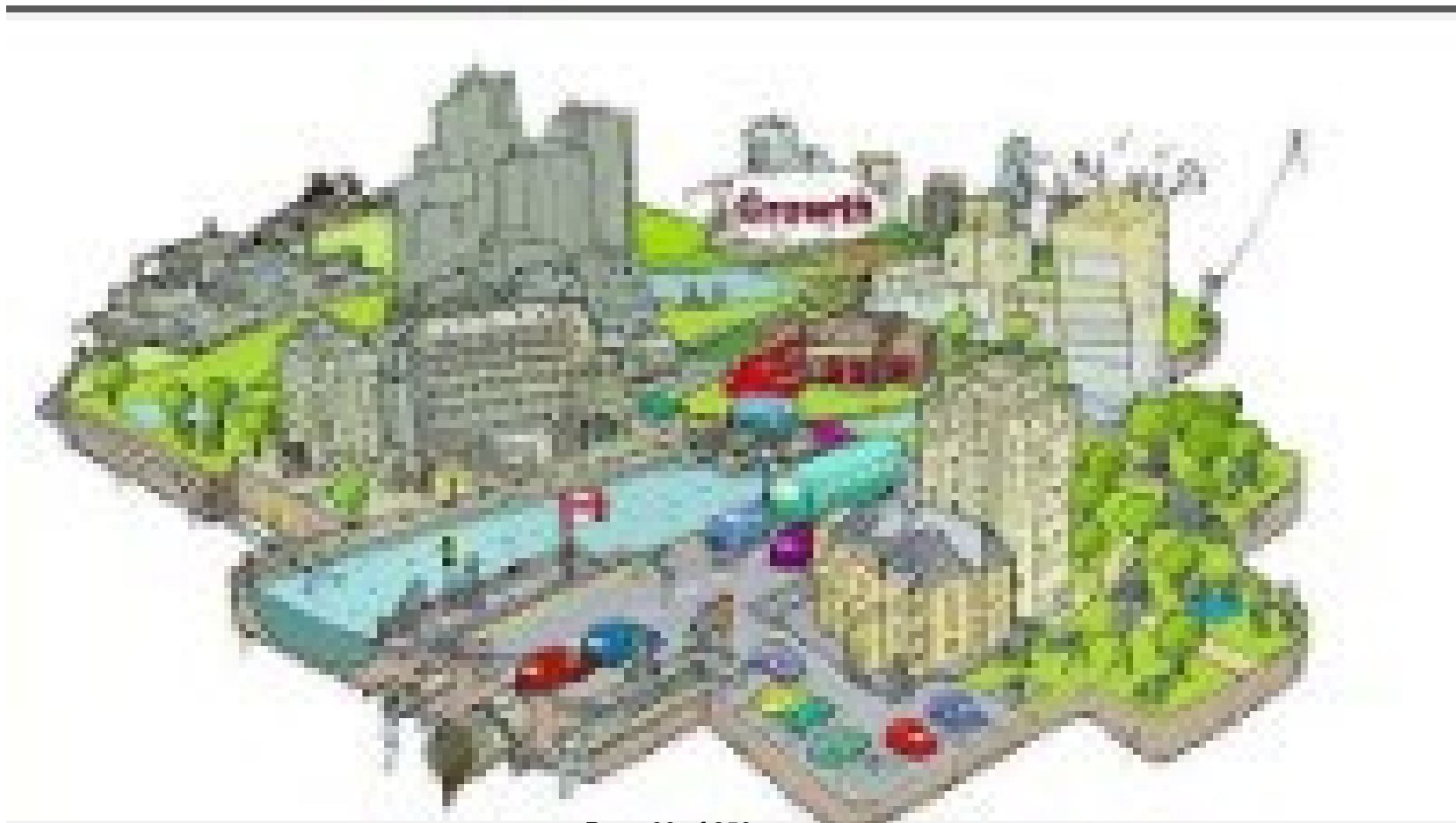


Corporate Asset Management

Key component of the Region's Business Planning and Budget process and is mandated by Provincial Legislation



Business
Planning
and
Budgets





Corporate Asset Management



Overview

The Region’s asset management planning process is a continuous year-round process that results in a Corporate Asset Management Plan which includes analysis and reporting of:

- The Region’s asset management goals, approach and policies based on corporate objectives, plans and studies
- State of the Region’s infrastructure
- Service levels and asset performance based on achieved asset management and corporate goals and regulatory guidelines
- Lifecycle considerations and analysis
- Infrastructure capital investment needs
- Risk and climate change adaptation and mitigation initiatives
- Asset management strategies and opportunities for continuous improvements



Key Milestones

Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure, outlines key changes and timelines for municipality asset management planning. The Region is compliant with the legislation and plans to provide an updated Asset Management Plan in June 2024 aligned with the next provincial milestone.



Further Information

[Asset Management Policy](#) - The Policy articulates asset management goals, objectives, guiding principles as well as the asset management framework

[2022 Asset Management Plan](#) - The Plan details the state of the Region’s infrastructure, service levels, asset performance, lifecycle analysis, climate change adaptation and mitigation initiatives to protect the Region’s assets

Property Tax Policy



Property Tax Policy

- Regional property taxes collected from each property owner are calculated by:



Assessed value of property for the type of property – determined by the Municipal Property Assessment Corporation (MPAC)



Regional tax rates established by Regional Council through the annual Budget process and the setting of ratios by the Region through the Strategic Property Tax Study



The amount of Regional property taxes collected from each property owner

- The annual Strategic Property Tax Study establishes the Region's property tax ratios and provides an update on current property assessment and taxation items



Reassessment

- Reassessments do not result in any additional property tax revenue for municipalities. Reassessments do result in property tax shifts between individual properties and across property tax classes
- Assessment increases are phased-in evenly over four taxation years, while any assessment decreases are applied fully in the first year
- Reassessments have been delayed by the Province. Assessed values are currently based on a January 1, 2016 valuation date.



Economic Studies

Our economic team collaborates with programs across every department on various strategic initiatives

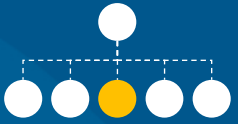
- Long term financial planning & credit rating reviews of Region
- Economic analyses, with risk assessment & mitigation strategies
- Business case development and policy advice
- Fiscal impact studies and financing for servicing agreements
- Coordination of Regional development charge policy & by-laws
- Collaboration for corporate wide benchmarking
- Administration of the Revitalization Program & Community Investment Grants





Economic Studies

Long Term Financial Planning



Risk
Management,
Economic
Studies and
Procurement

The Long Term Financial Planning Framework:

an integrated, coordinated focus on funding Regional Council's priorities, accommodating growth, and investing in infrastructure and service levels, with stable taxes and user rates.

- detailed reserve fund policy
- financial planning process
- financial policies, which are guided by three core principles of financial flexibility, sustainability, and affordability
- performance measurement





Economic Studies Development Related Work

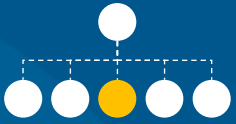
(done in collaboration with Works and Planning Departments)

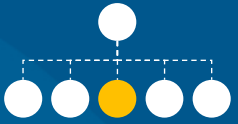
Development Charges (DC):

- Defined by Provincial legislation and set out by Regional by-law
- Allows for recovery of the costs of growth related capital infrastructure (which would otherwise be funded by Water & Sewer User Rates and Property Taxes)
- Currently imposed on new residential and nonresidential development for growth related capital costs for water, sewer, roads, Regional transit, soft services (e.g. police, paramedic, long-term care) and the GO Transit DC
- Region has two area specific DCs which compliment the Seaton Front-Ending Agreement
- Includes Regional DC policies
- More information on Development Charges to be shared in the next presentation

Fiscal Impact Studies and Financing for Large-Scale Servicing Agreements

Regional Revitalization Program





Centralized Procurement for Regional Services

- Responsible for the purchase of supplies and services including Tenders and RFPs, with an average annual purchase of \$500 million dollars:
 - Collaborative approach with departments defining the specifications and evaluation criteria. Purchasing provides the professional procurement advice, the formal processes and negotiation skills
 - Follow the Regional Council approved Purchasing By-law #16-2020
- High Regional standards of ethics:
 - to ensure that fairness, transparency and unbiasedness
 - Confidentiality is critical
- Abide by the Canadian Free Trade Agreement (CFTA) and the Canada-European Union Comprehensive Economic and Trade Agreement (CETA)



Centralized Procurement for Regional Services

Continued

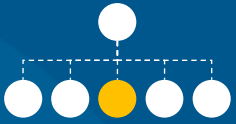
Group Purchasing Opportunities :

- combine buying power for commonly required goods and services to achieve best value:
 - Durham Purchasing Cooperative (DPC): all local area municipalities and some other government agencies (school boards, Durham College)
 - Greater Toronto Hamilton Area (GTHA) Procurement
 - some common purchases leverage Group Purchasing Organization (GPOs) such as the Province of Ontario and Ontario Education Collaborative Marketplace (OECM) e.g. office supplies

Innovation and Vendor Outreach

Materials and Office Services:

- courier, mail, shipping & receiving, printing





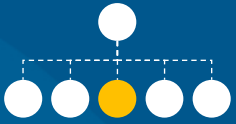
Risk Management and Insurance

Manages and coordinates risk management and insurance for the Region and members of the Durham Municipal Insurance Pool

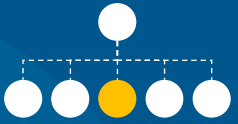


Overview

- Centralized risk management and insurance for the Region including DRT, DRLHC and DRPS
- Claims management and administration, insurance placement and management of pooled and self insurance.
- The Durham Municipal Insurance Pool (DMIP) was launched in 2020 with the participation of the Towns of Ajax and Whitby, the Municipality of Clarington, the Townships of Brock, Scugog and Uxbridge and the Region of Durham. The City of Oshawa joined the DMIP on July 1, 2017.
- The DMIP protects municipalities from increasing insurance premium costs by structuring an alternative risk-financing program with a higher single deductible and collectively self-insuring claims within that deductible while continuing to enhance risk management services
- DMIP provides a specialized insurance program, including risk management and claims services. Annually DMIP receive approximately 519 claims and of these 257 are for the Region of Durham (including Durham Region Police Services and Durham Region Transit)
- To make a claim against the Regional Municipality of Durham or for Durham Region Transit for injury or damages you must complete the online [Municipal Claim Form](#) or - for Durham Region Transit - complete the online [Durham Region Transit Form](#)

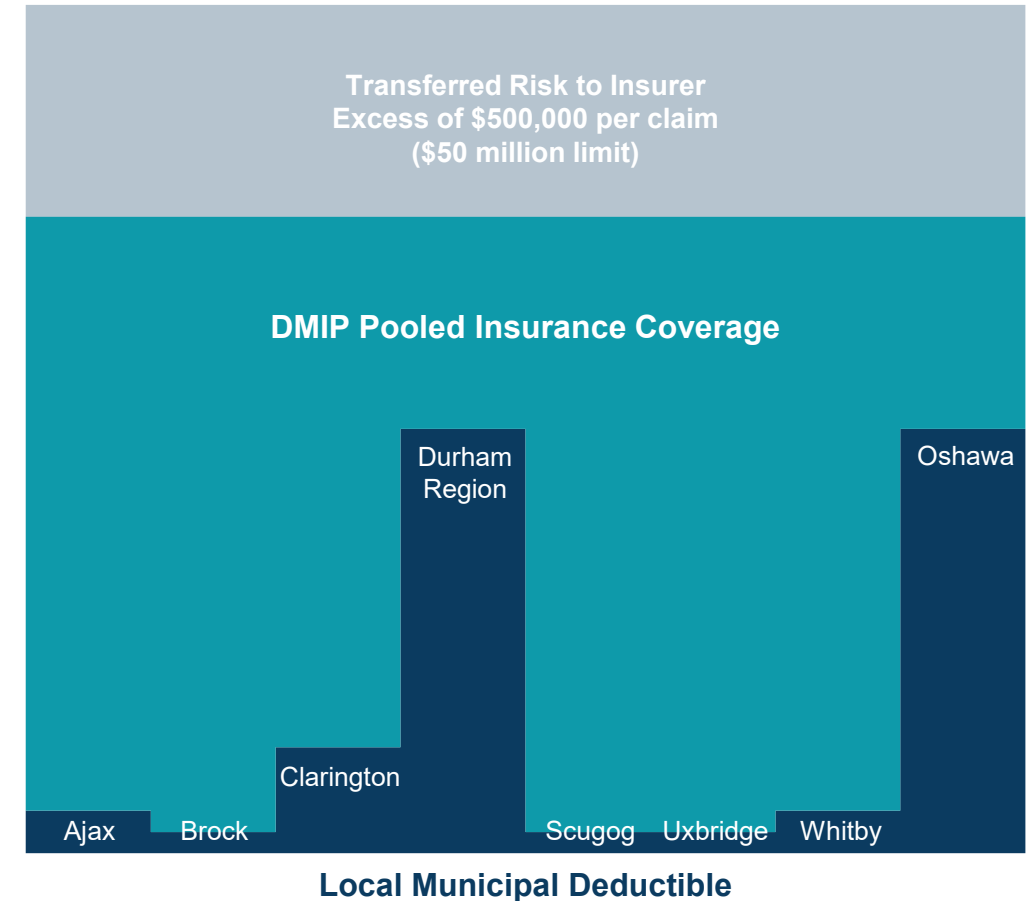


Risk
Management,
Economic
Studies and
Procurement



Basic Concepts of Insurance Pooling

- A pool is a self-insurance fund suited for a group of organizations who are too small to self-insure their own losses
- Gives access to reduced insurance premium costs by carrying higher deductibles through group purchasing and funding
- A long-term commitment is required
- Members have similar exposures to loss
- Pool operates just like an insurance company
 - Collects premiums from members based upon their loss exposure
 - Pays covered losses within the fund limits
 - Purchases excess insurance



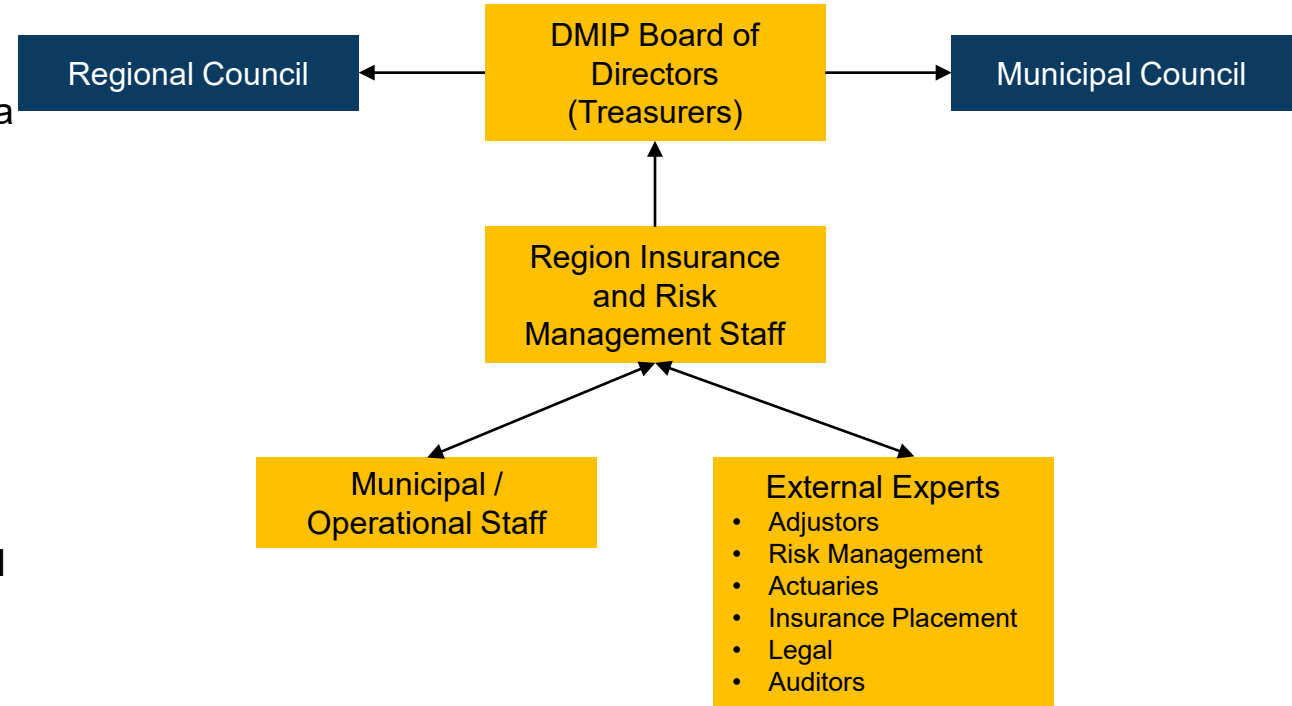


Durham Municipal Insurance Pool



Governance and Framework

- Participating member municipalities have Council approved delegation of authority to Area Treasurers for all aspects of insurance and claims handling to ensure consistency and operational efficiencies
- Subscribers Agreement outlines governance, business authorities and processes
- Actuarial studies support funding requirements including reserves for losses and annual contribution amounts by municipality
- Annual reporting to the Board including external audited financial statements
- DMIP Board ensures financial and human resources are in place for DMIP



DMIP Benefits

Strategic

- An innovative insurance solution
- Control more of your insurance dollars
- Structure of DMIP makes it more flexible & responsive to needs of the members

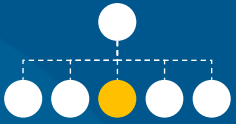
Financial

- Premium stability with higher pooled deductible
- Members share in investment income & equity
- Increased buying power of group program

Commitment to Excellence

- More active involvement in claims & risk management
- Standards for risk management & loss control have increased
- Customized member training and education programs

Risk Management, Economic Studies and Procurement



Durham Municipal Insurance Pool *Continued*



Pooled Insurance Coverages for Region

Property

- Covered property against risks of direct physical loss or damage

Municipal Liability

- Coverage for all sums that the insured is legally obligated to pay to a third party for property damage, bodily injury or personal injury

Owned Automobile

- Coverage for any licensed vehicle owned or leased by the municipality for automobile damage and liability

Public Entity Management Liability (Professional Liability)

- Coverage for all sums that the insured is legally obligated to pay to a third party as damages arising out of an actual or alleged wrongful act



Other Insurance Coverage

Non-Pooled Coverage

- Comprehensive Crime
- Board Member’s Accident
- Conflict of Interest
- Legal Expense
- Equipment Breakdown

Region Specific Coverage

- Durham Region Transit
- Duffin Creek Water Pollution Control Plant
- Aviation (UAV – Drone)
- Volunteer Accident for 2023 Ontario Parasport Games
- Aviation (Helicopter)

Region Specific Self Insured Coverage

- Environmental, Cyber and Punitive Damages



Durham Municipal Insurance Pool *Continued*



2022/23 Insurance Renewal

- Durham Municipal Insurance Pool (DMIP)
- Duffin Creek Water Pollution Control Plant
- Durham Region Transit
- Aviation for DRPS Helicopter and Aviation
- Cyber Insurance



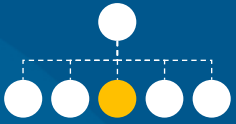
2022/23 Risk Management Objectives

Pool Training Seminars	Enterprise Risk Management Collaboration	Risk Assessments
Interactive Anti Fraud	Durham Region Transit	Tobogganing
Cyber Incident Training	Innovation Office of the CAO	Multi-Use Trails
Safer Parks & Recreation		Signage for Recreational Trails



Key Considerations

- The Pool has proven to be a highly effective method to minimize the cyclical nature of the insurance marketplace
- Risk Management and Loss Prevention are key objectives for DMIP and the Region
- All DMIP members utilize insurance pool for significant advice on risk management issues, contractual issues and education and training resources
- The Pool provides stability and predictability for the pool members and ultimately the taxpayers in Durham Region





Utility Finance

Responsible for water and sanitary sewer billing and analysis and customer services for over 184,950 customers

\$ Billing and Analysis

- Billings - issue over 750,000 water/sewer bills, approximately \$246 million in revenue annually based on Council approved User Rates
- Expand residential meter readings from 178,000 in 2022 to over 712,000 with the transition to full reading
- Three-year program (2022- 2024) to retrofit existing water meters with radio frequency remote reading devices to eliminate manual reading

👤 Customer Service

- Staff respond to over 130,000 water/sewer customer inquiries received through various channels (telephone, email, MyDurhamWater portal, letter) each year
- Collections of all outstanding water/sewer balances on customer accounts



MyDurhamWater provides enhanced water and sewage billing services so residents can:

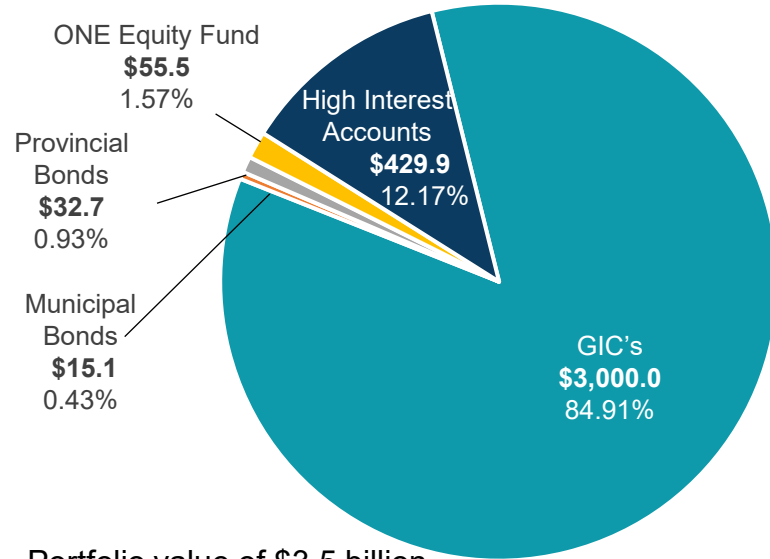
- View their billing information online,
- Receive bills on-line through paperless e-billing,
- Choose from multiple payment options, including e-payments,
- Enter meter readings online,
- Communicate with the Region through multi-channels, such as secure email, and
- Seamlessly access the Region's website for rate and water billing information

42,000 customers currently enrolled – this is expected to grow to over 60,000 by 2024



2021 Investment Portfolio Highlights

December 2021 Asset Allocation (\$ millions)



- Portfolio value of \$3.5 billion
- 1.5% average annual return in 2021
- \$59.2 million investment revenues earned

Portfolio by Maturity (\$ millions)



- 41.6% of the portfolio maturing in under one year, 56.4% within one to five years and 2.0% after five years
- Weighted average term of about two years

2022 Investment Portfolio Highlights

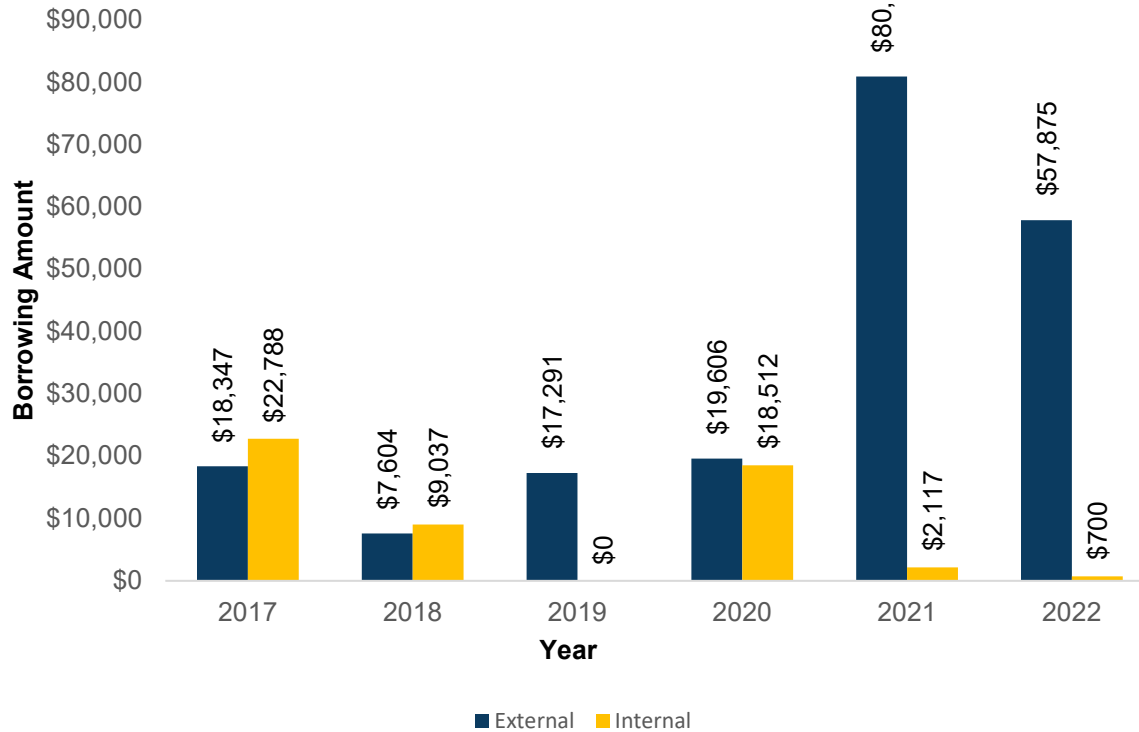
- New Investment Policy approved by Council in January
- \$1.3 billion in GICs laddered over five years at an average return of 4.1%
- \$20 million purchase of City of Toronto Social and Green bonds
- \$10 million purchase of Gov't of Canada Ukraine Bond
- Implemented strategy to grow Equity exposure by \$20 million/quarter
- Liquid investments earning over 3%
- Average return and investment term projected to increase
- Ongoing investigation into new securities, investment providers and enhancement of trading capabilities (e.g. Bloomberg)
- Preliminary discussions on Prudent Investor solutions for municipalities



Debt Overview

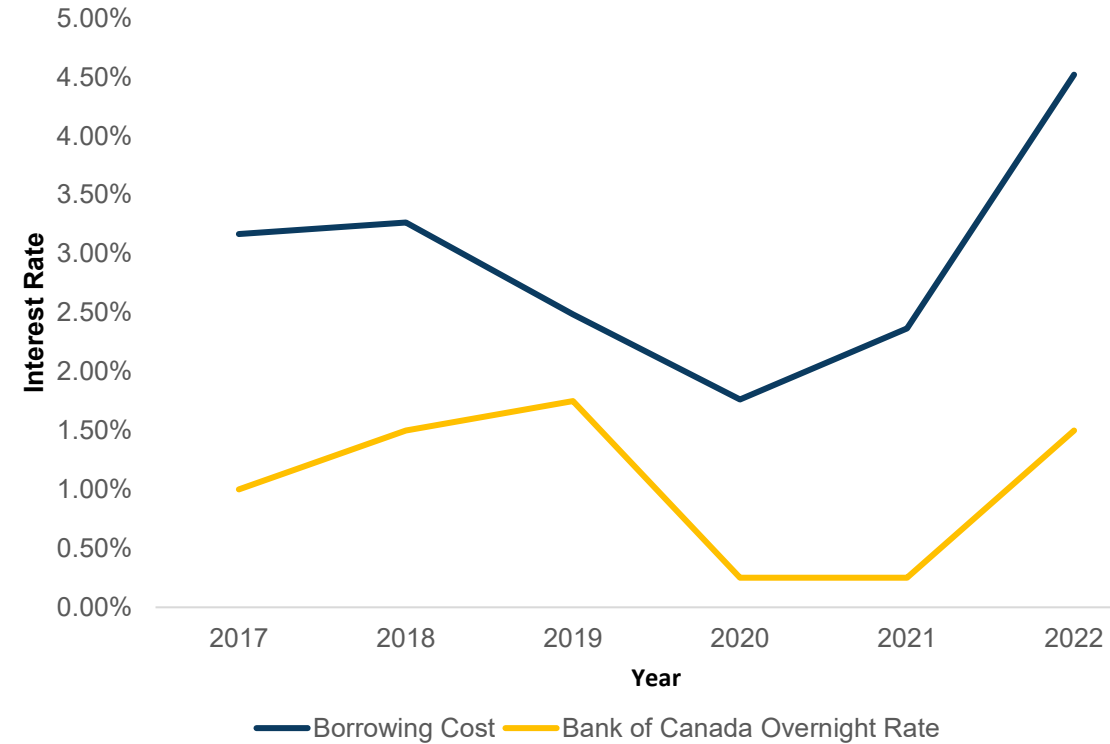
Financial Solutions, Utility Finance and Investment Portfolio Management

Debt Issuances 2017 to 2022 ('000s)



- Facilitates internal and external borrowing for Region and local municipalities
- Debt syndicate includes RBC & CIBC
- Debentures issued annually

Interest Rates 2017 to 2022



- Borrowing costs have increased since 2021 due to rising inflation coming out of pandemic
- Continue to investigate creative opportunities to lower the cost of funds

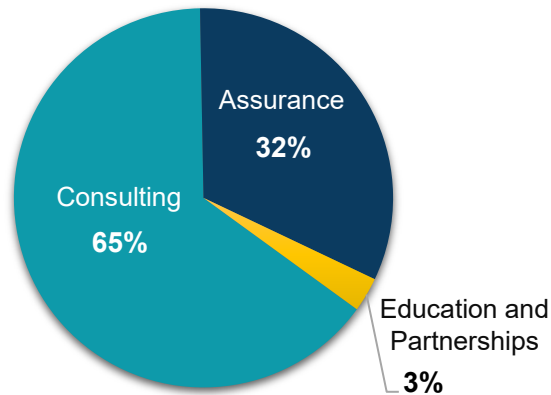
Internal Audit

Provides objective and independent assurance, consulting and educational services to assist the Region in achieving its mandate and the continuous improvement of processes and controls

Overview

- The Internal Audit Division (IAD) uses a risk based, consultative approach in planning and conducting engagements. IAD works with Regional staff to help improve processes and systems, to make issues easier to deal with, and provide education on how the Region can function better. IAD is governed by its adherence to the Institute of Internal Auditors (IIA) Professional Practices Framework

*Engagement Type
2022/23 Audit Plan*



Consulting

- Review controls, processes and procedures
- Assist in corporate risk assessment
- Controllorship, accountability, governance and business practices

Assurance

- Compliance audits
- Value for money evaluations
- IT audits
- Operational reviews
- Financial and internal control audits

Education & Partnerships

- Provide training and education
- Partnerships with Senior Management

Upcoming Reports



January 2023

- 2023 Property Tax Supported Budget Guideline



February 2023

- Transit Long-Term Service and Financing Strategy
- Region of Durham Paramedic Services (RDPS) Comprehensive Masterplan Review and Implementation Strategy
- Investment Portfolio Update



March 2023

- 2023 Property Tax Supported Business Plans and Budget
- 2023 Property Tax Study
- 2022 Council Remuneration and Expenses



April to June 2023

- Various Development Charge Reports
- Credit Rating Reviews



Questions?



Thank you!

durham.ca
[@RegionofDurham](https://www.instagram.com/RegionofDurham)





Development Charge Primer

Finance and Administration Committee Meeting

January 17, 2023

What are Development Charges (DCs)?

- Development charges are a cost recovery tool that ensures that “growth pays for growth” (mostly)
- Levied on developers to recover a portion of the growth-related infrastructure costs associated with new development
- Charges are imposed on a per-unit basis for new residential development; imposed on a per square foot basis for non-residential
- Existing taxpayers and water/sewer rate payers fund operations, maintenance and rehabilitation, and replacement capital costs (and paid DCs when new)

New Development = Increased Service Demand



How a DC By-Law is Developed

Multi-Departmental Project



- Population and Employment Forecasts
- 10 year Capital Program
- Economic and Financial Analysis
- Policy Formulation
- Input from Regional Departments
- Feedback from Area Municipalities
- Development Industry Feedback
- Interested Parties Feedback & Public Consultation including BILD and Home Builders Associations



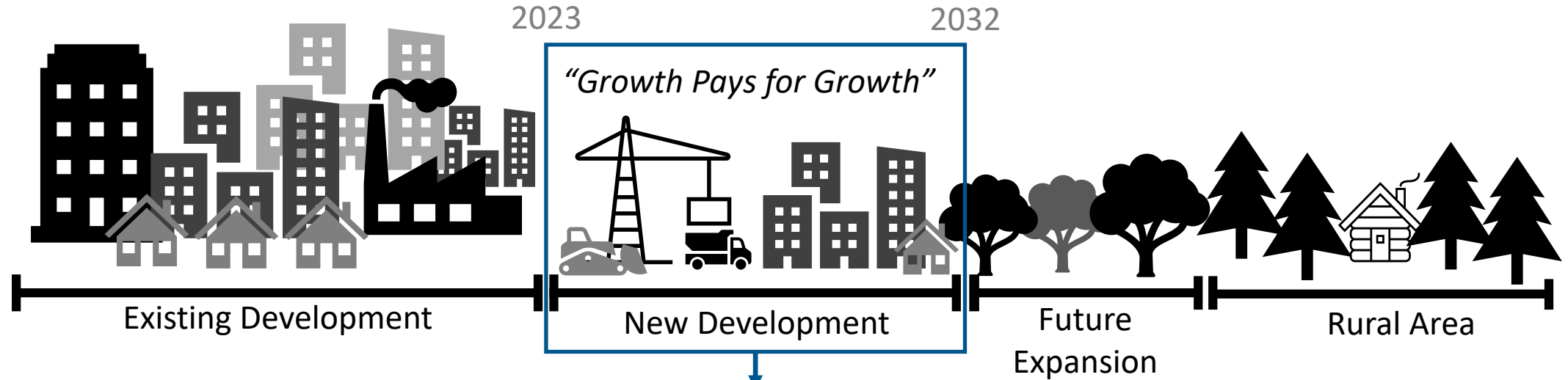
Procedure for Establishing a By-Law

Process	Task	Time Frame
Background Study	Analysis and Policy Review	Approx. a year
Public Consultation	Public Meeting Notice in newspapers	20 days prior to public meeting
	Release Background Studies & proposed by-laws	14 days prior to public meeting; 60 days prior to passage of By-law
	Consultation with interested parties	Before and after public release of Background Study
	Public Meetings of Council	Based on Regional Council Requirements
	Final Date for Public Comment	
Council Approval	COW-Final DC by-laws Regional Council	Based on Regional Council Requirements
Implementation	Implementation of DC by-laws	Based on Regional Council Requirements
Notice and Appeals	Newspaper & other notice of by-law passage	By 20 days after passage of by-law
	Last day for by-law appeal	By 40 days after passage of by-law
	Pamphlet	By 60 days after in-force date

How DC Rates are Determined

- Forecast the amount, type and location of growth
- Forecast the infrastructure required to accommodate that growth
- Estimate the capital cost of new growth-related infrastructure
 - Restricted to historical service levels for soft services
- Reduce the capital costs to only the Regional growth portion
 - Benefit to existing
 - Post-period benefit beyond forecast period
 - Grant/Subsidies
 - Existing Reserve Fund Balances
- Use the forecasted growth and infrastructure costs to calculate DC rates

Development Charge Calculation









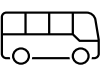

Residential Development

$$\text{DC Rate per Unit} = \frac{\text{New Residential Development Cost}}{\text{New Residential Units}}$$

Non-Residential Development

$$\text{DC Rate per Square Foot} = \frac{\text{New Non-Residential Development Cost}}{\text{New Non-Residential Square Footage}}$$

Residential DC Services and Current Rates

	Service Area	Single/Semi Rate
	Water Supply	\$12,342
	Sanitary Sewerage	\$12,013
	Regional Roads	\$12,119
	Regional Police Services	\$936
	Long-term Care	\$312
	Paramedic Services	\$246
	Regional Transit ¹	\$1,747
	GO Transit ²	\$814
Total ^{3,4}		\$40,529


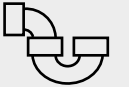

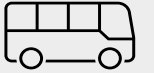
¹ Regional Transit DC by-law #39-2022 are now phased-in at 80%

² GO Transit DC by-law #86-2001 (as amended by Province)

³ Regional DC by-law expires June 30, 2023

⁴ Housing Services DC of \$562 now ineligible

Non-Residential DC Services and Current Rates (per sq. ft.)

	Service Area	Industrial	Commercial	Institutional
	Water Supply	\$3.66	\$4.59	\$1.11
	Sanitary Sewerage	\$4.41	\$7.71	\$1.36
	Regional Roads	\$4.24	\$11.16	\$9.40
	Regional Transit ¹	\$0.79	\$0.79	\$0.79
Total ²		\$13.10	\$24.25	\$12.66

¹ Regional Transit DC by-law #39-2022 and now phased-in at 80%

² Regional DC by-law expires June 30, 2023

Where do the funds go?

- Shown as Deferred Revenue and held in Reserve Funds
 - DCs are allocated to DC reserve funds for each service type and used to fund growth-related capital projects
 - Held in trust to spend on eligible growth-related projects
- Water/Sewer growth related capital projects are funded primarily through user rates and DC's
- Roads and other services' capital projects are funded primarily through property taxes and DC's

Reporting and Auditing DCs

- Treasurer's Annual Statement (F&A report done in June)
 - As prescribed by the DCA
 - Opening/Closing reserve fund balances of each year
 - Current distribution of the DC proceeds
 - Financing
 - Interest
- Annual Financial Audited Statements of the Region

DC Policies

- **Redevelopment Charge Credit**
 - Provides credit for a reduction in DCs where existing buildings and structures are demolished and replaced/converted to another use
- **Region Share Policy**
 - Region to pay for the share of oversizing of infrastructure beyond what is required by the developer
- **Well Interference Policy**
 - Provides relief to residential property owners in situations where their private well has potentially been negatively impacted by the construction of Regional services
- **Indexing**
 - Non-Residential Building Construction Price Index (Statistics Canada)

Other Policies and Exemptions

- **Collection Policy**

- Residential Subdivision Agreements: 100% at signing OR

50% of Water/Sewer/Roads DC at signing and balance by 1 year anniversary of signing and letter of credit for 55%

WITH


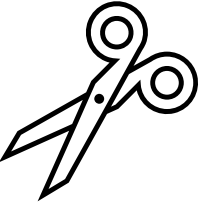
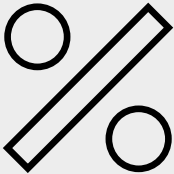
100% at Building Permit, whichever is first

- Other: At Building Permit issuance or on deferred payment basis for rental housing, retirement, and long-term care homes starting at occupancy


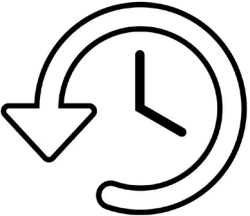
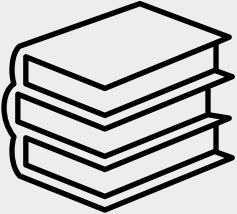
- **Non-Statutory Exemptions**

- Agricultural uses
- Places of worship
- Parking structures (above or below ground)
- 2018 DC by-law broadened exemptions for secondary units within an existing residential unit to include units detached from the existing unit

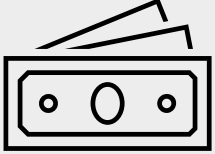
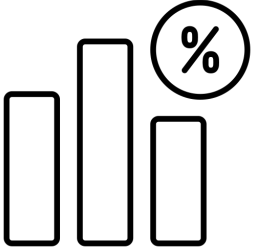

Bill 23: What is changing?

 A simple line-art icon of a clock face with a circular border, a central dot, and two hands.	Development charge by-law expires ten years after it comes into force (previously expired after five years)
 A simple line-art icon of a pair of scissors, shown from a top-down perspective.	<u>Retroactive</u> 5 year phase-in of DC rates for new by-laws as of January 1, 2022 (Impacted the Region's transit DC by-law of July 1, 2022)
 A simple line-art icon of a percentage sign, consisting of a diagonal slash and two small circles.	Discounts for rentals and exemptions for affordable, attainable, non-profit and inclusionary zoning developments

Bill 23: What is changing?

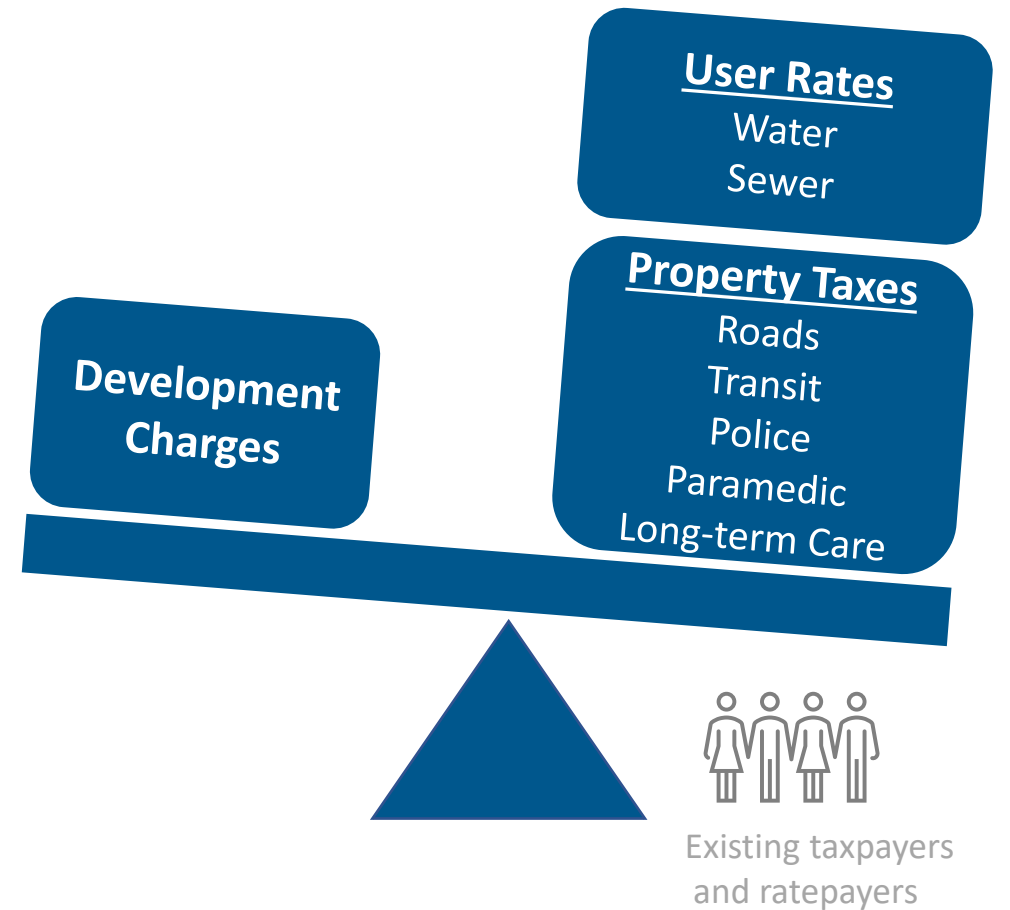
	Remove Housing Services DC of \$562/single unit
	Historical Level of Service Extended to 15 years from 10 years
	Remove the cost of certain studies from DC calculation (and potentially certain land, however Province has not yet identified)

Bill 23: What is changing?

	Spend or allocate at least 60 per cent of the monies that are in a reserve fund
	Maximum interest rates that municipalities can charge
	Exemptions for second and third units on existing residential properties

Financial Implications

- Development charges mainly fund growth-related capital costs for roads, transit, police, paramedic, and long-term care
- Property Taxes and User Rates are used to pay for infrastructure rehabilitation/replacement and operating costs
- DC shortfalls are funded through user rate (Water/Sewer) and property tax increases





New By-Law Update Needed Spring 2023

Public Consultation	Public Meeting Notice placed in newspapers	March 8, 2023
	Release of Background studies & proposed by-laws	March 14, 2023
	Consultation with interested parties	March-April
	Public Meetings of Council	March 29, 2023
	Final Date for Public Comment	April 21, 2023
Council Approval	COW-Final DC by-laws	May 10, 2023
	Regional Council	May 24, 2023
Implementation	Implementation of DC by-laws	July 1, 2023
Notice and Appeals	Newspaper and other notice given of by-law passage	By 20 days after passage of by-law
	Last day for by-law appeal	By 40 days after passage of by-law
	Region makes available pamphlet	By 60 days after in-force date



Questions

Mary Simpson

Director of Risk Management, Economic Studies
and Procurement Division

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durham.ca

[@RegionofDurham](#)





2023 Regional Business Plans and Property Tax Supported Budget Guideline

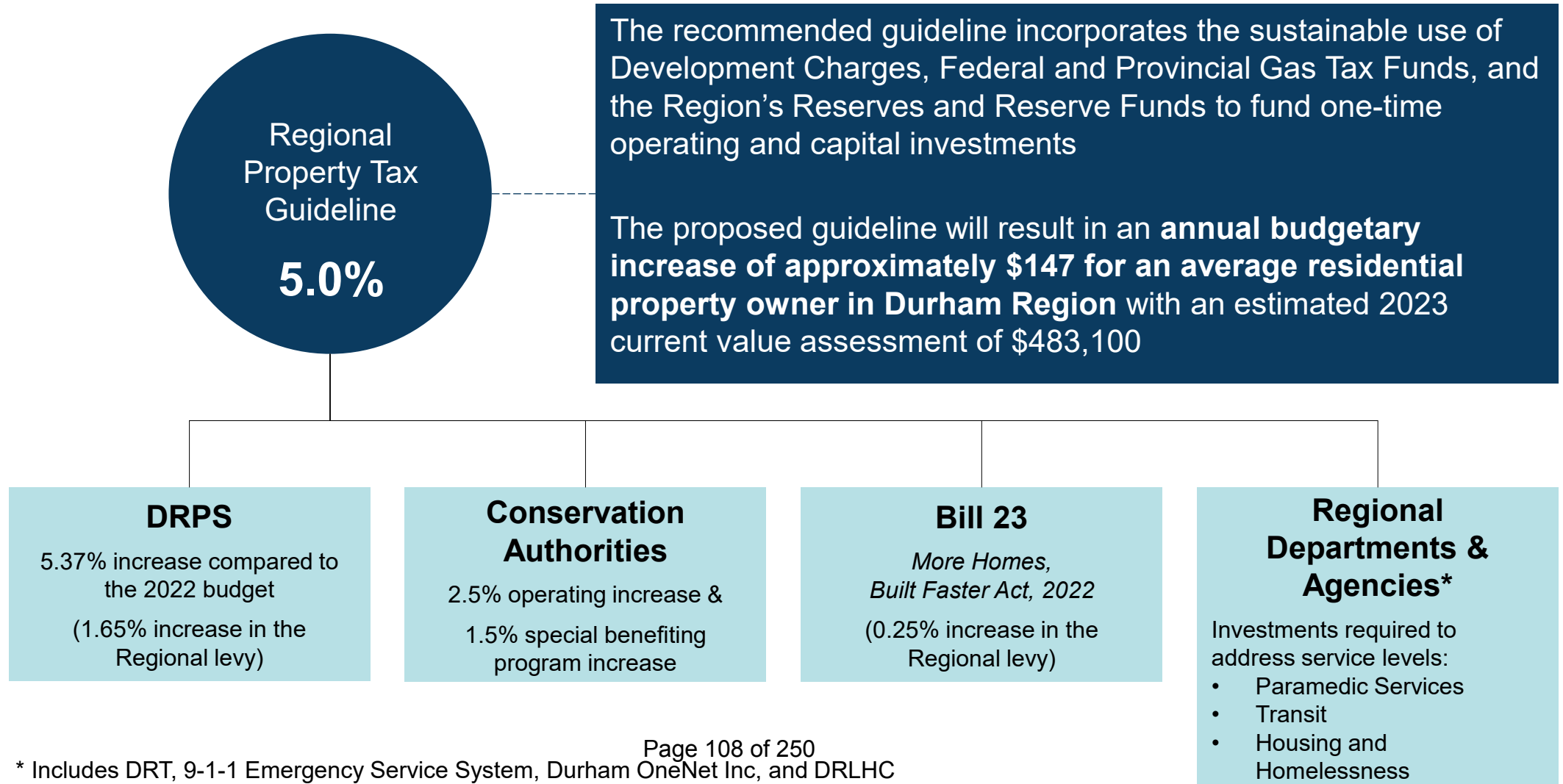
*Finance and Administration
Committee, January 17, 2023*



Purpose and Use of the Guideline

Establishes an **overall property tax cap** for the 2023 property tax supported business plans and budgets

Ensures **alignment** with Council’s tax levy expectations and service level implications



2023 Budget Pressures



Base Pressures

- Significant inflationary pressures in 2022 and projected for 2023 (estimate \$8.1 million increase in fuel costs)
- Capital cost escalations
- Staff and service contract cost increases
- The annualization of 2022 budget decisions and decisions approved in-year



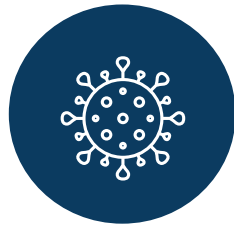
Investment in Critical Front Line Core Service Areas

- Paramedic Services Masterplan Review and Implementation Strategy
- Durham Region Transit's Long-Term Investment Plan



2023 Strategic Investment Pressures

- Targeted investments in Durham Regional Police Service
- Investments to advance the implementation of the Region's Strategic Plan



COVID-19 Recovery

- Ongoing vaccine rollout and addressing backlog in critical Public Health program areas
- Transit ridership recovery and ongoing enhanced cleaning
- Screening, additional infection control products, and cleaning supplies at the Region's LTC Homes



Provincial / Federal Funding Impacts

- Homelessness Supports
- Paramedic Services
- Public Health
- Social Assistance
- Childcare
- Ukrainian Humanitarian Response in Durham
- Long-term Care
- Police



Impacts from Legislative and Regulatory Changes

- Current or potential changes that may have fiscal impacts for the Region include:
- Bill 23 – *More Homes Built Faster Act, 2022*
 - Transfer responsibility for prosecution of Part III and Part IX POA charges



Strategic Investment: Region of Durham Paramedic Services



Key Milestone

The Paramedic Services Masterplan Review and Implementation Strategy report will be presented to Committee and Council in February with a 10-year financial forecast that includes:

- Staff resourcing plan
- Capital plan including new stations and increased state of good repair investments



Objective

Building on the information contained in the Comprehensive Master Plan for Paramedic Services provided by ORH develop a forward looking 10-year (2023 – 2032) implementation strategy to address response time service levels which continue to be impacted by:

- Population growth and demographic changes
- Offload delay challenges at hospitals
- Employee wellness and sustained resiliency



Financing

- Projected 2023 gross spending increase of approximately \$11 million, including projected increase in provincial funding
- 2023 proposed guideline includes 0.43% increase dedicated for Paramedic Services
- Increased investment will be required over forecast to increase service performance



Strategic Investment: Durham Region Transit



Key Milestone

The Durham Region Transit's Long-Term Investment Plan report will be presented to the Transit Executive Committee, Finance and Administration Committee and Council in February



Key Priorities

The 10-year implementation strategy looks to advance the following key priorities:

- Service enhancements and growth
 - Fleet transition to zero greenhouse gas emission vehicles
 - Passenger amenities and infrastructure
 - Fare modernization
-



Financing

- 2023 proposed guideline includes 1.48% increase dedicated for Durham Region Transit
- Significant increases in senior government funding for transit will be required to fund the 10-year investment plan



Durham Regional Police Service

Overview

Durham Regional Police Services have identified a total 2023 budget pressures of \$14.21 million (6.09 per cent)

- Base Pressures - \$10.17 million
 - Contractual increase (\$6.2 million), annualization of new positions (\$2.2 million), operational areas (\$0.74 million), revenue increases (\$1.1 million), and various items (\$2.13 million)
- Body Worn Camera (Phase 3 of 3) – \$0.37 million
- Strategic Investments - \$3.67 million
 - 39 new positions – including 20 front line officers

Recommendation

- A 2023 guideline of a 5.37 per cent increase on the Durham Regional Police Service Budget (1.65 per cent overall increase to the Regional property tax levy).
- This includes an increase of \$10.17 million to fund base pressures and an increase of \$2.35 million to fund the incremental costs for year three of the body worn camera implementation (\$0.37 million) and other strategic priorities of the Durham Regional Police Services Board (\$1.98 million)



Future Pressures

Based on current modeling, the Region anticipates annual property tax increases for 2024 to 2027 to be consistent with the 2023 property tax guideline.

Staff continue to pursue all opportunities for provincial and federal partnerships to offset as much capital and operating impacts as possible

Environmental Sustainability

- Investments to implement Corporate Climate Action Plan
- Implement the Region's Long-term Waste Management Strategy

Community Vitality

- Paramedic Services Masterplan Review and Implementation Strategy
- Durham Region Transit's Long-Term Investment Plan
- New Regional long-term care home in North Pickering (Seaton)
- Increased investment in Durham Regional Police Services

Economic Prosperity

- Advance transit-oriented development opportunities

Social Investment

- Implement the Region's Master Housing Strategy
- Two new Regional operated childcare centres

Service Excellence

- Implement the findings from the Works Depot Rationalization study

Embedding Enhanced Public Engagement



Hosting a Budget Town Hall where **more than 14,000 Durham Region residents** participated over the phone or on the Region's website. Residents were encouraged - over a variety of platforms - to provide their questions, feedback and suggestions.

Highlights of some of the areas of focus included:

- Roads and Planning for Growth
- Regional Transit
- Housing and Homelessness
- Affordability



Utilizing a **year-round engagement plan** in an approach aligned with the cadence of the annual Budget process and enabling input to help inform budgetary decisions assisted by an internal process review

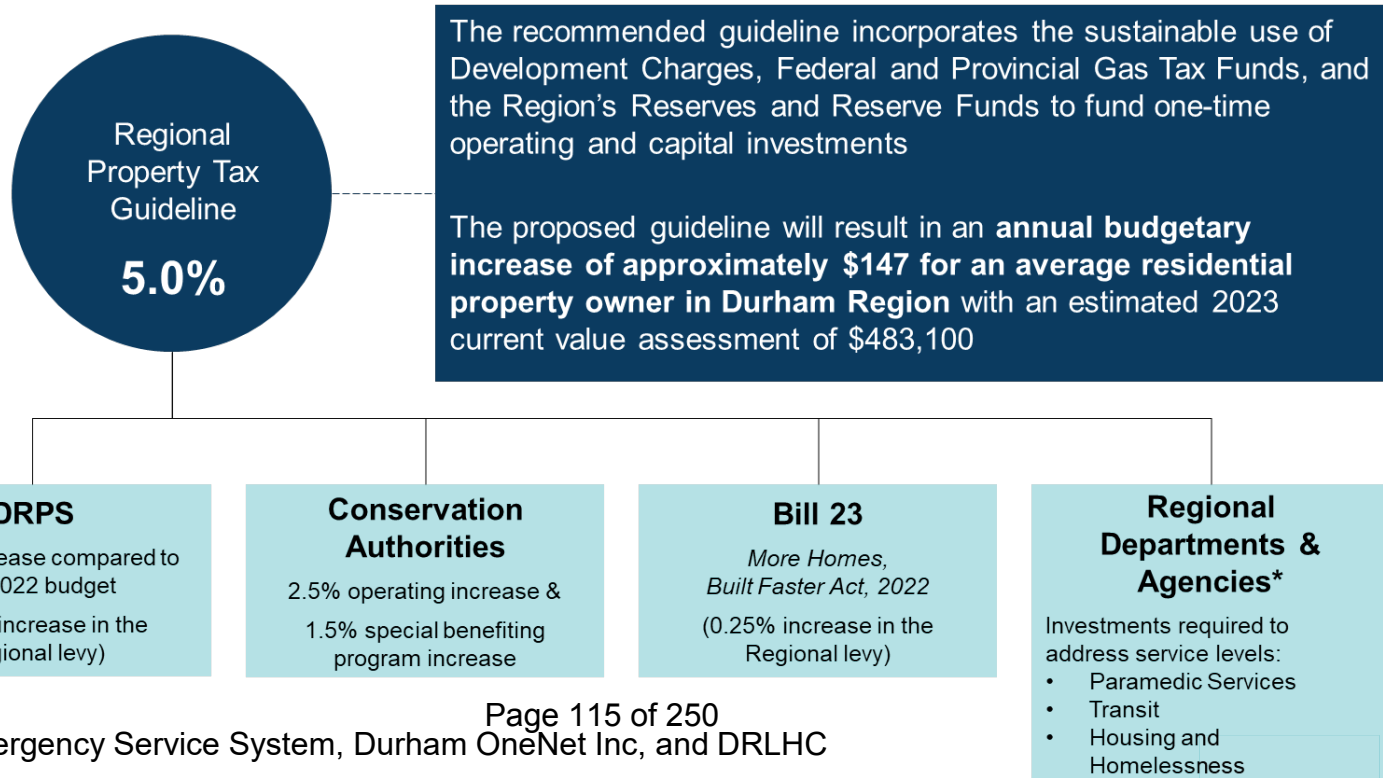
Residents are encouraged to ask questions and share their ideas and priorities for the 2023 Budget online by using the [Have Your Say! Tool](#) or by emailing budgets@durham.ca



Conclusion

The recommended guideline supports:

- Investments in **Critical Front Line Service Areas** including paramedic services, transit and homelessness and housing supports;
- Meeting the challenges of **inflation** and accounting for **future growth**;
- Strategic Plan** priorities; and
- Senior government **funding and legislative / regulatory landscape**



* Includes DRT, 9-1-1 Emergency Service System, Durham OneNet Inc, and DRLHC



Questions?



Thank you!

durham.ca

@RegionofDurham



COUNCIL COMPOSITION 2023 O. Reg 293/16

Finance & Administrative Committee:

Requesting expansion re two Regional Councillor Representatives

INTRODUCTION/LAND ACKNOWLEDGEMENT

I currently sit on Treaty 19 here in Peel Region, and it is shared between the Mississaugas, Mohawk, and tribes with Otter Clans. Niciwaswkem, a Cree word meaning, cousins; you are currently located on land, which has long served as a site of meeting and exchange among the Mississauga Peoples and is the traditional and treaty territory to Chief Jacob Crane and the Mississaugas of Scugog Island First Nation and all the territories covered under the Williams Treaties. Durham Region is now home to many First Nations, Inuit, Métis and possibly Taino peoples

BACKGROUND

- Congratulations Durham Region, you're growing up!
- Current population 699,460 however Planning and Development forecasts slightly above 713,000 residents according to completed development projects
- Immigration rates are rising in Durham Region
- Ethnicity and visible minorities shift the demographic and socioeconomical landscape in Durham Region
- Indigenous Communities increase from approximately 8,000 in 2011 to approx. 12,500 in 2016

Statistical Challenges

- Employment Act (Visible Minority Update)
- First Nations Community missing from the Infographic summary
- Inaccuracies made with the African Descendant Communities (Black labeling)



[Infographic Summary](#)



[Law & Income Journal- Employment](#)

Statistical Calculations

DURHAM REGION ETHNO-DEMOGRAPHICS & POPULATION STATS

ETHNICITY	AJAX	BROCK	CLARINGTON	OSHAWA	PICKERING	SCUGOG	UXBRIDGE	WHITBY	DURHAM
Indigenous Total									
First Nations	1275	465	2640	5325	1065	500	345	2085	2.00%
Visible Minorities									
South Asian	33,056	170	4970	16240	20,890	300	335	16,365	13.20%
Chinese	3766	46	895	3120	2935	215	390	4910	2.30%
African note:	21,240	100	5255	15425	11,275	155	215	12395	9.60%
Filipino	6675	20	1165	4325	4,085	40	190	3575	2.88%
Arab	2505	10	570	1250	1,640	55	25	1350	1%
Latin American	1696	80	740	2280	1,500	85	75	1655	1%
Southeast Asian	825	25	380	770	570	40	30	660	0.47%
Western Asian	3745	55	690	2125	2,060	40	85	2155	1%
Korean	0	25	140	400	420	40	50	520	0.22%
Japanese	245	0	180	0	0	40	110	320	0.12%
Visible Minorities	3570	0	800	1395	2,580	40	60	1870	1.40%
Multiple Minorities	4045	40	825	2275	2,825	50	150	2550	1.80%
Total									
Total	126,666	12,567	101,427	175,383	99,186	21,581	21,566	138,501	
Non - Canadian Citizen									

Non - Canadian Citizen 40,910

Next Steps ...

CALL TO ACTION:

UNDRIP #50 Equity for Aboriginal People in the legal systems

In keeping with the *United Nations Declaration on the Rights of Indigenous Peoples*, we call upon the federal government, in collaboration with Aboriginal organizations, to fund the establishment of Indigenous law institutes for the development, use, and understanding of Indigenous laws and access to justice in accordance with the unique cultures of Aboriginal peoples in Canada.

CALL TO ACTION:

UNDRIP #57 Professional Development & Training

We call upon federal, provincial, territorial, and municipal governments to provide education to public servants on the history of Aboriginal peoples, including the history and legacy of residential schools, the *United Nations Declaration on the Rights of Indigenous Peoples*, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills- based training in intercultural competency, conflict resolution, human rights, and anti-racism.

UNDPAD Recommendation: Routinely implement diversity awareness, Anti-Black Racism - Hate training (all service sectors , & boards)

CALL TO ACTION:

UNDRIP #79 Commemoration

Amending historical sites and monuments act to include First Peoples



UNDPAD Recommendation:

Concrete steps to preserve history of enslavement by establishing monuments in their honour

CALL TO ACTION:

UNDRIP #92 Business and Reconciliation

Commit to meaningful consultation building respectful relationships (Regionally)& obtaining the free prior informed consent of individual of Indigenous peoples before proceeding with economic development



UNDPAD Recommendation:

Undertake impact-orientated activities (Regionally)in the framework of the UNDPAD to bridge the existing gaps between policies, procedure and practice, etc..

CALL TO ACTION:

UNDRIP #93 Newcomers to Canada

We call upon the federal government, in collaboration with the national Aboriginal organizations, to revise the information kit for newcomers to Canada and its citizenship test to reflect a more inclusive history of the diverse Aboriginal peoples of Canada, including call upon the officials and host countries of information about the Treaties and the history of residential schools.

CALL TO ACTION:

UNDPAD Recommendation:

Ratify the International Convention on the Protection of Rights of All Migrants workers and Members of their Families;



REGIONAL COUNCILLOR PROPOSAL

- Requesting the existing council, including the Mayor to elect two seats for representatives that are visibly and disproportionately represented at council. Secondly, two seats at executive levels for BIPOC eligible nominees:
- A designated seat for the Indigenous representative at Regional Council Level
- A designated seat for the African Descendants (including Maroons) as representatives at Regional Council Level
- Two designated seats for nominated officials, post the election; to be considered as eligible candidates in executive positions. In order to reflect the greater population in Durham Region

Resources

[Census Canada](#)

[Durham.ca](#)



[Employment Act 1986:Cardillo, Brenda. Council Composition O.Reg 293/16. PPT](#)



[Infographic Summary Durham Region Profile: Demographic & Socioeconomic Data](#)



[United Nation Declaration of Rights for Indigenous Peoples](#)



[United Nations International Decade of Rights for People from African Descent](#)

Keba Tamara Thomas

Former Regional Councillor Candidate/Brampton Peel Region

January 16th, 2023

Durham Ukrainian Relief Project

**Durham Region
Ontario, Canada**

January 2023



Why Are We Here?

- Cross-denominational
- Cross-cultural effort
- Wider Durham community

Partner Organizations:



- Durham Region Unemployed Help Center
- St. John's UOC
- St. Georges UCC
- Grace Pentecostal
- Friends of Ukrainian Defence Forces
- Durham Region Ukrainian Assistance Group

To assist Ukrainian newcomers fleeing Ukraine as a result of the Russian invasion who are settling in Durham.

Our focus is to assist the newcomers in **integrating** and becoming **self-sufficient** quickly and safely.

Priority: Shelter and Food.

100% of funds donated to the project go to newcomers in Durham.
No overhead on the project.



Numbers and Estimates

- **763,094 visa applications submitted**
- **478,000 applications already approved**
- **140,000 already arrived in Canada (40% increase from Nov)**
- **80% projected to land in GTAA (80K ppl)**
- **40K ppl will stay in GTA**
- **Durham to receive estimated 10% = 4,000 people**

We need to prepare to accept 4,000-8,000 people in Durham

Team Structure

50+ volunteers

Team	Name
Chair of DURP	Anna Kobilaski annakobilaski@gmail.com
Intake Team	Natalia <u>Tsenova</u>
Immigration Assistance/Governance	Mariia Pitolai
Housing Team	Valerie <u>Pekarski</u>
Welcome Team/Transportation	Svitlana Nimtsiv
Financial Aid	<u>Mariya Bahan</u>
Communication/Government Relations	Ievgenia Mangones
Fundraising Team (DURF)	Anna Kobilaski

- **Processes and Governance**
- **Terms or Reference**
- **Executive Team of DURP**
- **Charitable number for donations**
- **Database of newcomers and volunteers**

Projects

How you can help

- Partnering with local motels to cover costs of accommodations
- Partnered with Durham Ukrainian Humanitarian Response Project (coming to an end) –
- Partnering with Feed the Need
- Supplementing food with ethnic non-perishable food
- Cultural events
- Transportation/Translation
- Integration support and Mental health
- Collection and distribution of donations (goods and financial aid)
- 280 newcomers in the DURP database
- 54 families went through DUHRP (159 people)
- \$27K of aid distributed to 36 families
- Additional \$100K from the account as of January 2023 (generous Christmas donations)



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Chief Administrative Officer
Report: #2023-A-1
Date: January 17, 2023

Subject:

Durham Region Anti-Racism Taskforce Membership Appointments and Revised Terms of Reference

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

A) That the following individuals be appointed as community members to the Durham Region Anti-Racism Taskforce:

- i) Akuah Frempong;
- ii) Channon Oyeniran;
- iii) Gail Wilson-Beier;
- iv) Jackie Williamson;
- v) Jeany Munawa;
- vi) Kevin Vieneer;
- vii) Robert Orlando Pule;
- viii) Ruvette Coelho;
- ix) Shauna Bookal; and
- x) Trynee Hancock.

B) That the following individuals be appointed as representatives from industry, association and public institutions to the Durham Region Anti-Racism Taskforce:

- i) Brianna Nelson;
 - ii) Nikki Samuel;
 - iii) Pita-Garth (PG) Case; and
 - iv) Susan Byrne
- C) Approve the revisions to the Terms of Reference for Durham Region Anti-Racism Taskforce previously approved on May 11, 2021.
-

Report:**1. Purpose**

- 1.1 The purpose of this report is to recommend individuals for appointment to the Durham Region Anti-Racism Taskforce (DRART) and to seek approval for revisions to the DRART Terms of Reference.

2. Background

- 2.1 The Durham Region Anti-Racism Taskforce was established in 2021 to act in an advisory role to Regional Council through the Finance and Administration Committee on issues related to racism – structural, systemic and interpersonal.
- 2.2 The Durham Region Anti-Racism Taskforce Terms of Reference provides for DRART members to be appointed by the Finance and Administration Committee and Durham Regional Council.
- 2.3 The Durham Region Anti-Racism Taskforce is comprised of 15 to 18 members, as follows:
- a) Two members of Regional Council;
 - b) The Chief Administrative Officer (CAO) of the Region;
 - c) Ten (10) racialized community members with lived experience, specialized expertise, including those with intersectional social locations; and
 - d) Three (3) to six (6) representatives from industry, association and public institutions.

3. Previous Reports and Decisions

- 3.1 Report [#2021-A-8](#), Durham Region Anti-Racism Taskforce Terms of Reference.
- 3.2 Report [#2020-COW-26](#), Anti-Black Racism Town Hall and Diversity, Equity and Inclusion Follow-Up.

4. Membership Recruitment and Selection

- 4.1 Advertisements were placed on the Regional website and social media channels seeking individuals interested in serving on the DRART. Interested individuals were required to complete an online application.
- 4.2 The individuals recommended for appointment to DRART collectively represent five different racial and cultural identities, including Black and Indigenous, and a large percentage are women. Attachment #1 includes a DRART Profile using demographic data from the individuals recommended for appointment.
- 4.3 Attachment #2 includes the names of individuals recommended for appointment to the DRART.
- 4.4 Applications were reviewed and scored by the Office of the CAO. A longlist of candidates was then scored by a multi-department and external review panel. Selection criteria included:
1. Living or working in The Regional Municipality of Durham
 2. Applicant's knowledge and understanding of racism, equity, and inclusion
 3. Applicant's personal experience with racism or experience gained through community service and volunteerism
 4. Applicant's ability to contribute to and advance DRART's mandate
- 4.5 The CAO's office engaged the services of Sterling Backcheck Inc. to complete criminal record and social media background checks in compliance with privacy laws and regulations. Sterling Backcheck has completed a background check on all recommended candidates. The CAO's office reserves the right to reconsider an individual's appointment to DRART if they become aware of a change in a member's police record or social media activity that is not in alignment with the Region's stated Corporate Values.
- 4.6 The term of membership will correspond with the term of Regional Council.

5. Proposed Revisions to the Terms of Reference

- 5.1 The proposed changes to the Durham Region Anti-Racism Taskforce Terms of Reference arise out of a recent review conducted by the CAO's office. Proposed revisions are intended to update the Terms of Reference to better align with current leading practices and enable the taskforce to discharge its responsibilities effectively and efficiently.
- 5.2 Minor changes were implemented throughout, however there are three main areas where amendments are proposed:
1. Scope of Activities:

After reviewing the workplan and successes of the DRART's first cohort, the CAO's office identified a need to include information about subcommittee involvement. This addition is reflected as follows:

- 4.2 - Members can expect to participate in a taskforce subcommittee developed to address a specific trend, need, or systemic issue (education subcommittee, events subcommittee, etc.)

2. Composition:

Inclusion of a second Councillor on the taskforce to provide additional insight on the needs of local residents.

3. Meetings:

After reviewing leading practices of local municipality and GTHA-based anti-racism/anti-oppression committees, the CAO's office identified the need to continue to provide the option of attending meetings virtually and to compensate members for their contributions. These additions are reflected as follows:

- 9.2 - Community and organizational members of the DRART will be compensated for their time and work. Each member will be paid \$75.00 per meeting (attendance is a requirement for this compensation) and an hourly rate of \$25.00 for travel time and work outside of the scheduled meetings that has been pre-approved by Durham's Director, Diversity, Equity and Inclusion. Reimbursement will occur twice a year, in June and in December, up to a maximum of \$1,800 per person per year.
- 9.3 - Meetings will be held in a hybrid meeting format with electronic and in-person participation. Committee members may participate in the meeting electronically, using Microsoft Teams. Members choosing to attend meetings in person will be compensated for their travel time.

5.3 The complete revised Durham Anti-Racism Taskforce Terms of Reference is included as Attachment 3.

6. Relationship to Strategic Plan

6.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

1. Community Vitality:

- Goal 2.5: Build a healthy, inclusive, age-friendly community where everyone feels a sense of belonging

2. Economic Prosperity:

- Goal 3.1: Position Durham Region as the location of choice for business

3. Service Excellence:

- Goal 5.3: Demonstrate commitment to continuous quality improvement and communicating results

7. Conclusion

- 7.1 It is recommended that the individuals nominated for appointment in recommendations A) and B) be appointed to the Durham Region Anti-Racism Taskforce.
- 7.2 It is recommended that the revisions to the Terms of Reference for the Taskforce as set out in Attachment 3 be approved.
- 7.3 For additional information, contact: Allison Hector-Alexander, Director Diversity, Equity, and Inclusion at 905-668-7711, extension 3893.

8. Attachments

- Attachment #1: Durham Region Anti-Racism Taskforce Profile
- Attachment #2: Recommended Appointments' Biographies (under separate cover)
- Attachment #3: Revised Durham Region Anti-Racism Taskforce Terms of Reference

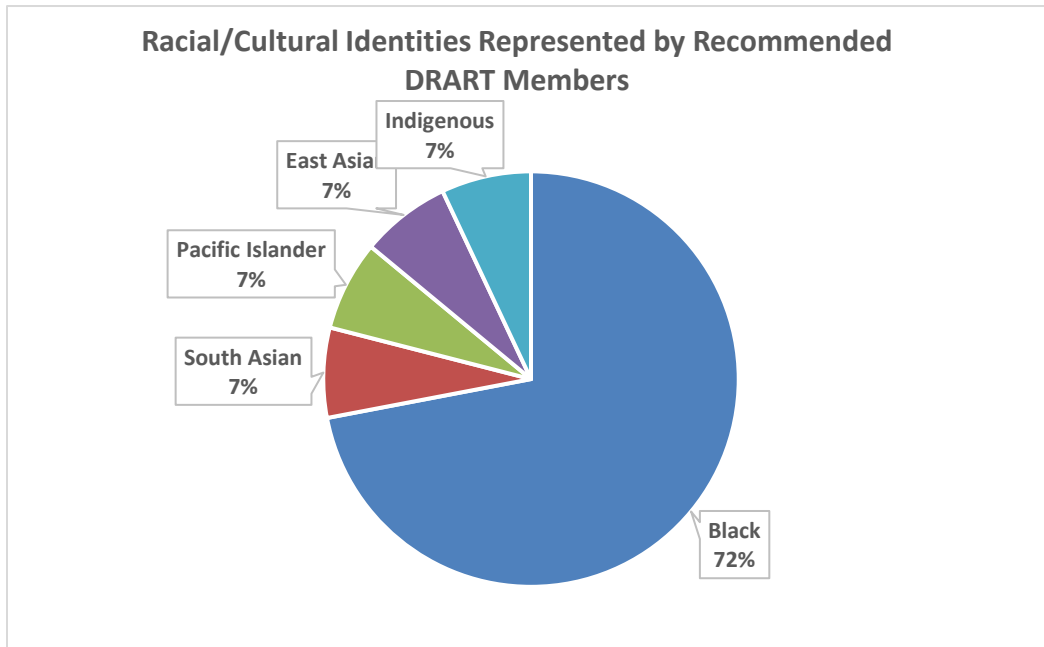
Respectfully submitted,

Original signed by

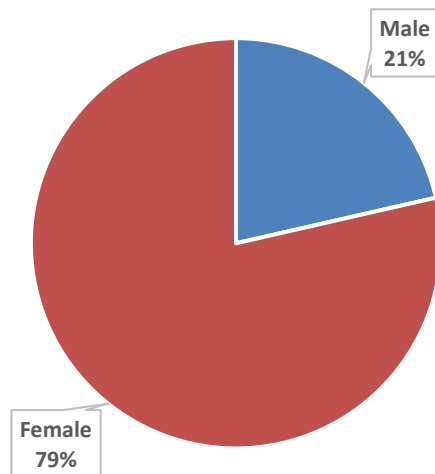
Elaine C. Baxter-Trahair
Chief Administrative Officer

Finance and Administration Committee

Durham Region Anti-Racism Taskforce Profile



Gender Identities Represented by Recommended DRART Members





Durham Region Anti-Racism Taskforce

Terms of Reference

January 2023

1. Context and Introduction

- 1.1 In Canada, the disparities that exist in racialized communities are well documented. Systemic barriers based on race have been created over our long and storied shared Canadian history.
- 1.2 Anti-Black racism is deeply embedded in Canadian institutions, policies and practices and is rooted in the history and legacy of the North American Trans-Atlantic slave trade. For many Black Durham residents, anti-Black racism is a part of daily life and negatively impacts their economic, social and overall well-being.
- 1.3 Systemic anti-Indigenous racism is another area where targeted intervention should be prioritized. The actions and inactions across all levels of government are not consistent with the core principles of truth and reconciliation and have exacerbated the conditions that negatively impact the health, opportunities, and well-being of Indigenous communities in Durham.
- 1.4 In 2020, Durham Regional Council endorsed its first Anti-Black Racism Town Hall and Diversity, Equity and Inclusion Follow-Up [report](#). The report called for the establishment of an Anti-Racism Taskforce as a Committee of Council to ensure a consistent approach to addressing systemic racism. This taskforce will adopt a 'hub and spoke' model where working groups will be identified to address disparities in racialized (Indigenous, Black, Asian, etc.) communities. Given the deep and pervasive inequities resulting from anti-Black and anti-Indigenous racism, these areas have been the initial focus for the taskforce whose inaugural cohort of members served from 2021-2022.
- 1.5 The Durham Region Anti-Racism Taskforce (DRART) connects with the following goals of the Region of Durham Strategic Plan (2020-2024):
- Goal 2: Community Vitality: To foster an exceptional quality of life with services that contribute to strong neighborhoods, vibrant and diverse communities, and influence our safety and well-being.
 - Goal 4: Social Investment: To ensure a range of programs, services and supports are available and accessible to those in need, so that no individual is left behind.

2. Goal

- 2.1 To work with community stakeholders, Regional staff, and other relevant partners to ensure that Durham Region successfully implements its anti-racism framework in a manner consistent with the principles of the Ontario Human Rights Code and Durham's aim to demonstrate leadership in addressing systemic racism. Furthermore, to ensure that implementation plans are built on the lived experiences of racialized communities and centers their voices.

3. Mandate

- 3.1 The Durham Region Anti-Racism Taskforce will act in an advisory role to Regional Council through the Finance and Administration Committee on issues related to racism – structural, systemic, and interpersonal.
- 3.2 The DRART is an Advisory Committee established by Regional Council in accordance with these Terms of Reference. Committee members are guided by these Terms of Reference.

4. Scope of Activities

- 4.1 The scope of activities that the DRART may undertake includes, but is not limited to:
- Providing advice, feedback and guidance to Regional staff and Council on implementation of Durham Region's Anti-Racism Framework and initiatives designed to advance equity;
 - supporting and enabling successful implementation of Durham Region's anti-racism plans by engaging and influencing relevant partners and networks;
 - providing accurate and transparent reports to Regional Council on progress in the implementation of Durham Region's anti-racism plans; and
 - hosting events and providing forums for residents to learn more about what the Region and its partners are doing to address racism.
- 4.2 Members can expect to participate in a taskforce subcommittee developed to address a specific trend, need, or systemic issue (education subcommittee, events subcommittee, etc.)

5. Composition

- 5.1 The DRART will be composed of between 15 to 18 members as follows:
- Two members of Regional Council and a designated alternate;

- The Chief Administrative Officer (CAO) of the Region.
 - Ten (10) racialized community members with lived experience, specialized expertise, including those with intersectional social locations;
 - Three (3) to six (6) representatives from organizations such as:
 - Community and socially focused organizations (e.g. DurhamOne, Bawaajigewin Aboriginal Community Circle, Durham Black Educators Network, Women’s Multicultural Resource and Counselling Centre, Durham Chinese Cultural Centre, Durham Tamil Association, Indo-Canadian Association, Congress of Black Women, etc.)
 - Professional Associations (e.g. Durham Black Business and Professional Association, ByBlacks, Canadian Black Chamber of Commerce – Durham Region, etc.)
 - Healthcare and non-profit organizations (e.g. Lakeridge Health, Carea Community Health Centre, John Howard Society, Ontario Shores Centre, AIDS Committee of Durham Region, Durham Harm Reduction Coalition, etc.)
 - Academia with a focus on anti-racism or anti-oppression (e.g. Ontario Tech University, Durham College, Trent Durham University, and/or local school boards)
- 5.2 Up to four (4) Regional staff who are directly connected to community DEI initiatives and activities may be invited to attend DRART meetings as ex-officio members in a non-voting capacity.
- 5.3 Members of Parliament (MPs) and Members of Provincial Parliament (MPPs) representing Durham Region may be invited to attend DRART meetings on an as needed basis and as ex-officio members in a non-voting capacity.
- 5.4 The DRART may invite individuals with specialized expertise to attend meetings on an as needed basis in a non-voting capacity.
- 5.5 The term of membership shall correspond with the term of Regional Council. If a member chooses to resign the Region will seek a replacement in accordance with Section 6.
- 5.6 At the discretion of the DRART chair and Region’s Director, Diversity, Equity and Inclusion, non-attendance of three consecutive meetings may be sufficient grounds for replacement.
- 6. Membership Selection**
- 6.1 For the selection of members, a call for interest will be facilitated through the Region’s website, social media, and other communications channels. Interested

individuals will be required to complete an application form outlining their interest and qualifications.

- 6.2 The CAO's Office shall contact community, academic and professional leaders and invite them to apply for the DRART.
- 6.3 In nominating members to the DRART, regard shall be given to the aim of achieving a diversity in intersecting social identities. Regard shall also be given to previous community and/or professional involvement, knowledge of race and related issues, lived experience, residency within the Region and availability to attend meetings.
- 6.4 All members of the DRART will be appointed by the Finance and Administration Committee and Regional Council.
- 6.5 Regional Council shall appoint a representative and an alternate to the DRART.
- 6.6 Regional Council shall appoint the Chief Administrative Officer (CAO) and a Regional staff member as an alternate for the Chief Administrative Officer (CAO) to the DRART.
- 6.7 In the case of a community or organizational member vacancy, the approach described in Section 6.1 will generally be followed.

7. Officers

- 7.1 A chair and a vice-chair will be elected by the DRART at the beginning of each term of Council. The Region's Director, Diversity, Equity and Inclusion shall chair the inaugural DRART meeting of each term.

8. Support Services

- 8.1 Staff from the Region's Diversity, Equity, and Inclusion division will provide administrative, procedural, and technical support to the DRART.
- 8.2 A Regional Staff Working Group, consisting of appropriate staff from all Regional departments shall be established to develop an Anti-Racism Framework which would detail actions that the Region as a corporation and as a community service provider will take to address systemic racism. The Regional Staff Working Group will also provide advice and expertise to the DRART and the staff liaison as needed.
- 8.3 The Director, Diversity, Equity and Inclusion shall keep the Region's Department Heads apprised of the activities of the DRART and the Regional Staff Working Group.
- 8.4 The Legislative Services Division of the Corporate Services Department will provide secretarial and other support services. Regional Council will provide a

budget to cover the operational expenses of the DRART, and this budget will be administered by the Office of the CAO.

9. Meetings

- 9.1 The DRART will establish a meeting schedule at its inaugural meeting, taking into account the business needs and schedule of Regional Committees/Council. Special meetings may be held at the call of the Chair.
- 9.2 Community and organizational members of the DRART will be compensated for their time and work. Each member will be paid \$75.00 per meeting (attendance is a requirement for this compensation) and an hourly rate of \$25.00 for travel time and work outside of the scheduled meetings that has been pre-approved by Durham's Director, Diversity, Equity and Inclusion. Reimbursement will occur twice a year, in June and in December, up to a maximum of \$1,800 per member per year.
- 9.3 Meetings will be held in a hybrid meeting format with electronic and in-person participation. Committee members may participate electronically using Microsoft Teams or other approved platform. Members choosing to attend meetings in person will be compensated for their travel time.
- 9.4 Unless otherwise determined, all meetings will be open to the public. As an Advisory Committee to the Region, the DRART is subject to the Regional Procedural By-law, unless otherwise specified in these Terms of Reference.
- 9.5 A quorum for DRART meetings shall be a majority of the sitting members.

10. Minutes and Agenda

- 10.1 The minutes of each DRART meeting will be approved at the following meeting. The unapproved minutes will be circulated to members of Council as part of the Council Information Package prepared by the Regional Clerk.
- 10.2 The DRART agendas will be prepared by the Staff Liaison, along with the DRART Chair or Vice Chair, with input from other DRART members.

11. Delegations and Presentations

- 11.1 Any person(s) wishing to appear before the DRART as a delegation must submit a request to delegations@durham.ca, advising of the topic or item to which they wish to speak, which will then be forwarded to the staff liaison in the Office of the CAO. All requests for delegations must be received at least one week prior to the meeting to ensure the inclusion in the agenda. Any person wishing to address the DRART as a delegate, who has not previously arranged to do so, may be granted permission to do so only by Committee resolution.

11.2 When the DRART has requested a presentation on a particular topic, the time frame allotted will depend on the subject under discussion.

12. Committee Resolutions

12.1 The DRART will seek to achieve consensus on decisions. Recommendations are “carried” if supported by a majority. Only resolutions as they appear in the adopted Minutes may be considered as officially representing the position of the DRART.

13. Annual Reports and Workplan

13.1 An annual report summarizing the activities completed in the previous year shall be prepared by the DRART. The annual report shall be forwarded to the Finance and Administration Committee.

13.2 An annual workplan with an estimate of the resources necessary and any suggested revisions to the Terms of Reference for the coming year shall also be prepared by the DRART for consideration and approval by the Finance and Administration Committee and Regional Council.



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Corporate Services
Report: #2023-A-2
Date: January 17, 2023

Subject:

Amendments to the Delegation of Authority By-law (the "Delegation By-law")

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

- A) That the Amended Delegation By-law, in the form included as Attachment #1, be passed.
 - B) That Regional staff be authorized to execute such documents and carry out such tasks as may be required to give effect to the Delegation By-law as indicated in the form included as Attachment #1.
-

Report:

1. Purpose

- 1.1 The purpose of this report is to update the by-law which delegates authority of certain powers of Regional Council to specified senior Regional staff with certain specified restrictions and reporting obligations.

2. Background

- 2.1 Being creatures of statute, the composition, structure, powers and responsibilities of municipalities in Ontario are governed by the Municipal Act, 2001, S.O. 2001, c.25, as amended (the “Municipal Act”). In accordance with the Municipal Act, all powers, rights and responsibilities of a municipality shall be exercised by the municipality’s council and shall be done by way of by-law.
- 2.2 Section 23.1(1) of the Municipal Act provides for a municipality to delegate its powers and duties under that or any other Act to a person or body subject to certain restrictions. One of the restrictions is found in subsection 23.1(2)1 of the Municipal Act which states that a delegation may be revoked at any time without notice unless the delegation by-law specifically limits the municipality’s power to revoke the delegation.
- 2.3 The City of Toronto as well as the regional municipalities of York, Peel, Halton, Niagara and Waterloo have all passed delegation or execution of documents by-laws which delegate powers to staff including their CAOs and Commissioners (or equivalents).
- 2.4 As a result of report [#2020-A-14](#) dated July 14, 2020 Council approved and passed the Region’s first comprehensive delegation by-law. That by-law, being By-law Number 29-2020 has been in constant use improving the efficient operation of the Region ever since.
- 2.5 It was always intended that [By-law 29-2020](#) would be updated on a periodic basis and accordingly staff departments were recently consulted by Legal Services for the purposes of understanding what amendments might be made to improve the operation and effectiveness of the by-law.
- 2.6 In response to that consultation, a proposed amendment to the delegations contained in the chart is recommended for approval. The majority of the proposed changes are minor in nature focused either on giving Commissioners the ability to designate sub-delegates, or in providing powers over matters of a purely administrative nature. The two major changes proposed in the amended version of the by-law are:
 - a. Providing authority for the Commissioner of Corporate Services to amend certain Human Resources related policies which historically have gone to council for approval.
 - b. Giving the Regional Clerk the authority to amend and update the record retention policy which historically has gone to Council for approval.
- 2.7 It is further recommended that By-law 29-2020 be repealed in its entirety and replaced with the proposed fresh as amended by-law so that there is one comprehensive by-law which deals with all delegations. Having one stand alone by-law helps improve the efficiency of use and avoids potential confusion.

3. Relationship to Strategic Plan

3.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:

- a. Goal 5: Service Excellence. Objective: To provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery.
 - 5.1 Optimize resources and partnerships to deliver exceptional quality services and value
 - 5.3 Demonstrate commitment to continuous quality improvement and communicating results

4. Conclusion

4.1 It is recommended that By-law 29-2020 be repealed and replaced with the attached proposed by-law delegating authority of Regional Council to specified senior Regional staff be enacted in the form attached hereto (Attachment #1).

4.2 This report has been reviewed by the Legislative Services Division of Corporate Services Department and by Legal Services.

4.3 For additional information, contact: Arend Wakeford, Senior Solicitor, at 905-721-4210.

5. Attachments

Attachment #1: Draft Amended Delegation By-law

Respectfully submitted,

Original signed by

Barb Goodwin, MPA, CPA/CGA,
B.Comm, CPM, CMMIII
Commissioner of Corporate Services

Recommended for Presentation to Committee

Original signed by

Elaine C. Baxter-Trahair
Chief Administrative Officer

By-law Number **-2023
of The Regional Municipality of Durham

Being a by-law to provide certain delegations of authority from Regional Council to the Regional Chair and/or senior Regional staff for the administration of the Region.

Whereas Section 23.1(1) of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, provides for a municipality to delegate its powers and duties under this or any other Act to a person or body subject to certain restrictions.

Whereas the Council of the Regional Municipality of Durham has deemed it desirable and efficient to delegate certain powers pursuant to the provisions of the *Municipal Act, 2001* and the restrictions and provisions of this By-law, including for financial matters with approved budgets.

Now therefore, the Council of The Regional Municipality of Durham hereby enacts as follows:

1. Administration and Interpretation

1.1 The previous version of this by-law, being by-law 29-2020 is hereby repealed and replaced by the provision of this by-law.

1.2 In this By-law:

- (a) “By-law” means this By-law and includes its Schedule “A”;
- (b) “CAO” means the Region’s Chief Administrative Officer;
- (c) “Commissioner of Finance”, means the Region’s Commissioner of Finance or any acting Commissioner of Finance;
- (d) “Commissioner of Works” means the Region’s Commissioner of Works or any acting Commissioner of Works;
- (e) “Commissioner of Planning and Economic Development” means the Region’s Commissioner of Planning and Economic Development or any acting Commissioner of Planning and Economic Development;
- (f) “Commissioner of Corporate Services” means the Region’s Commissioner of Corporate Services or any acting Commissioner of Corporate Services;
- (g) “Commissioner of Social Services” means the Region’s Commissioner of Social Services or any acting Commissioner of Social Services;
- (h) “Council” means the Council of the Regional Municipality of Durham;
- (i) “Department Head” means the positions cited within subsections 1.2(b), (c), (d), (e), (f), (g) and (k) inclusive, of this By-law;

- (j) “Designate” means any individual within the Region appointed from time to time by the CAO or Department Head to act on behalf of the appointing person in respect of the exercise of their delegated authority;
- (k) “General Manager, DRT” means the Region’s General Manager of Durham Region Transit or any acting General Manager, DRT;
- (l) “Legal Services” means legal counsel to the Region;
- (m) “OLT” means the Ontario Land Tribunal under the *Ontario Land Tribunal Act, 2021, S.O. 2021, c. 4*;
- (n) “Region” or “Regional” means the Regional Municipality of Durham;
- (o) “Reviewed by” is a restriction which is met when the party seeking to exercise the delegated authority can demonstrate that the document or documents that are the subject of the delegation have been reviewed by the identified authority and any comments or suggested changes or actions have been reasonably considered. For clarity the approval of the authority reviewing the document is not required for the delegation to be exercised.
- (p) “Recommended by” is a restriction which is met when the party seeking to exercise the delegated authority can demonstrate that action and/or document has the approval or recommendation of the authority recommending the delegation. This approval or recommendation is required for the delegation to be exercised.
- (q) “Risk Management” means the Risk Management Division of the Region’s Finance Department.

2. Delegation

- 2.1 Within each row of each table in Schedule “A” to this By-law, the authority described in the column entitled, “Delegated Authority”, is delegated to the person or persons identified in the column entitled, “Delegate”, subject to any delegation process requirements, if any, in the column entitled, “Delegation Process”.
- 2.2 Within each row of each table in Schedule “A” to this By-law, the delegated authority may be exercised by any such person(s). It is however, a condition of this delegation that the CAO is in effect the head of all Departments and may intervene or exercise any of the authorities delegated in this By-law if in her/his opinion such intervention is prudent and necessary to effectively administer the authority provided.
- 2.3 Within each row of each table in Schedule “A” to this By-law, each person identified in the column entitled, “Delegate”, shall report or communicate in the manner, if any, specified in the column entitled, “Reporting”. The CAO and/or Department Heads may, from time to time, advise Council or its committees of the exercise of delegated authority pursuant to this By-law in such manner and in such circumstances as the CAO or any Department Head considers appropriate.

3. General

- 3.1 For the purpose of subsection 23.2(4) of the *Municipal Act, 2001* it is the opinion of Council that any legislative powers delegated pursuant to this By-law are of a minor nature having regard to the number of people, the size of geographic area, and the time period affected by the exercise of each such power.
- 3.2 In the event of any inconsistency between this By-law and any other Regional by-law, the provision that more effectively delegates authority prevails to the extent of the inconsistency.
- 3.3 This By-law is effective on the date of its passing.
- 3.4 The short title of this By-law is the “Delegation By-law”.
- 3.5 That By-law 29-2020 is hereby repealed.

This By-law Read and Passed on the -----th day of -----, 2023.

Original signed by

J. Henry, Regional Chair and CEO

Original signed by

A. Harras, Regional Clerk

Schedule “A”

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1. General					
1.1	The authority to execute an agreement with the Federal or Provincial government, a municipality, agency, institution, utility or community partner for a Regional undertaking, program delivery and administration.	Department Head for the relevant department.	Approval of the project or program by Regional Council and/or monetary obligation captured in approved budget or in accordance with the Budget Management Policy. Reviewed by Risk Management. Agreement format Recommended by Legal Services.	Funding Agreement	Reporting annually to Council
1.2	The authority to execute an agreement for the exchange or release of information under the <i>Municipal Freedom of Information and Protection of Privacy Act</i> or the <i>Personal Health Information Protection Act, 2004</i> .	Department Head for the relevant department.	Reviewed and Recommended by Legal Services.	Data Sharing	
1.3	The authority to execute confidentiality agreements.	Department Head for the relevant department.	Reviewed by Risk Management and Recommended by Legal Services.	Legal Agreements	
1.4	The authority to execute a licensing agreement for use by any third party of any copyright or trademark owned by the Region.	Department Head for the relevant department.	Reviewed by Risk Management and Recommended by Legal Services.	Legal Agreement	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1.5	The authority to deem agreements fulfilled or release conditions within an agreement where Regional conditions have been fulfilled or the agreement is no longer required.	Department Head for the relevant department.	Recommended by Legal Services.	Legal Agreements	
1.6	The authority to issue an acknowledgment of the status or term of agreements to which the Region is a party.	Department Head for the relevant department.	Recommended by Legal Services.	Data Sharing	
1.7	The authority to execute a data license or a data sharing agreement for the provision of data of the Region to others or for the provision of data from others to the Region.	Department Head for the relevant department	Reviewed by Risk Management for specialized coverage. Recommended by Legal Services and the Director of Corporate Services – Information Technology.	Data Sharing	
1.8	The authority to execute a revenue generating agreement or any agreement where the Region is providing a service to others for a charge.	Department Head for the relevant department together with the Commissioner of Finance.	Recommended by Legal Services, and provided that the revenue being generated or charged by the Region does not exceed \$250,000 per annum or prevailing budget management policy limits.	Financial Agreements	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1.9	The authority to execute an agreement (or subsequent related agreements required to operationalize the master agreement) with a government agency or a non-profit agency, for consideration, for the supply of a service for an approved program of the Region.	Department Head for the relevant department or their designate.	Approval of the project or program by Regional Council and/or monetary obligation captured in approved budget or in accordance with the budget management policy. Agreement Reviewed by Risk Management for certificate of insurance and Recommended by Legal Services.	Legal Agreements	
1.10	The authority to advise of interest or non-interest in acquiring surplus land notifications circulated to the Region, including authority to request any partial transfers, easements or permissions necessary to maintain current or future Regional infrastructure or comments regarding proposed stop up and closure of local roads.	Commissioner of Works	Reviewed by all Department Heads, and Durham Regional Police Service.	Property	
1.11	The authority to sign the Occupational Health and Safety policy on behalf of the Region.	Regional Chair and the CAO.		Policy	
1.12	The authority to hire and terminate employees, including offers of settlement and terms of severance.	Department Head for the relevant department.	Reviewed by Human Resources and for the purpose of terminations, Recommended by Legal Services.	Human Resources	
1.13	The authority to appoint an Acting Medical Officer of Health to perform the duties and exercise the powers of the Medical Officer of Health in their absence.	Medical Officer of Health		Human Resources	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1.14	The authority to issue tickets for minor offences in food premises.	Public Health Inspectors		Enforcement	
1.15	The authority to provide free public transit service from time to time in the event of emergencies.	General Manager, DRT		Financial Agreement	
1.16	The authority to provide public transit services from time to time based on full cost recovery for charter service.	General Manager, DRT		Financial Agreement	
1.17	The authority to seek a sponsorship agreement(s) for New Years' public transit service.	General Manager, DRT	In accordance with prevailing budget management policy.	Financial Agreement	
1.18	The authority to participate in activities and events (by providing free service to such activities and events) consistent with the mandate and interests of Durham Region Transit and public transit.	General Manager, DRT		Policy	
1.19	The authority to appoint an employee as a Sewage System Inspector or to appoint a Chief Building Official for Part 8 of the Ontario Building Code.	Medical Officer of Health or their designate.		Enforcement	
1.20	The authority to negotiate and sign septic system agreements with the area municipalities.	Medical Officer of Health	Recommended by Legal Services.	Legal Agreements	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1.21	The appointment of By-law enforcement officers:				
	a) for health enforcement matters	Medical Officer of Health or their designate.		Enforcement	
	b) for waste by-law enforcement matters	Commissioner of Works		Enforcement	
	c) for sewer use by-law enforcement matters	Commissioner of Works		Enforcement	
	d) for backflow prevention by-law enforcement matters	Commissioner of Works		Enforcement	
	e) for source water protection legislation and water supply by-law enforcement matters	Commissioner of Works		Enforcement	
	f) for administrative and enforcement matters under the Regional Woodland Conservation and Management By-law	Commissioner of Planning and Economic Development		Administration and Enforcement	
	g) for road right-of-way enforcement matters	Commissioner of Works		Enforcement	
1.22	The authority to submit annually to the Region a written notice, pursuant to Section 72 (5) of the <i>Health Protection and Promotion Act</i> , based on the annual Council-approved Public Health net expenditures, including occupancy costs	Medical Officer of Health		Service Level Agreement/ Plan	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1.23	The authority to implement any procedural and policy change as is necessary to give effect to the implementation and appointment of a municipal ombudsman for the Region	Commissioner of Corporate Services		Policy	
1.24	The authority to issue a permit or an approval under any legislative authority	Department Head for the relevant department.	Reviewed by Risk Management	Permit or approval	
1.25	The authority to appoint an acting Department Head during periods limited to 6 months.	CAO or Department Head of the relevant department.		Human Resources	
1.26	The authority to retain lawyers including external counsel, commence legal proceedings or defend legal proceedings, or take any step in a legal proceeding, including the execution of minutes of settlement or releases in such proceedings excluding Durham Municipal Insurance Pool legal actions and related settlements under various insurance policies	Regional Solicitor	Provided that any funds required for minutes of settlement or release are within the approved council budget and equal to or less than \$250,000	Legal Proceedings	Legal Services will annually report to council on the exercise of this delegation
1.27	The authority to prepare any evidence, material, affidavit and/or appear before the OLT or the Divisional Court on a planning, development or expropriation matter	Regional Solicitor and Regional staff as expert witness.		Legal Proceedings	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1.28	The authority to submit comments on any draft policy, legislation or document prepared by, or on behalf of, the federal government, provincial government, conservation authority, municipality, or public agency.	Department Head for the relevant department, or their designate.		Policy	Quarterly reporting (or sooner where practical) to the appropriate standing committee of Council on the exercise of this delegation.
1.29	The authority to settle all claims and execute all agreements as a result of any agreement arising out of an expropriation undertaken by the Region in accordance with the <i>Expropriations Act</i> , R.S.O. 1990, c. E.26.	CAO or Commissioner of Works.	Recommended by Legal Services, and provided that funds are available within the project budget.	Legal Proceedings	
1.30	The authority to attend Ontario Small Claims Court and to settle any action (with the exception of matters under the purview of the DMIP) during any court attendance up to the prevailing limit of that court.	Regional Solicitor or their designate.	Recommended by the relevant Department Head.	Legal Proceeding	Annual report to Council.
1.31	The authority to enter into and execute short term rental agreements for temporary facility use, for Regional purposes (i.e. Tourism, Economic Development events, clinics).	Department Head for the relevant department, or their designate.	The term of the agreement must be less than 14 consecutive calendar days in length, require no renovation or alteration of the space for the use, and have a monetary value equal to or less than \$10,000. Reviewed by Risk Management and Recommended by Legal Services.	Rental Agreement	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
1.32	<p>The authority to update, amend and adopt the following Human Resources related policies:</p> <ul style="list-style-type: none"> Retirement Policy; Harassment, Discrimination and Racism Policy; Recruitment and Selection Policy; Probationary period policy; Leave/absence policies; Vacation policy; Career management policy; Performance management policy; Professional dues policy; Recruitment and selection policy; Learning and development policy; Performance management policy; Succession management policy 	<p>Commissioner of Corporate Services or their delegate.</p>	<p>Recommended by Legal Services and Reviewed by the Commissioner of Finance.</p>	<p>Policy</p>	
1.33	<p>The authority to adopt a policy establishing the classification, management, retention and disposition of corporate records, and to make updates to the policy as required in accordance with section 255 of the <i>Municipal Act, 2001</i>, <i>S.O. 2001, c. 25</i>.</p>	<p>Director of Legislative Services & Regional Clerk</p>	<p>Proposed revisions to records classifications to be reviewed by relevant department staff, Legal Services, and the Regional Auditor prior to approval by the Clerk.</p>	<p>Policy</p>	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
2. Finance					
2.1	<p>Authorities as approved in Council adopted Budget Management Policy, including such items as:</p> <ul style="list-style-type: none"> • Define current and capital projects and cost centres • Coordinate and implement financial service level indicators • Ensure necessary funding is available to finance the expenditures within the parameters of Council approvals • Monitor, and where necessary, report on material and non- material leases and update the calculation of the Regional debt and financial obligation limit. 	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable.
2.2	The authority to issue a receipt and acknowledge receipt of unanticipated revenue.	Commissioner of Finance		Financial Agreements	In accordance with Budget Management Policy and/or Purchasing By-law as applicable.

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
2.3	The authority to issue a receipt, release, indemnity, waiver or other document required for the disbursement of a donation or a bequest to the Region.	Commissioner of Finance or their designate.		Financial Agreements	In accordance with Budget Management Policy and/or Purchasing By-law as applicable.
2.4	The authority to extend payment terms on outstanding accounts or collect such accounts, including referring accounts for collection by agencies or use of legal proceedings, where it is deemed necessary by the Commissioner.	Commissioner of Finance or their designate.		Financial Agreements	In accordance with Budget Management Policy and/or Purchasing By-law as applicable.
2.5	The authority to write off residential water and sewer bills up to \$5,000 (\$2,500 water and \$2,500 sewer) and small business water and sewer bills up to \$7,400 (\$3,700 water \$3,700 sewer).	Commissioner of Finance		Financial Agreements	In accordance with Budget Management Policy and/or Purchasing By-law as applicable.
2.6	The authority to approve the cancellation of accounts and monies owed to the Region for amounts up to the prevailing limit for Small Claims Court actions.	Commissioner of Finance		Financial Agreements	In accordance with Budget Management Policy and/or Purchasing By-law as applicable.

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
2.7	The authority to execute executive minutes of settlement for assessment of Region-owned property under Section 39.1 of the <i>Assessment Act</i> .	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable.
2.8	The authority to retain lawyers including external counsel, commence legal proceedings, or take any step in a legal proceeding, including the execution of minutes of settlement or releases in such proceedings for all insurance matters including Durham Municipal Insurance Pool (DMIP) legal actions and related settlement.	Commissioner of Finance	In accordance with DMIP subscriber's agreement	Legal Proceeding	
2.9	The authority to resolve non-residential sewer use appeal requests if more than 20% of their water use does not enter water pollution control systems.	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.10	The authority to enter into base and agency contracts or master agreements, and administer these agreements to ensure continuous supply and access to best pricing for commodities such as natural gas and electricity.	Commissioner of Finance	In accordance with the Region's Commodity Hedging Policy where applicable	Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
2.11	The authority to enter into a contract for the services of a fiscal agent, legal services and clearing and depository services to handle the Region's debenture issues.	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.12	The authority to accept letters of credit and bonds as security for performance and payments relating to development agreements.	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.13	The authority to charge interest on temporary loans to external parties to finance capital projects.	Commissioner of Finance	Rate to be charged in accordance with applicable by-laws as appropriate.	Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.14	The authority to charge interest on interfund loans.	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
2.15	The authority to retain professional investment management services for the Region's investment portfolio.	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.16	The authority to contribute supplementary taxes, general tax surplus, user rate surplus and proceeds from the sale of general tax fixed assets (excluding roads) into the appropriate reserve fund.	Commissioner of Finance		Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.17	The authority to dispose of surplus or obsolete equipment if no Regional use exists, by disposing of it at a value, obtained by whatever means deemed appropriate to achieve the highest return for the Region.	Commissioner of Finance	In accordance with the Purchasing By-law	Financial	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.18	The authority to disqualify a consultant, contractor, or other supplier for a defined period or for an event-based matter.	Commissioner of Finance	In accordance with the purchasing by-law Subject to the application of any predefined Council approved criteria and as Recommended by Legal Services and the relevant Department Head.	Legal Agreements	In accordance with Budget Management Policy and/or Purchasing By-law as applicable

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
2.19	The authority to award a contract to a vendor, consulting engineer or architect through a request for proposal and to prequalify a vendor.	Department Head of the relevant department.	In accordance with limits authorized under the Purchasing By-law. In accordance with Purchasing By-law and other Council approved process.	Legal Agreement	In accordance with Budget Management Policy and/or Purchasing By-law as applicable
2.20	The authority to execute early payment agreements of development charges in accordance with Section 27 of the Development Charges Act where requested by the proponent.	Commissioner of Finance	Recommended by Legal Services.		
2.21	The authority to enter into contracts and agreements procured under the prevailing Purchasing By-Law.	Delegates set out in "Appendix D" of Purchasing By-law or future equivalent.	In accordance with Purchasing By- law or future equivalent.		In accordance with Budget Management Policy and/or Purchasing By-law as applicable
3. Works					
3.1	The authority to temporarily close a Regional road for a social, recreational, community, athletic or cinematographic purpose.	Commissioner of Works or their designate.	Compliance with the Region's Special Events – Regional Roads Policy, including provision of insurance coverage (Reviewed by Risk Management) and security deposit.	Regional Infrastructure	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.2	The authority to execute an agreement for the installation of public art on or in Regional property or infrastructure.	Commissioner of Works or the relevant Department Head.	Consistent with Public Art Policy approved in 2017-COW-285 and Recommended by Legal Services	Property	
3.3	The authority to issue a filming permit or approve filming activities on Regional property or Regional Right of Way	Commissioner of Works or their designate.	In the event of a request for an access agreement, such agreements are to be Reviewed by Risk Management and Recommended by Legal Services. Filming permits do not need to be reviewed.	Property	
3.4	The authority to temporarily close a Regional road for railway crossing improvements or for any safety reason.	Commissioner of Works	Consistent with By-law 26-2018 or successor by-law.	Regional Infrastructure	
3.5	The authority to issue a moving permit or a road occupancy permit under the <i>Highway Traffic Act</i> .	Commissioner of Works or their designate.	Consistent with By-law 26-2018 or successor by-law.	Permit	
3.6	The authority to establish reduced load periods on Regional roads.	Commissioner of Works or their designate.	Consistent with By-law 26-2018 or successor by-law.	Regional Infrastructure	
3.7	The authority to execute an agreement for access to and/or from a Regional road.	Commissioner of Works or their designate.	Consistent with By-law 211-1979 or successor by-law.	Regional Infrastructure	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.8	The authority to request the conveyance of land for a highway widening and/or for a reserve as a condition of development approval.	Commissioner of Works or their designate.	Commissioner of Finance to record in asset management system even if transaction is non-monetary and consistent with <i>Planning Act</i> , subsections 41(7)(a)(1), 41(8)(a)(1) and 41(9).	Property	
3.9	The authority to execute an agreement respecting utilities or telecommunications required to service a Regional property or facility.	Commissioner of Works	For any agreement outside of the online application, such additional agreement is to be Reviewed by Commissioner of Finance for billing arrangements and Recommended by Legal Services.	Property	
3.10	The authority to execute agreement with the applicable authority to permit Regional infrastructure to cross a railway, provincial highway, pipeline, hydro-electric power corridor, watercourse, communication, transmission line or any other infrastructure as may be required.	Commissioner of Works	Reviewed by Risk Management and Recommended by Legal Services.	Regional Infrastructure	
3.11	The authority to execute an agreement to permit the Region to have access to, or to encroach on, land owned by others for Regional purposes.	Commissioner of Works or their designate.	Reviewed by Risk Management and Recommended by Legal Services.	Property	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.12	The authority to execute an agreement to permit access to, or an encroachment on, Regional lands including rights-of-way, water and sanitary sewerage easements and facilities by third parties and to release those agreements as required.	Commissioner of Works or their designate.	Reviewed by Risk Management and Recommended by Legal Services.	Property	
3.13	The authority to execute any document required in connection with the transfer or assumption of Regional lands, infrastructure and facilities.	Commissioner of Works	Reviewed by Commissioner of Finance for recording of asset changes and Recommended by Legal Services.	Regional Infrastructure	
3.14	The authority to submit applications with respect to any Regional undertaking:				
	a) for any and all permits, agreements and/or approvals	Commissioner of Works	Approvals for undertakings for Planning related development approval matters to be Reviewed by the Commissioner of Planning and Economic Development.	Regional Infrastructure	
	b) for any and all licences	Commissioner of Works	Reviewed by Risk Management for appropriate insurance and indemnification terms and Recommended by Legal Services.	Regional Infrastructure	
3.15	The authority to execute any development agreements with an area municipality with respect to the construction of a Regional undertaking.	Commissioner of Works	Recommended by Legal Services.	Regional Infrastructure	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.16	The authority to execute an agreement relating to the installation of communications antennae on Regional property or facilities including the waiving or reduction of fees.	Commissioner of Works	In accordance with any relevant internal policy respecting telecommunication. The waiving of fees shall be Recommended by the Commissioner of Finance.	Property	
3.17	The authority to execute documents permitted or required under the Sewer Use By-law in force from time to time including surcharge agreements.	Commissioner of Works	Reviewed by Commissioner of Finance for surcharge billing terms, Risk Management and Recommended by Legal Services. Also, consistent with By-law 55-2013 or successor by-law.	Legal Agreements	
3.18	The authority to execute an agreement relating to the supply of a Regional water, sanitary sewer or storm sewer service within the Regional area, including an operation and maintenance agreement with a local area municipality.	Commissioner of Works	Recommended by Legal Services and Reviewed by Risk Management.	Legal Agreements	
3.19	The authority to execute an agreement, including a cost sharing agreement with an area municipality, other government agency, railway or public utility regarding road construction and/or road maintenance pursuant to a project or program approved by Council.	Commissioner of Works	Approval of the project or program by Council and/or monetary obligation captured in approved budget. Reviewed by Risk Management and Recommended by Legal Services.	Funding Agreement	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.20	The authority to execute an agreement or agreements with a developer or developers regarding road improvements to Regional roads, where the improvements are required for new development.	Commissioner of Works	Recommended by Legal Services.	Development Agreement	
3.21	The authority to direct the preparation of appraisal reports for the acquisition or disposition of land by either internal or external resources as required and deemed appropriate.	Commissioner of Works or their designate.	All appraisals to be completed by appraisers who hold the Accredited Appraiser Canadian Institute (AACI) or Certified Residential Appraiser (CRA) designations in good standing with the Appraisal Institute of Canada.	Property	
3.22	The authority to execute an agreement of purchase and sale and any deed, transfer or other document required for the acquisition, purchase, sale or exchange of any interest in land including, without limitation, an easement, a right of first refusal, an option agreement and a re-purchase agreement.	Commissioner of Works	The acquisition of land or land interests are included as part of a project or program approved by Council, and/or the monetary obligation captured in approved budget. Reviewed and Recommended by Legal Services with the recording of any asset changes and financing confirmed by the Commissioner of Finance.	Property	
3.23	The authority to grant an extension of time for making a connection to the Regional sanitary or storm systems or the water supply system.	Commissioner of Works or their designate.		Development Agreements	

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.24	The authority to approve a request for a connection to a sanitary sewer or watermain outside of the urban area.	Commissioner of Works	Subject to the policies of the Greenbelt Plan and the Region's Connection Policy. Reviewed by the Commissioner of Planning and Economic Development.	Development Agreements	
3.25	The authority to permit a non-standard connection to the Region's sanitary sewer or watermain infrastructure under special circumstances.	Commissioner of Works	Consistent with W-SER-2.	Development Agreements	
3.26	The authority to regulate traffic and parking on highways and property under the Region's jurisdiction.	Commissioner of Works or their designate.		Regional Infrastructure	
3.27	The authority to execute subdivision and servicing agreements including cost sharing in keeping with the approved Region Share Policy.	Commissioner of Works or their designate.	Recommended by Legal Services and the Commissioner of Finance where cost sharing is included.	Regional Infrastructure	
3.28	The authority to arrange for, and permit the planting of, trees on Regional property, including Regional rights of way and easements for underground infrastructure.	Commissioner of Works		Property	
3.29	The authority to execute lease renewal/extension agreements negotiated by the Real Estate Division on behalf of the Region, Durham Region Police Service and Durham Region Transit.	Commissioner of Works	Subject to the limitations in Budget Management Policy and Recommended by Legal Services.	Property	Annually as part of the business planning cycle.

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.30	The authority to execute lease agreements negotiated by the Real Estate Division for the use of property/buildings owned by the Region excluding DRLHC.	Commissioner of Works	Subject to limitations in Budget Management Policy and Reviewed by Risk Management and Recommended by Legal Services.	Property	
3.31	The authority to enter into agreements with volunteer citizen groups for "Adopt-A-Road" litter removal programs.	Commissioner of Works	Reviewed by Risk Management and Recommended by Legal Services.	Property	
3.32	The authority to enter into agreements for restricted access to Regional property for the purposes of bird observation.	Commissioner of Works or their designate.		Permit	
3.33	The authority to advise the area municipality accordingly when the Region has an objection or has no objection to the stopping up of a highway by an area municipality.	Commissioner of Works or their designate.	Reviewed and Recommended by the Commissioner of Planning and Economic Development.	Regional Infrastructure	Where the Region objects to the stopping up of a highway, the matter will be reported to Council in an information report on the weekly Council Information Package with the rationale for the objection.

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.34	The authority to designate a highway or a portion of a highway under the municipality's jurisdiction a construction zone and require that it be marked with signs in accordance with regulations; and set a lower rate of speed for motor vehicle driven in the designated construction zone.	Commissioner of Works or their designate.	Consistent with By-Law 34-2006, or successor by-law.	Regional Infrastructure	
3.35	The authority to negotiate and execute an agreement requiring the payment of frontage and/or connection charges, at rates approved by resolution of Council, upon requests from residents requesting permission to connect to existing Regional sanitary sewer, storm sewer and/or water systems.	Commissioner of Works	Reviewed by Commissioner of Finance and Recommended by Legal Services.	Development Agreement	
3.36	The authority to amend By-law #44-2006 or any successor by-law which regulates traffic and parking on roads under the jurisdiction of the Regional Municipality of Durham including speed limits, turn restrictions, parking restrictions, community safety zones or lane designations, and other traffic control measures.	Commissioner of Works		Regional Infrastructure	Annual reporting on any exercise of this delegated authority.

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
3.37	The authority to amend any by-law to limit the gross vehicle weight of any vehicle or any class thereof passing over a bridge forming part of the Regional Road System.	Commissioner of Works	Pursuant to Ontario Regulation 103/97 of the Highway Traffic Act, any load limit by-law recommendation must be signed and sealed by two professional engineers.	Regional Infrastructure	Annual reporting on any exercise of this delegated authority.
4. Planning and Economic Development					
4.1	The authority to execute any agreement imposed or required in the satisfaction of any condition of approval under the <i>Planning Act</i> and/or the <i>Condominium Act</i> , in connection with the development of land including, without limitation, a plan of subdivision, a plan of condominium, a site plan, a zoning by-law and a Holding (H) by-law where the Region is not the applicant.	Commissioner of Planning and Economic Development	Reviewed by the Commissioner of Finance and Recommended by the Commissioner of Works or their designate and Legal Services.	Development Agreement	Existing
4.2	The authority to prepare and file an application, submission, declaration, representation and execute any agreement imposed or required in the satisfaction of any condition of approval under the <i>Planning Act</i> or the <i>Building Code Act, 1992</i> in connection with the development or redevelopment of Regional property or building, where the Region is the applicant, provided the project has been approved by Council.	Commissioner of Planning and Economic Development	Recommended by Legal Services and the Commissioner of Works	Regional Infrastructure	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
4.3	The authority to issue a release or an acknowledgment of compliance pursuant to any agreement executed under the <i>Planning Act</i> or the <i>Condominium Act</i> .	Commissioner of Planning and Economic Development or their designate.	Recommended by Legal Services	Development Agreement	Existing
4.4	The authority to issue draft and final approval of any plan of subdivision under the <i>Planning Act</i> , or any draft plan of condominium under the <i>Condominium Act</i> within the Townships of Brock, Scugog and Uxbridge.	Commissioner of Planning and Economic Development or their designate.		Development Agreement	Annual reporting on any exercise of this delegated authority.
4.5	The authority to issue Regional comments and draft conditions of draft approval, and issue Regional clearance of conditions of draft approval with respect to an application for draft plan of subdivision under the <i>Planning Act</i> or draft plan of condominium under the <i>Condominium Act</i> within the Cities of Oshawa and Pickering, the Towns of Ajax and Whitby and the Municipality of Clarington.	Commissioner of Planning and Economic Development or Designate or their designate.	Reviewed by Commissioner of Works or their designate.	Planning	Existing
4.6	The authority to schedule, give notice of, and conduct a statutory public meeting under the Planning Act concerning an application for an amendment to the Durham Regional Official Plan in order to comply with the statutory timeframes under the Planning Act where a meeting before the Planning and Economic Development Committee or Council is not possible within the required timeframe.	Commissioner of Planning and Economic Development or their designate.		Planning	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
4.7	The authority to initiate a Notice of Appeal through the Director of Legal Services to the OLT: of a decision of an area municipal Committee of Adjustment, of a decision of the Land Division Committee, of a zoning by-law passed by an area municipality under section 34 of the <i>Planning Act</i> , or of an exempt local official plan amendment under the <i>Planning Act</i> adopted by a local council that is not consistent with the draft amendment upon which the exemption decision was based.	Commissioner of Planning and Economic Development	Recommended by Legal Services.	Legal Proceedings	As required
4.8	The authority to select and assign street names on Regional roads.	Commissioner of Planning and Economic Development or their designate.		Planning	Annual reporting on any exercise of this delegated authority
4.9	The authority to issue a permit, or to undertake any action under the authority of the Region's Woodland Conservation and Management by-law.	Commissioner of Planning and Economic Development or their designate.		Permit	Existing
4.10	The authority to undertake provincial plan review responsibilities in the review of applications filed under the <i>Planning Act</i> or the <i>Condominium Act</i> .	Commissioner of Planning and Economic Development or their designate.		Planning	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
4.11	The authority to deem an application filed under the <i>Planning Act</i> as complete.	Commissioner of Planning and Economic Development or their designate.		Planning	Existing
4.12	The authority to advise an area municipality in respect to a proposed area municipal official plan amendment filed under the <i>Planning Act</i> , whether the proposed amendment is exempt from Regional approval.	Commissioner of Planning and Economic Development or their designate.		Planning	Existing
4.13	The authority to refuse to accept or consider a locally adopted official plan amendment adopted under the <i>Planning Act</i> without a complete record.	Commissioner of Planning and Economic Development or their designate.		Planning	Existing
4.14	The authority to approve, approve with modifications, or partially approve an area municipal official plan or amendment adopted under the <i>Planning Act</i> where such modifications or deferrals have been agreed to by the council of the area municipality.	Commissioner of Planning and Economic Development		Planning	Annual reporting on any exercise of this delegated authority.
4.15	The authority to execute a non-financial agreement required as a condition of a decision of Land Division Committee.	Commissioner of Planning and Economic Development	Commissioner of Finance to be advised of any financial transactions or implications.	Planning	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
4.16	The authority to approve an application for consent which, in the opinion of the Commissioner, is routine or non-controversial.	Commissioner of Planning and Economic Development		Planning	Monthly reporting on any exercise of this delegated authority.
4.17	The authority to approve a part lot control exemption by-law within the Townships of Brock, Scugog and Uxbridge.	Commissioner of Planning and Economic Development		Planning	Annual reporting on any exercise of this delegated authority.
4.18	The authority to refund all or part of a planning application fee to facilitate the withdrawal of a Regional planning application where planning merits cannot be adequately justified, or to correct an error in the original fee calculation.	Commissioner of Planning and Economic Development		Planning	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
4.19	The authority to take all steps necessary to pass a by-law as provided in s.4 of the Retail Business Holidays Act (RBHA), including the passing of the by-law to permit a business to operate during holidays as described in the RBHA.	Commissioner of Planning and Economic Development	<p>The delegation shall only be exercised if, in the opinion of the Commissioner of Planning and Economic Development, the request for an exemption under s.4 of the RBHA is of a minor nature. Without limiting the generality of the foregoing, the request shall be considered minor in nature if it is:</p> <ul style="list-style-type: none"> - Not located within a shopping centre; - Not located within a downtown of either Pickering, Ajax, Whitby, Oshawa, Courtice or Bowmanville; - Is Independently owned and operated; - Generally smaller than 200 sq. m. 	By-law	A report to council will be made within 6 months of the exercise of this delegation.

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
5. Social Services					
5.1	The authority to execute a license agreement and license agreement renewal for child care centres operated on behalf of the Region.	Commissioner of Social Services or their designate.		Contract	Existing
5.2	The authority to execute child care subsidy service contracts with: (i) licensed day nurseries (institutions); and (ii) private home day care facilities (individuals); pursuant to the <i>Child Care and Early Years Act</i>	Commissioner of Social Services or their designate.		Contract	Existing
5.3	The authority to execute agreements relating to the admission of persons to long-term care homes or supportive housing operated by the Region, including both permanent and temporary admissions (respite).	Commissioner of Social Services or their designate.		Contract	Existing
5.4	The authority to execute lease agreements for housing units owned or leased by the Region.	Commissioner of Social Services or their designate.		Contract	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
5.5	The authority to execute agreements between the Region acting as delivery agent under the <i>Ontario Works Act, 1997</i> , and a person who has a legal obligation to provide financial support to a recipient of Ontario Works, regarding the recovery of income assistance paid for the benefit of the Ontario Works recipient from that person.	Commissioner of Social Services or their designate.		Financial	Existing
5.6	The authority to issue directions and assignments (including assignments of support orders, assignments of insurance proceeds and assignments of other benefits and sources of income) in favour of the Region acting as delivery agent under the <i>Ontario Works Act, 1997</i> , and agreements to reimburse the Region acting as delivery agent under the <i>Ontario Works Act, 1997</i> .	Commissioner of Social Services or their designate.		Financial	Existing
5.7	The authority to issue receipts, releases, minutes of settlement, consents and other documents required for the settlement or compromise of any claim, action, application or other proceeding brought or made by or against the Region, acting as delivery agent under the <i>Ontario Works Act, 1997</i> , in relation to support for a recipient of Ontario Works and/or support arrears owed to the Region as support assignee.	Commissioner of Social Services or their designate.	Recommended by Legal Services.	Legal Proceedings	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
5.8	The authority to adjust individual target plans for rent geared to income units and market units as allowable under the <i>Housing Services Act, 2011</i> in order to achieve the legislated Regional rent geared to income service level standard and to ensure that this service level is not exceeded without prior approval from Council.	Commissioner of Social Services or their designate.	In compliance with Budget Management Policy.		
5.9	The authority to institute proceedings, in the interests of the Region, in Provincial Court (Family Division), for the purpose of securing or pursuing support orders where the lack of such orders has caused or obligated the Region to expend public monies in the form of social assistance to one or more persons involved.	Commissioner of Social Services or their designate.	Recommended by Legal Services	Legal Proceedings	Existing
5.10	The authority to lay such information and charges in civil court as are necessary, from time to time, to recover overpayments or payments of social assistance benefits, issued to applicants as a consequence of apparent fraud, misrepresentation or the withholding of pertinent information.	Commissioner of Social Services or their designate.	Recommended by Legal Services.	Legal Proceedings	Existing

NO.	Delegation of Authority	Delegate	Delegation Process	Document Type	Reporting Existing/Proposed
5.11	The authority to sign as co-applicants on behalf of the Region to institute proceedings in Provincial Court, (Family Division), for the purpose of securing or pursuing support orders when the lack of such orders has or may obligate the Region to issue public assistance to one or more of the persons involved.	Family Court Workers	Recommended by Legal Services.	Legal Proceedings	Existing
5.12	The authority to approve and execute acceptable rent supplement agreements.	Commissioner of Social Services or their designate.	In compliance with Budget Management Policy and Recommended by Legal Services.	Legal Agreements	
5.13	The authority to submit, to any government or relevant agent of the crown and program plan or activity report, of any kind, as may be required by legislation.	Commissioner of Social Services or their designate or Commissioner of Finance as required by legislative authority.			Existing
5.14	The authority to approve and execute acceptable Service Agreements under Part VII.1 of the Housing Services Act.	Commissioner of Social Services or their designate.	Recommended by Legal Services.	Legal Agreement	



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2023-F-1
Date: January 17, 2023

Subject:

2023 Regional Business Plans and Property Tax Supported Budget Guideline

Recommendations:

That the Finance and Administration Committee recommends to Regional Council that:

- A) The following detailed direction and guidelines for the 2023 Business Plans and Budget for the Durham Regional Police Services Board, Conservation Authorities, Regional Departments and other Outside Agencies be approved:
- i. The 2023 Property Tax Guideline not exceed an overall tax impact of 5.0 per cent compared to the 2022 approved budget including 0.25 per cent dedicated to fund anticipated property tax impacts resulting from Provincial Bill 23, *More Homes Built Faster Act, 2022*, and the guidelines for the Durham Regional Police Services Board (1.65 per cent) and Conservation Authorities as detailed in recommendation A (ii) and A (iii);
 - ii. The 2023 Business Plans and Budget for the Durham Regional Police Services Board not exceed \$245.84 million, an increase of 5.37 per cent compared to the 2022 approved budget for Durham Regional Police Services to fund base pressures (\$10.17 million), the incremental costs for year three of the body worn camera implementation (\$0.37 million) and funding equivalent to 20 front line officers for other strategic priorities of the Durham Regional Police Services Board (\$1.98 million); and
 - iii. The 2023 Operating Budget for each Conservation Authority not exceed an increase of 2.5 per cent, plus or minus any current value assessment adjustments, and the 2023 Special Benefitting Programs Budget for each Conservation Authority not exceed an increase of 1.5 per cent, plus or minus any current value assessment adjustments, compared to the 2022 approved budget;

- B) The preliminary timetable for the 2023 Regional Business Plans and Budget be approved, as outlined in Attachment #1 to this report, which includes the following key date:
- i. March 29, 2023 – final Regional Council approval of all 2023 Property Tax Supported Business Plans and Budget; and,
- C) Copies of this report be forwarded to the Durham Regional Police Services Board, Durham Region Transit Commission, Conservation Authorities, Durham Regional Local Housing Corporation, and other Outside Agencies to guide the development of detailed 2023 Business Plans and Budget.
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Report:

1. Overview

- 1.1 This report provides an overview of the current economic factors impacting the Region's 2023 property tax supported Business Plans and Budget as well as the Regional priorities and initiatives for both 2023 and the four-year forecast period (2024 to 2027). This report also identifies pressures and risks facing the Region that need to be considered in establishing the 2023 Regional Business Plans and Budget guidelines including the ongoing financial impacts to the Region resulting from the COVID-19 pandemic including the vaccine rollout and recovery plan; provincial funding impacts on the 2023 budget; and approved or anticipated legislative and regulatory changes impacting the Region's programs and services.
- 1.2 This report also outlines the proposed timetable and public engagement strategy for the 2023 Business Plans and Budget.

2. Purpose and Use of the Recommended Guideline

- 2.1 The overall 2023 property tax guideline provides a capped tax impact for the 2023 Regional Property Tax Supported Business Plans and Budget. This guideline is an overall impact which is then allocated across all departments, Durham Regional Police Service (DRPS), Durham Region Transit (DRT), 9-1-1 Emergency Service System, Durham OneNet Inc., Conservation Authorities and Durham Regional Local Housing Corporation (DRLHC).
- 2.2 The establishment of specific property tax guidelines at this time provides direction and assists staff with finalizing the 2023 budget submission for presentation to Regional Council in March 2023.
- 2.3 Regional staff will continue to review priorities and pressures with a goal of delivering the annual Property Tax Supported Business Plans and Budget within the guideline. Historically, the actual Business Plans and Budget has been delivered at or below the guideline set by Regional Council.

3. 2023 Property Tax Guideline Overview

- 3.1 Through this report staff are seeking Regional Council approval for an overall 2023 property tax guideline impact not to exceed 5.0 per cent (after net weighted assessment growth). This includes 1.65 per cent dedicated to the Durham Regional Police Services Board to fund base pressures (\$10.17 million), the incremental costs for year three of the body worn camera implementation (\$0.37 million) and other strategic priorities of the Durham Regional Police Services Board (\$1.98 million) and 0.25 per cent dedicated to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022*.
- 3.2 The following are the specific guidelines for the Durham Regional Police Services Board and Conservation Authorities that are recommended and will need to be accommodated within this overall 2023 property tax guideline.
- The 2023 Business Plans and Budget for Durham Regional Police Services Board not exceed \$245.84 million, an increase of approximately 5.37 per cent compared to the 2022 approved Durham Regional Police Services Board Budget. This includes \$2.35 million to fund the incremental costs for year three, the final year, of the body worn camera implementation (\$0.37 million) and other strategic priorities of the Durham Regional Police Services Board (\$1.98 million); and
 - The 2023 Operating Budget for each Conservation Authority not exceed an increase of 2.5 per cent, plus or minus any current value assessment adjustments, and the 2023 Special Benefiting Programs Budget for each Conservation Authority not exceed an increase of 1.5 per cent, plus or minus any current value assessment adjustments, compared to the 2022 approved budget.
- 3.3 Based on 2022 assessment growth and through discussions with the Municipal Property Assessment Corporation (MPAC), net weighted assessment growth is estimated at approximately 2.1 per cent (excluding net assessment growth in Seaton). This is fairly consistent with the net weighted assessment growth of 1.9 per cent (excluding net assessment growth in Seaton) realized for the 2022 Budget. The current 2022 net weighted assessment growth is only a preliminary estimate and should be used with caution as the actual assessment growth could vary either higher or lower than the estimate.
- 3.4 The overall property tax guideline of 5.0 per cent including 1.65 per cent for the Durham Regional Police Services and 0.25 per cent dedicated to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022* will result in an annual budgetary increase of approximately \$147 for an average residential property owner in Durham Region with a current estimated 2023 current value assessment of \$483,100.

- 3.5 Setting the recommended guidelines was achieved in consultation with the CAO, Regional departments, Durham Regional Police Service and Durham Region Transit and through detailed review of 2023 to 2027 operating pressures and 2023 to 2032 capital priorities. In addition, this guideline contemplates changes in the local and broader economic, political and social environments and associated risks and uncertainties facing the Region in the delivery of its programs and services.
- 3.6 The development of the recommended guideline incorporates the sustainable use of Development Charges, Canada Community-Building Funds (formally the Federal Gas Tax Fund) and Provincial Gas Tax Funds and the Region's reserves and reserve funds to fund one-time operating and capital investments. This mechanism is employed to offset or mitigate tax levy increases rather than just shifting the increase automatically to the next budget year. As staff continue to develop the 2023 Business Plans and Budget submissions, all additional opportunities to sustainably use the Region's Reserve and Reserve Funds to finance 2023 budget pressures will be pursued in accordance with the Long-Term Financial Planning Framework adopted by Regional Council.
- 3.7 The 2023 Regional Business Plans and Budget, which includes a nine-year capital forecast, will provide additional details on the utilization of alternative revenue sources including reserves and reserve funds for operating and capital expenditures as well as debenture financing, where appropriate, for significant priority capital projects that are planned for 2023 and projected over the nine-year forecast. It is worthy to note that the Region is entering into a period with a series of significant investments in major projects for which the Region has been accumulating funding over the last number of years. In addition, as a result of these significant capital projects, the Region is also entering into a period of significant increases in the usage of debt to partially or fully fund a number of these significant projects resulting in debt repayment impacts over the forecast period.
- 3.8 To achieve the guideline recommended in this report Regional departments, boards, commissions and outside agencies will continue to review their operating and capital business plans and budget for efficiencies, prioritizing and pursuing the necessary adjustments to balance competing priorities, capital requirements and operating pressures.

4. Projected 2023 Base Pressures and Non-Discretionary Items

- 4.1 Preliminary 2023 budget analysis indicates several base pressures and non-discretionary items that are required to continue to deliver the Region's existing programs and services including:
- The annualization of 2022 budget decisions and adjustments for one-time items included in the 2022 budget;
 - Contractual and inflationary increases;
 - Economic increases (salary/benefit contracts); and
 - Items that have received pre-budget approval by Regional Council.

- 4.2 Base pressures for 2023, currently estimated at \$32.6 million are much more significant than in prior years due in large part to significant inflationary pressures experienced in 2022 and projected for 2023. The Statistics Canada Consumer Price Index (CPI) for Canada increased 6.8 per cent year-over year in November 2022 compared to November 2021. Historically CPI has been at or below 2 per cent for the past decade.
- 4.3 Escalating prices directly impact Regional expenditures, including material inputs and services utilized for Regional service delivery. Inflationary increases to gasoline pricing of 13.7 per cent and to energy pricing of 13.9 per cent nationally over this same time period were incurred. The impact of rising fuel costs on the Region's 2023 budget is currently estimated at \$8.1 million. Inflation is projected by the Bank of Canada to average close to eight per cent in the near-term, falling to three per cent by the end of 2023.
- 4.4 With the economy continuing to respond to supply shortages, tight labour markets, rising wages and resulting high inflation this places additional pressure on the Region's 2023 Budget and increases inherent financial risks.
- 4.5 Staff continue to review these base submissions to look for efficiencies and line by line savings to mitigate the impacts of the base pressures and to achieve the recommended 2023 property tax guideline.

5. Strategic Investment in Core Service Areas

- 5.1 As part of the 2023 business planning and budget process, staff will be presenting the Paramedic Services Masterplan Review and Implementation Strategy report and the Durham Region Transit's Long-Term Investment Plan report to Committee and Council in February. These reports will outline a 10-year strategy, beginning in 2023, for increased annual investment in these two critical front line core service areas to address current and forecast growth, modernization and service pressures. As part of the guideline development, staff recognized the policing pressures and provided an increased investment allotment (Section 8). In addition, the pressures to Paramedic Services and the priorities for service delivery for Transit are urgent and cannot be addressed without significant priority funding increases.

Region of Durham Paramedic Services

- 5.2 The Paramedic Services Masterplan Review and Implementation Strategy being presented to Regional Council in February builds on the information contained in the Comprehensive Master Plan for Paramedic Services provided by ORH to develop a forward looking 10-year (2023 – 2032) implementation strategy.
- 5.3 The 10-year implementation strategy will include:
- Service level standards;
 - Projected fleet and resource requirements to address projected growth and service level standards; and
 - Projected facility requirements to achieve service level standards.

- 5.4 In developing the strategy, Regional staff have considered the following factors:
- Population growth and demographic changes;
 - Rising costs to maintain current service;
 - Risks and external factors impacting service delivery and costs including paramedic offload delay, employee wellness and sustained resiliency;
 - Potential provincial changes in the operations of emergency response;
 - Uncertainty of provincial funding for both emergency response and community paramedicine programs; and
 - Financial impacts to the Region's property taxpayers.
- 5.5 Aligned with the overall recommendations of the initial ORH report, the implementation strategy includes investment in additional paramedic resources and construction of several new and replacement Paramedic Stations over the forecast period to respond to increasing response times resulting from continued hospital offload delay and staffing challenges.

Durham Region Transit

- 5.6 Durham Region Transit's Long-Term Investment Plan is being presented to Regional Council in February.
- 5.7 The 10-year implementation strategy will include:
- Revenue service enhancements;
 - New infrastructure and amenities;
 - Fleet electrification; and
 - Fare concessions for vulnerable groups.
- 5.8 In developing the strategy, Regional staff have considered the following factors:
- Senior government funding opportunities and risks;
 - Rising costs to maintain current service;
 - Forecasted debt servicing obligations;
 - Risks related to ridership and fare revenue recovery; and
 - Financial impacts to the Region's property taxpayers.
- 5.9 The strategy includes phased investment in revenue service enhancements, fleet electrification, new facilities and passenger amenities and fare modernization in alignment with the Region's transit modal targets of the Transportation Master Plan to improve transit access, frequency and reliability across the Region, and the goal of eliminating greenhouse gas emissions by 2037 as approved by the Transit Executive Committee and Regional Council in June 2022, and in support of the Region's Climate Change Action Plan goal of zero greenhouse gas emissions by 2045.

5.10 These critical priorities for both Region of Durham Paramedic Services and Durham Region Transit cannot be addressed without significant additional funding in 2023 and over the forecast period.

6. Bill 23 – *More Homes, Built Faster Act, 2022*

6.1 Report [2022-COW-33](#) provided Regional Council with an overview of Bill 23, the *More Homes, Built Faster Act, 2022* and summarized the anticipated impacts of Bill 23 to the Region, the Region of Durham taxpayers and water and sanitary sewer ratepayers.

6.2 Bill 23 will have significant impacts on the Region's ability to coordinate and finance capital infrastructure investments for growth. A partial estimate of the total lost revenue is \$280.6 million over five years. Of this, \$129.6 million will impact the property tax fund with the balance of \$151.0 million impacting the water supply and sanitary sewerage fund. These estimates do not include the impact of exemptions for affordable and yet-to-be defined attainable housing nor do they include lost revenues at the local area municipal level.

6.3 While the Region will advocate for provincial funding to mitigate the negative financial impact of the *More Homes, Built Faster Act, 2022* to property taxpayers and ratepayers in the Region, it is prudent to begin to set funds aside to address the significant financial impacts resulting from Bill 23. There are also significant resource requirements in the early years to implement the level of growth directed by the Province to achieve the home construction targets. It is therefore recommended that a tax levy increase of 0.25 per cent (\$1.9 million) be dedicated to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022*

7. 2023 Strategic Investment Pressures

7.1 In addition to addressing the non-discretionary pressures and strategic investment requirements in critical core service areas, the guideline provides for very limited strategic investments to support other key priorities identified in the Region's Strategic Plan while balancing the need for taxpayer affordability and competitive property taxes.

7.2 Following sound business planning and budget practices, departments have identified strategic investments that are aligned with and support the following five goals of the Region's Strategic Plan:

- Environmental Sustainability;
- Community Vitality;
- Economic Prosperity;
- Social Investment; and
- Service Excellence.

7.3 Attachment #2 highlights potential 2023 initiatives organized under each of the five goals of the Durham Region Strategic Plan. Many of these initiatives are multi-year initiatives and will have impacts on the 2024 budget and beyond. Given the base budget pressures (identified in Section 4) and the strategic investment in core service areas (identified in Section 5) not all of the identified strategic investments can be accommodated within the recommended 2023 guideline. Significant prioritization and refinement of these strategic initiatives including the use of reserves, reserve funds and debenture financing is required to achieve the guideline recommended in this report.

8. Durham Regional Police Service

8.1 On July 19, 2022, Durham Regional Police Service provided a presentation on their 2023 Draft Budget to the Durham Regional Police Services Board Finance Committee. Further updates were provided to the Durham Regional Police Services Board on September 20, 2022 and October 20, 2022.

8.2 The Durham Regional Police Services Board also provided Regional Council with an overview of their 2023 budget pressures and priorities as part of Council Orientation on November 23, 2022 and their regular update to Regional Council on December 21, 2022.

8.3 As part of the presentation to the Police Services Board staff identified total 2023 budget pressures of \$14.21 million (6.09 per cent). This included base pressures of \$10.17 million and new investments for strategic priorities of \$4.04 million including year three implementation costs of the body worn camera project (\$0.37 million) and other strategic priorities of the Durham Regional Police Services Board (\$3.67 million).

8.4 The following are the base pressures for 2023 that staff identified totaling \$10.17 million, an increase of 4.36 per cent over the 2022 approved Police Services Budget. Regional staff continue to work with Durham Regional Police Service Staff to find creative solutions to reduce these operating pressures without impacting service levels:

- Contractual increases (\$6.2 million – 2.65 per cent increase) – this includes negotiated salary and benefits and new premium pay for front line response positions to be phased in equally over 2023 and 2024.
- Annualization of 40 new full-time positions approved in the 2022 budget (\$2.2 million – 0.95 per cent increase) – this includes 20 front line positions, 3 investigative support positions, 16 patrol and operational support positions and 1 administrative support position.
- Increase in contributions to support operational areas (\$0.74 million – 0.32 per cent increase) – this includes WSIB costs, contribution to the helicopter reserve and contribution to the building maintenance and repair fund.

- Increases in revenues and recoveries (\$1.1 million – 0.46 per cent decrease) – this includes an increase in the Community Safety and Policing Grant and the Court Security and Prisoner Transport Grant, planned increase in recoveries for 9-1-1 Emergency Services and the Nextgen Common Communications Platform and various other revenue adjustments.
- Various other adjustment to operating and capital expenses (\$2.13 million – 0.90 per cent) – this includes inflationary increases related to fuel, utilities, insurance and facility contracts, increases to support information technology infrastructure and related programs, employee development costs and increased fleet vehicle replacements and higher vehicle costs.

8.5 The approved 2021 and 2022 Durham Regional Police Service Business Plans and Budget included year one and year two of the three-year implementation of the body worn camera program. The following tables outline the projected costs and staff for this new program. The amounts included for each year are the total costs for that particular year. As illustrated in the following table the incremental 2023 costs for year three, the final year of implementation, is \$371,541 (0.16 per cent) and includes the addition of two new positions.

	2021	2022	2023
Axon (Hardware and Software)	\$800,000	\$900,000	\$1,000,000
Staffing	1,232,542	1,664,402	1,935,343
Total Cost	\$2,032,542	\$2,564,402	\$2,935,943

The following table outlines the incremental new positions required for the body worn camera program. The cost for these new positions is included in the program costs outlined above.

	2021	2022	2023	Total
SSGT	1	-	-	1
SGT	1	-	-	1
PC	3	-	-	3
Video Management Technician	7	3	2	12
Total New Positions	12	3	2	17

8.6 In addition, Durham Regional Police Service staff identified the following requests for increased investments in various strategic initiatives totaling \$3.67 million (1.57 per cent) which include a total of 39 new positions (excluding the two new positions required for year three of the body worn camera program implementation referenced above):

- 20 new front line officers to address growth in the Region, changes in front line workload and changes in call response models and processes - \$1.98 million (0.85 per cent).
 - 5 additional investigative officers to support the increased demand on the Forensic Investigative Unit - \$0.47 million (0.20 per cent).
 - 2 investigative officers to support the continued work of the Internet Child Exploitation (ICE) Unit - \$0.18 million (0.08 per cent).
 - 2 additional surveillance officers to meet the demands of the Intelligence Unit - \$0.22 million (0.10 per cent).
 - Creation of an Older Adult Investigative and Support (OAIS) Unit including 2 additional officers to ensure older adults who are the victims of abuse are appropriately and adequately supported by DRPS and community partners - \$0.19 million (0.08 per cent).
 - 2 additional support staff members in the People, Development & Learning Unit to fulfill Command's focus on improving services and programs offered to staff - \$0.14 million (0.06 per cent).
 - 2 additional support staff members in the Information Technology Unit to support information systems and security - \$0.17 million (0.07 per cent).
 - 1 additional support staff member to support the increased demand on the Fleet Unit - \$0.07 million (0.03 per cent).
 - 2 additional support staff members in the Facilities Unit to provide services to all police facilities including the new Clarington facility - \$0.20 million (0.08 per cent).
 - 1 additional support staff member in the Legal Unit to provide administrative support to counsel - \$0.05 million (0.02 per cent).
- 8.7 Based on preliminary budget information available, staff are recommending a 2023 guideline for the Durham Regional Police Services Board not to exceed \$245.84 million, an increase of 5.37 per cent (\$12.52 million) compared to the approved 2022 Durham Regional Police Services Board Budget. This includes increases of \$10.17 million to fund base pressures and an increase of \$2.35 million to fund the incremental costs for year three of the body worn camera implementation (\$0.37 million) and other strategic priorities of the Durham Regional Police Services Board (\$1.98 million). This totals an approximate 5.37 per cent increase on the Durham Regional Police Service Budget or a 1.65 per cent overall increase to the Regional property tax levy. This guideline would allow for the equivalent funding of 20 new front line officers but would allow the DRPS Board to determine their priorities on how the funds are allocated. As noted above, within the overall Regional guideline, there has to be some balance to achieve priorities within the DRPS but also recognize incremental service delivery and priority needs of the Paramedic Service and Transit.
- 8.8 Durham Region staff will continue to work with the staff of the Durham Regional Police Service to finalize their 2023 Business Plans and Budget submission.

9. Projected COVID-19 Fiscal Impacts on the 2023 Budget

- 9.1 It is anticipated that the Region will continue to experience financial impacts in 2023 in continuing to respond to and recover from the COVID-19 pandemic.
- 9.2 The federal and provincial governments provided significant funding to the Region under a number of COVID-19 specific funding streams in late 2020, 2021 and 2022 to assist with mitigating the significant financial impact of the COVID-19 pandemic.
- 9.3 Due to program requirements, Durham has unused funding received under the Municipal Operating Stream of the Safe Restart Fund (SRF). In accordance with the provincial guidelines, this unused funding has been maintained in a reserve to be accessed to support any future COVID-19 operating costs and pressures. The effect of the COVID-19 pandemic on vulnerable people has created longer lasting financial pressures on the Region's programs providing supports to residents experiencing or at risk of homelessness. Use of a portion of the remaining SRF balance to address the cost pressure in this strategic area is proposed for 2023 and over the forecast period.
- 9.4 The majority of the COVID-19 federal and provincial funding streams ended in 2022 and the Region continues to advocate to the federal and provincial governments for continued COVID-19 funding in 2023 to assist with mitigating the continuing financial pressures the Region faces most significantly in Public Health, Transit and Long-Term Care in responding to the COVID-19 pandemic and recovery efforts.
- 9.5 While the projected 2023 fiscal impacts of the COVID-19 pandemic continue to evolve, the balance of this section provides a summary of the projected 2023 financial impacts based on current available information. Similar to the 2022 budget, the 2023 budget will need to provide for flexibility to respond to the changing environment. It is important to note that these financial impacts will continue to be refined in advance of submitting the 2023 Business Plans and Budget:
- Transit – additional cleaning supplies and staffing costs to meet additional cleaning requirements of the fleet and reduced transit and program revenues as ridership recovers. On December 7, 2022 the provincial government announced additional funding under Phase 4 of the Transit Safe Restart Agreement to help municipal transit systems address costs related to the COVID-19 pandemic between February 1, 2022 and December 31, 2022. The Region has not received confirmation on any provincial/federal funding for 2023 COVID impacts for Transit.
 - Public Health – additional costs for the continued vaccine rollout, and addressing the back-log in many critical program areas and the longer term impacts on public health (e.g. mental health, substance abuse) as a result of the pandemic. The province has continued to provide funding to the Region for the incremental cost impacts to the Health Department of the COVID pandemic and vaccine rollout. The Region is awaiting confirmation from the province that this funding will continue to be provided to the Health Department in 2023 to assist with the ongoing significant financial

impact of the COVID-19 pandemic.

- Long-Term Care – temporary resources to complete screening; additional infection control products; and cleaning supplies. On December 22, 2022 the Region received confirmation from the province of funding for Long-Term Care under the COVID-19 Prevention and Containment and PPE Funding program until March 31, 2023.

10. Provincial/Federal Funding Impacts

10.1 In 2022, the Region budgeted to receive approximately 21.2 per cent of its annual property tax supported service revenue from provincial subsidies and grants.

10.2 While the province has provided 2022 funding letters for a number of Regional program areas, there is still significant uncertainty and associated risk related to provincial funding levels for 2023. The following is a summary of the known and estimated impacts to the 2023 budget resulting from adjustments in provincial funding and changes in the provincial funding formulas:

- Paramedic Services – The 2022 Regional Business Plans and Budget assumed 2022 provincial funding of paramedic services would be 2.0 per cent higher than the provincial funding provided in 2021. On September 9, 2022, the provincial government confirmed the Region's 2022 funding for paramedic services was \$29,275,767, which is \$2,097,461 (7.7 per cent) more than the 2021 provincial funding of \$27,178,306. This increase provides for the provincial portion of the inflationary pressures and service enhancements. While the 2023 funding has not yet been confirmed it is projected to be at least in-line with the 2022 actual funding which is \$1,548,328 more than what was included in the Region's 2022 Business Plan and Budget. Paramedic Services has received confirmation of provincial funding for the Community Paramedicine Programs in 2023.
- Public Health – The province previously announced changes to the cost sharing arrangement with municipalities. For 2020, the provincial funding of mandatory programs declined from 75 per cent to 70 per cent while the funding of 100 per cent provincial funded programs dropped to 70 per cent provincial funding (with the exception of the Ontario Seniors Dental Care Program, which the province has indicated they will fund at 100 per cent). Based on the Region's current base funding level the impact of the change in the provincial funding formula was \$45,600. For 2020, 2021 and 2022, the province confirmed one-time mitigation funding to ensure that municipalities were not negatively impacted by the changes to the provincial cost-sharing formula considering the significant funding and resource pressure facing public health departments from the COVID-19 pandemic. The province has not confirmed whether this funding will be available beyond March 31, 2023. In 2022 the province also confirmed a base funding increase of \$227,025 for the period of April 1, 2022 to December 31, 2022.

- Childcare – In December 2022, the province provided information on the Region's 2023 funding allocation which includes the introduction of a 5 per cent holdback on 2023 allocations to be released upon review of the 2023 Financial Statements, continuation of the one-time transition grant in lieu of reversing the administration grant reductions, a new mental health funding stream in EarlyOn and increases in funding under the Canada-Wide Early Learning and Child Care program. Staff continue to review the specifics of the announcement to understand the potential impacts on the Region's Children's Services programs and services.
- Social Assistance – The province has announced further modernization efforts significantly impacting the Region's Social Assistance program in 2023 and beyond that were reported to Council through confidential report 2022-COW-29. It is not clear what additional impacts these changes will have on provincial funding, cost sharing formulas and service delivery for 2023 and beyond.
- Homelessness Supports – In 2022 the Region received \$3.1 million in federal funding under the Reaching Home Program and \$9.1 million in provincial funding under the Homelessness Prevention Program to support residents experiencing or at risk of homelessness. This is \$1.0 million higher than what was included in the 2022 budget. The Region is projected in 2023 to receive \$5.0 million in federal funding under the Reaching Home program and \$10.1 million in provincial funding under the Homelessness Prevention Program.
- Long-Term Care – On August 27, 2021, the Ministry of Long-Term Care announced a multi-year plan to increase level of care base funding starting April 1, 2021. Staff are awaiting final confirmation on the increase in funding to the Region for 2023.
- Police – On August 10, 2020, the province announced a review of their Court Security and Prisoner Transportation Program. The Region's current funding agreement provided \$4.48 million in funding in 2022 and expires on December 31, 2022. It is unclear at this time what impact this review may have on 2023 and future funding. Durham Regional Police Service budgeted to receive \$3.17 million in funding in 2022 under the Community Safety and Policing grant program. Actual funding received was \$3.30 million. The province has confirmed that this funding will increase to \$3.48 million in 2023.
- Ukrainian Humanitarian Response in Durham – Regional staff, in collaboration with GTHA regions, agreed to a collective and coordinated response to provide supports to Ukrainian newcomers. Staff have worked with partners to secure temporary accommodations for newcomers and explore other potential housing benefits as well as working with the Community Development Council of Durham (CDCD) to deliver supports. To date the Region has allocated approximately \$2.0 million to support newcomers. The Region continues to advocate for funding from the provincial and federal governments for the Region's costs in supporting newcomers.

- 10.3 Regional staff continue to advocate for sustained provincial funding and will work with the province to understand any further financial impacts on the 2023 Business Plans and Budget and beyond.

11. Impacts of Legislative and Regulatory Changes

- 11.1 The Region delivers several programs and services that are legislated or regulated by the provincial government and, to a lesser extent, the federal government. Legislative and regulatory changes often have a direct financial impact to the Region in delivering these valued and critical programs and services. The following is a list of current or potential legislative and regulatory changes that may have fiscal impacts for the Region.

- On June 14, 2021, the Ministry of the Solicitor General released five draft Regulations under the *Community Safety and Policing Act, 2019* for comment. It is expected that there will be upwards of 80 Regulations in support of this legislation. The initial five draft Regulations cover investigations, active attacker incidents, alternative provision of policing functions, the Ontario Police Arbitration and Adjudication Commission and codes of conduct for police officers, municipal police service board members and members of the Ontario Provincial Police Governance Advisory Council. The Durham Regional Police Service and the Durham Regional Police Services Board have provided comments on these draft regulations and are reviewing potential fiscal impacts to Durham Regional Police Service.
- As detailed in Report [2022-A-21](#), the province transferred responsibility for prosecution of Part III and Part IX charges to the Region. As a result of this transfer 3 additional permanent full-time prosecutors and 2 additional permanent full-time prosecution assistants are required to manage this increased workload. Additional prosecution resources may be required in future years as the Region adjusts to the volume and pace of these matters. The Region currently receives all revenues from any fines associated with Part II matters and as such there is no additional revenue associated with this transfer. The estimated net impact on the 2023 Business Plans and Budget for this transfer of responsibility from the Province to the Region is \$0.5 million.
- The Region is currently awaiting provincial regulations under the *Housing Services Act* that will provide greater clarity around Part VII housing providers and the costs and funding available to support these providers.
- In October 2021 and April 2022 the province released Phase 1 and Phase 2 regulations and policy under the *Conservation Authorities Act*. These new regulations outline:
 - mandatory programs and services to be delivered by conservation authorities,
 - the need for agreements between participating municipalities and conservation authorities to fund non-mandatory programs and services through a municipal levy,

- the requirement of conservation authorities to establish a community advisory board,
- the budget process for conservation authorities,
- the municipal apportionment methods for levying participating municipalities,
- various user fee requirements, and
- information requirements for conservation authorities.

These provincial regulations are anticipated to impact the Region's funding of conservation authorities for the 2024 Business Plans and Budget. Staff continue to work with the province and our five partner conservation authorities to understand the full impacts resulting from these regulations. The additional complexity of Bill 23 impacts to conservation authorities must also be determined.

12. Funding Requests under the Durham Region Community Investment Grant Policy

- 12.1 In October 2019, Regional Council approved the Durham Region Community Investment Grant Policy. Under this policy, local healthcare and post secondary education institutions can apply for funding to assist with the community fundraising requirements for capital infrastructure projects in the Region.
- 12.2 There are a number of organizations that have approached the Region of Durham for funding under this program including:
- Lakeridge Health - Bowmanville Hospital redevelopment project
 - Lakeridge Health - for various capital infrastructure projects in their 10 Year Master Plan including a new greenfield hospital in Whitby and the redevelopment of the Ajax Pickering Hospital
 - Oak Valley Health - Uxbridge Hospital
 - Ontario Shores Centre for Mental Health Sciences
 - Charles Best Diabetes Centre
 - Sloane's House
- 12.3 To support the funding requests received under the Community Investment Grant Policy, the Region's annual business plans and budget includes an annual contribution to this program. As part of the approved 2022 Business Plans and Budget, Region Council approved an additional 0.25 per cent dedicated levy to support the prior approval of the Lakeridge Health – Bowmanville site redevelopment. This brought the total 2022 contribution to this program to \$5.55 million.

- 12.4 In 2022, the Region made its final payment of \$666,666 to Durham College for the expansion of the Whitby Campus project. With the completion of this financial commitment in 2022 the 2023 base funding for the Community Investment Grant Program will be increased by this \$0.67 million. Given the significant pressures facing the Region's core front line services in 2023, it is recommended that the funding to the Durham Region Community Investment Grant Program be set at \$6.20 million, an increase of \$0.67 million (12 per cent) from the 2022 approved budget but with no increase on the tax levy.
- 12.5 Staff continues to work with the above organizations to understand their needs, determine eligibility and potential timing should Regional funding be approved by Council for their capital builds.

13. Summary of 2023 Property Tax Guideline

- 13.1 The following table provides a summary of the estimated impact of the various pressures comprising the 2023 Property Tax Guideline as outlined through Sections 4 through 12 of this report. These amounts are subject to change as staff finalize the Paramedic Services Masterplan Review and Implementation Strategy, Durham Region Transit's Long-Term Investment Plan and the final budget submissions.

Item	Estimated 2023 Levy Impact	
	\$ (millions)	%
Durham Regional Police Services	12.52	1.65
Conservation Authorities	0.02	0.00
<i>Bill 23 – More Homes, Built Faster Act, 2022</i>	1.90	0.25
Paramedic Services	3.26	0.43
Durham Region Transit	11.25	1.48
Department Increases (Base Pressures)	14.61	1.92
Department Increases (Strategic Priorities)	10.42	1.37
Assessment Growth		(2.10)
Net 2023 Property Tax Levy Impact	53.98	5.00

14. 2024 – 2027 Forecast Highlights

- 14.1 Many of the 2023 strategic investment pressures identified in Attachment #2 of this report are multi-year initiatives and will continue throughout the 2024 to 2027 forecast period. Attachment #3 highlights the additional significant strategic investment pressures currently projected over the forecast period.
- 14.2 Based on current modeling, the Region anticipates annual property tax increases for 2024 to 2027 to be consistent with the 2023 property tax guideline. This is driven in part by ongoing funding increases for Paramedic Services and Durham Region Transit to meet service level needs, operating costs for the new Seaton Long-Term Care Home and increased debt repayment obligations for new facilities. Staff continue to explore alternative funding strategies including provincial and federal funding, use of reserves, reserves funds and debenture financing as well as identifying efficiencies to reduce future property tax impacts.

15. 2023 Regional Business Plans and Budget Timetable

15.1 The Region's business planning and budget process includes strategic planning, risk assessment, economic and financial forecasting, property tax guidelines, detailed business plans and budgets, and performance measurement. Fiscal accountability is strengthened by the multi-year planning of expenditures, financing and risk mitigation that are imbedded in the Region's Business Planning and Budget process and highlighted each year by the Region's bond raters.

15.2 The key dates for the 2023 Regional Business Plans and Budget timetable are outlined below and are detailed in Attachment #1:

- Transit Long-Term Service and Financing Strategy
 - Transit Executive Committee – February 8, 2023
 - Finance and Administration Committee – February 14, 2023
 - Regional Council – March 1, 2023
- Paramedic Services Comprehensive Masterplan Review and Implementation Strategy
 - Committee of the Whole – February 15, 2023
 - Regional Council – March 1, 2023
- Property Tax Supported Business Plans and Budget
 - Standing Committees – week of March 6, 2023
 - Finance and Administration Committee – March 21, 2023 and March 22, 2023 (if required)
 - Regional Council – March 29, 2023
- Property Tax Strategy
 - Finance and Administration Committee – March 21, 2023 and March 22, 2023 (if required)
 - Regional Council – March 29, 2023

15.3 The 2023 proposed timetable establishes March 29, 2023 as the target date for Regional Council approval of all 2023 Property Tax Supported Business Plans and Budget.

16. Public Engagement Strategy for the 2023 Business Plans and Budget

16.1 Transparency and education are key components of building successful public engagement on the Region's business plans and budgets with residents, businesses and stakeholders.

- 16.2 The Region remains focused on modernizing our public engagement initiatives by evaluating different standards, compiling best practices, measuring outcomes and incorporating expertise from experts.
- 16.3 Where possible, the Region's public engagement initiatives will be designed and structured to ensure that information is shared in plain language and through a variety of formats that are accessible and interactive and are focused on outcomes for residents, businesses, and stakeholders. The public engagement approaches for the 2023 Business Plans and Budget will continue to engage with more residents and businesses in new and different ways to encourage their feedback and will include:
- Refocusing efforts to engage residents in an approach aligned with the cadence of the annual Business Planning and Budget process that enables input to inform budgetary decisions;
 - Updating the Region's Business Plans and Budget online presence, informed by data and lessons learned, to allow residents to ask questions and provide comments online in a convenient and intuitive manner;
 - Hosting a Virtual Town Hall on Thursday November 24, 2022 where more than 14,000 Durham Region residents joined over the phone, online and in-person to provide input and feedback on key priorities, ask questions about the Region's Business Plans and Budget, and learn more about the Region's programs and services;
 - Updating the award-winning Value Stories videos which highlight the details of the Region's Budget and the value these investments have on residents and businesses;
 - Updating the Budget Infographic to provide a visual summary of the service metrics and investments included in the approved budget;
 - Providing ongoing social media engagement aligned with the progression of the business planning and budget process to support a wider understanding of the process and seek engagement throughout the process; and
 - Providing traditional engagement initiatives consistent with prior year activities including the utilization of print media.

17. Next Steps

- 17.1 In the next phase of the business planning and budget process, all program areas will review their operating and capital plans to achieve the recommended property tax guideline including:
- Refining budget estimates and priorities;
 - Exploring alternative funding strategies including the sustainable use of reserve and reserve funds, development charges, provincial and federal gas tax and debentures;
 - Working with the provincial and federal government to understand 2023 funding impacts including Page 205 of 250 continued financial support to

mitigate the continued fiscal impacts of the pandemic and recovery;

- Reviewing the Region's weighted 2022 net assessment growth; and
- Carefully reviewing and prioritizing 2023 staffing requests, budget pressures and priorities and looking for efficiencies and opportunities to minimize the 2023 budget impact.

18. Conclusion

- 18.1 The recommended overall 2023 property tax guideline for Regional departments, the Durham Regional Police Services Board, Durham Region Transit Commission, DRLHC and funded Outside Agencies will result in:
- A Region-wide property tax rate impact not to exceed 5.0 per cent (after net weighted assessment growth) including 1.65 per cent dedicated to the Durham Regional Police Services Board to fund base pressures (\$10.17 million) the incremental costs for year three of the body worn camera implementation (\$0.37 million) and other strategic priorities of the Durham Regional Police Services Board (\$1.98 million) and a further 0.25 per cent over the 2022 approved budget to fund anticipated property tax impacts resulting from provincial Bill 23, *More Homes, Built Faster Act, 2022*;
 - An annual \$147 budgetary increase for an average residential home in Durham Region with an estimated 2023 current value assessment of \$483,100.
- 18.2 Regional departments, boards, commissions and outside agencies will continue to review their operating and capital business plans and budget looking for efficiencies, prioritizing and making the necessary adjustments to balance competing priorities, capital requirements, and operating pressures to achieve Regional Council's approved property tax guideline. It is important to note that work is still needed to achieve the recommended property tax guideline and, as such, not all requests identified in this report may be able to be accommodated within the 2023 Business Plans and Budget, requiring consideration in future years.
- 18.3 The detailed 2023 Property Tax Supported Business Plans and Budget are scheduled to be presented to the appropriate Standing Committee or Transit Executive Committee during the week of March 6, 2023, Finance and Administration Committee on March 21, 2023 and March 22, 2023 (if required) and Regional Council on March 29, 2023.

19. Attachments

19.1 Attachment #1: Preliminary Timetable for the 2023 Regional Business Plans and Budget

19.2 Attachment #2: 2023 Strategic Investment Pressures

19.3 Attachment #3: 2024 – 2027 Forecast Highlights

Respectfully submitted,

Original Signed By

Nancy Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer

PRELIMINARY TIMETABLE FOR THE 2023 REGIONAL BUSINESS PLANS AND BUDGETS

A) 2023 PROPERTY TAX GUIDELINE

Item	Description	Standing Committee	Regional Council
1.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Regional Business Plans and Property Tax Supported Budget Guideline 	Finance and Administration Committee – January 17, 2023	February 1, 2023

B) SUPPORTING BUSINESS PLANNING REPORTS

Item	Description	Standing Committee(s)	Regional Council
1.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Water and Sanitary Sewer User Rates 	Finance and Administration Committee – December 13, 2022	December 21, 2022
2.	Review and Approval of the: <ul style="list-style-type: none"> • Transit Long-Term Service and Financing Strategy 	Transit Executive Committee – February 8, 2023 Finance and Administration Committee – February 14, 2023	March 1, 2023
3.	Review and Approval of the: <ul style="list-style-type: none"> • Region of Durham Paramedic Services (RDPS) Comprehensive Masterplan Review and Implementation Strategy 	Committee of the Whole – February 15, 2023	March 1, 2023
4.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Strategic Property Tax Study 	Finance and Administration Committee – March 21 and 22 (if required), 2023	March 29, 2023
5.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Property Tax Rates 		March 29, 2023

PRELIMINARY TIMETABLE FOR THE 2023 REGIONAL BUSINESS PLANS AND BUDGETS

C) 2023 DETAILED BUSINESS PLANS AND BUDGETS

Item	Description	Standing Committee(s)	Regional Council
1.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Detailed Water and Sanitary Sewer Business Plans and Budgets 	Works Committee – December 7, 2022 Finance and Administration Committee – December 13 2022	December 21, 2022
2.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 9-1-1 Emergency Service System Business Plans and Budget 	9-1-1 Management Board January 24, 2023	
3.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Durham OneNet Inc. Business Plans and Budget 	Durham OneNet Inc. Board – February 2023 (TBD)	
4.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Durham Regional Local Housing Corporation (DRLHC) Business Plans and Budget 	DRLHC Board – March 1, 2023	
5.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Planning and Economic Development Business Plans and Budgets 	Planning and Economic Development Committee – March 7, 2023	
6.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Works General Tax and Solid Waste Management Business Plans and Budgets 	Works Committee – March 8, 2023	
7.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Durham Region Transit Business Plans and Budget 	Transit Executive Committee – March 8, 2023	
8.	Review and Approval of the: <ul style="list-style-type: none"> • 2023 Health and Social Services Business Plans and Budgets 	Health and Social Services Committee – March 9, 2023	

PRELIMINARY TIMETABLE FOR THE 2023 REGIONAL BUSINESS PLANS AND BUDGETS

Item	Description	Standing Committee(s)	Regional Council
9.	Review and approval of the: <ul style="list-style-type: none"> • 2023 Departmental Business Plans and Budgets • 2023 Durham Region Transit Business Plans and Budget • 2023 Durham Regional Police Service Business Plans and Budget • 2023 Conservation Authorities Business Plans and Budgets • 2023 9-1-1 Emergency Service System Business Plans and Budget • 2023 Durham OneNet Inc. Business Plans and Budget • 2023 Durham Regional Local Housing Corporation (DRLHC) Business Plans and Budget 	Finance and Administration Committee – March 21 and 22 (if required), 2023	March 29, 2023

Attachment #2 – 2023 Strategic Investment Pressures

This attachment highlights potential 2023 initiatives organized under each of the five goals of the Durham Region Strategic Plan. Many of these initiatives are multi-year initiatives and will have impacts on the 2024 budget and beyond. Given the base budget pressures (identified in Section 4) and the strategic investment in core service areas (identified in Section 5) not all of the identified strategic investments can be accommodated within the recommended 2023 guideline. Significant prioritization and refinement of these strategic initiatives including the use of reserves, reserve funds and debenture financing is required to achieve the guideline recommended in this report.

Environmental Sustainability

Under the Environmental Sustainability goal, the Region is focused on responding to Regional Council's climate emergency declaration by demonstrating corporate leadership and mobilizing community action through collaboration with local area municipalities and other key partners. The following are the potential 2023 initiatives that support this Regional goal.

- With the assistance of federal government funding, continue the implementation of the Durham Greener Homes program to provide residents with wrap-around support services, including access to an energy retrofit coach, financial incentives, and skilled trades to facilitate deep energy retrofits in existing single-family homes across the Region.
- Develop the Regional Facility Low Carbon Pathway and implement the Durham Building Standard for the construction, renovation and operation of Regional facilities, including measures to advance the Region's climate change and energy conservation initiatives.
- Advance the implementation of deep energy retrofits in Durham Region Local Housing Corporation (DRLHC) senior's housing portfolio to reduce energy and carbon emissions while increasing resilience to extreme heat events that disproportionately impact vulnerable residents.
- Support the approved transition of the Durham Region Roundtable on Climate Change from an advisory committee of Council to an independent entity based within Ontario Tech University.
- Consider current and future climate conditions to improve asset resiliency and mitigate corporate and community impacts associated with extreme weather events.
- Develop of the Region's low carbon fleet strategy including analyzing existing patterns of fleet use and age, equipment replacement schedules, and technology advancements to develop alternative vehicle replacement plans that reduce corporate GHG emissions and energy costs, while considering necessary facility upgrades to support charging infrastructure.
- Respond to provincial legislative changes on extended producer responsibility in waste management.

- Advance the Region's work on district energy through feasibility studies and engagement with partners.
- Partner with conservation authorities to advance implementation of the Durham Community Climate Adaptation Plan, including updating floodplain maps and undertaking climate risk and vulnerability assessments.
- Develop a Durham Building Energy and Water Benchmarking and Disclosure initiative to support commercial, industrial, institutional and multi-residential buildings in compliance with provincial reporting requirements.

Community Vitality

Under the Community Vitality goal, the Region is focused on fostering an exceptional quality of life with services that contribute to strong neighbourhoods, vibrant and diverse communities, and influence residents' safety and well-being. The following are the potential 2023 initiatives that support this Regional goal.

- Continue to advance and expand the Region's diversity, equity and inclusion program including ongoing Indigenous engagement, completion of an employment systems review and implementation of the Region's 2022 – 2025 Accessibility Plan.
- Continue to implement the Community Safety and Well-Being Plan (CSWB) by building robust community capacity to ensure residents get the right services at the right time.
- Leverage increased provincial funding to enhance the level of care and supports for residents of the Region's long-term care homes by increasing front line resources in response to the increasing complexity of care of the homes' residents.
- Develop and implement an emotional model of care in the Region's long-term care homes.
- Provide additional long-term care home resources to enhance quality control, risk and compliance programs, development of policy and management of electronic systems.
- Orient public health programs and services to address the needs of priority populations.
- Expand the Region's Seniors Dental Program (contingent on increased federal/provincial funding).
- Leverage provincial funding to enhance the Adult Community Support Services program.
- Continued improvements to road safety through the implementation of various Vision Zero initiatives.
- Implement the Regional Cycling Plan Update including construction of additional cycling infrastructure and completion of the Durham Region Signage and Wayfinding Strategy.

- Continue ongoing system enhancements to Emergency 9-1-1.
- Continue implementation of the Region's Nuclear Sector Strategy.
- Enhance education and training program Nuclear Preparedness and Awareness.

Economic Prosperity

Under the Economic Prosperity Goal, the Region is supporting the building of a strong and resilient economy that maximizes opportunities for business and employment growth, innovation and partnership. The following are the potential 2023 initiatives that support this Regional goal.

- Implement the Region's new economic development strategy Ready Set Future – A PLACE blueprint for Durham which includes expanding the Region's in-house investment attraction program; working alongside the Durham Economic Development Partnership to deliver initiatives and projects that encourage business retention and attraction; creating focused marketing campaigns and initiatives in key economic sectors and implementing the Growing North Durham 2.0 Plan in the Townships of Brock, Scugog and Uxbridge and the Growing Agri-Food Durham Plan.
- Continue to implement the Region's Intelligent Communities Plan – the framework for a smart and connected Region.
- Continue to advancing transit-oriented development opportunities on key transit corridors, including the GO East extension to Bowmanville.
- Leverage Investing in Canada Infrastructure Program (ICIP) funding opportunities for eligible projects including bus rapid transit expansion projects on Highway 2 and Simcoe Street. (Regional financing is required for the Region's share of eligible costs as well as ineligible costs e.g., land).
- Finalize the Region's new Official Plan – Envision Durham.
- Continue to invest in new Regional assets in response to growth pressures across all Regional departments.
- Respond to applications received under the Regional Revitalization Program.
- Continue the implementation of the Region's Broadband Strategy including supporting the deployment of broadband infrastructure to under-served areas through Durham OneNet Inc. (DONi).
- Advance investment attraction efforts for the Region-owned land in the Clarington Energy Park including work underway for Project Woodward.
- Deliver on the Region's Community Improvement Plan with a focus on increasing affordable housing units and promoting transit-oriented development.

Social Investment

Under the Social Investment Goal, the Region is striving to ensure a range of programs, services and supports are available and accessible to those in need, so that no individual is left behind. The following are the potential 2023 initiatives that support this Regional goal.

- Continue to advance At Home in Durham, the Durham Housing Plan 2014 – 2024 and the achievement of Regional Council's goal of initiating the development of 1,000 new affordable housing units during the next five years, with development completed and units ready for occupancy over the following five years, and an end to chronic homelessness in Durham by 2024.
- Provide for the operating impacts of the Beaverton Supportive Housing project.
- Community consultation, design and consulting for Durham Regional Local Housing Corporation renewal and redevelopment.
- Ongoing consultation and planning for the 300 Ritson Road site.
- Increase supports to residents experiencing or at risk of homelessness under the federal Reaching Home Program and the provincial Community Homelessness Prevention Initiative.
- Planning for the addition of new directly operated Regional Child Care Centres.
- Ongoing implementation of the Canada-Wide Early Learning and Child Care System.
- Increase supports provided through the Local Immigration Partnership.

Service Excellence

Under the Service Excellence Goal, the Region is working to provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery. The following are the potential 2023 initiatives that support this Regional goal.

- Implement the multi-year enterprise-wide myDurham311 project that will introduce a new customer experience program at the Region (Service Durham) that is designed to facilitate, streamline and integrate service delivery from a customer perspective.
- Continue to advance various Regional review and improvement initiatives including the enterprise information management strategy and associated enterprise content management system, business planning and budget process review and modernization project, and expanding the rollout of the WorkForce Management system.
- Provide for the ongoing maintenance and renewal of the Region's assets (including buildings, vehicles, machinery and equipment, IT infrastructure and furniture and fixtures) in alignment with the Region's Asset Management Plan and prudent asset management practices to maximize the value of the Region's assets over their life cycle.

- Advance Workplace Modernization at Regional Headquarters and 101 Consumers Drive and commence the redevelopment and modernization of the Region's five Works Depots. Work on these facilities includes optimizing space utilization and creating a variety of flexible workspaces that support how Regional staff work and collaborate, improving accessibility and access for staff and community members and addressing energy efficiency, emission reductions and asset management requirements.
- Strengthen relationships with the federal and provincial governments to advance the Region's government relations objectives.
- Provide enhanced health, safety and wellness (including mental health) supports for staff.
- Continue to advance the Region's Cybersecurity Program.
- Drive innovation through upgrades to the Region's Financial and Human Capital Management systems including enhanced reporting and dashboards.
- Address information technology pressures including increasing costs for software/hardware licensing, resources to support the Enterprise Maintenance Management System post implementation, security, geographic information system (GIS), and technology refresh, and ongoing infrastructure replacement needs.
- Enhance services provided by the Access and Privacy Office including developing corporate privacy protocols, education and public outreach.

Attachment #3 – 2024 – 2027 Forecast Highlights

This attachment highlights forecasted 2024 - 2027 initiatives organized under each of the five goals of the Durham Region Strategic Plan.

Environmental Sustainability

Under the Environmental Sustainability goal, the Region is focused on responding to Regional Council's climate emergency declaration by demonstrating corporate leadership and mobilizing community action through collaboration with local area municipalities and other key partners. The following are the forecasted 2024 – 2027 initiatives that support this Regional goal.

- Ongoing implementation of the Durham Community Energy Plan and the Durham Community Climate Adaptation Plan.
- Expand the residential energy retrofit program into other building sectors, including multi-unit residential buildings and small commercial buildings. Over the forecast period, further expansion opportunities may include institutional buildings and larger commercial buildings.
- Ongoing implementation of Regional fleet and facility climate change initiatives.
- Continued investment in state of good repair and lifecycle asset management incorporating emission reductions and energy efficiency measures as assets and components are replaced or refurbished.
- Implementation of the Region's Long-term Waste Management Strategy including both the Region's short-term and long-term organics management solutions that will be outlined in a forthcoming report to Works Committee.

Community Vitality

Under the Community Vitality goal, the Region is focused on fostering an exceptional quality of life with services that contribute to strong neighbourhoods, vibrant and diverse communities, and influence residents' safety and well-being. The following are the forecasted 2024 – 2027 initiatives that support this Regional goal.

- Implement the recommendations of the Paramedic Services Masterplan Review and Implementation Strategy being presented to Regional Council in February. The implementation strategy includes investment in additional paramedic resources and construction of a number of new and replacement Paramedic Stations over the forecast period to respond to increasing response times resulting from continued hospital offload delay and staffing challenges.
- Build and operate a new Regional long-term care home in North Pickering (Seaton) as approved by Council on December 21, 2022 through Report [2022-COW-32](#) with estimated annual net operating costs of between \$22.5 million and \$24.8 million, an estimated increase to the property tax levy of between 3 per cent and 4 per cent.
- Implement the recommendations of Durham Region Transit's Long-Term

Investment Plan being presented to Regional Council in February. The strategy includes phased investment in transit revenue service enhancements, electrification, new facilities and passenger amenities and fare modernization in alignment the transit modal share targets of the Transportation Master Plan through improved access, frequency and reliability, and the Region's goals of net zero greenhouse gas emissions by 2045.

- Respond to increased demand for a variety of public health services as a result of population growth, local epidemiology and an aging and more diverse community.
- Continued need to address wait lists in several social service program areas including individual, couple or family counselling services, behaviour management and affordable housing as well as provide the necessary supports to tenants with increasingly complex needs.
- Increased investment in Durham Regional Police Services including additional front line officers (current forecast includes 20 new front line officers each year for 2024 through 2026) and significant facility renewal and replacement.

Economic Prosperity

Under the Economic Prosperity Goal, the Region is supporting the building of a strong and resilient economy that maximizes opportunities for business and employment growth, innovation and partnership. The following are the forecasted 2024 – 2027 initiatives that support this Regional goal.

- Continue to advance transit-oriented development opportunities on key transit corridors including the GO Train Lakeshore East extension from Oshawa to Bowmanville.
- Continue to invest in Regional assets in response to growth pressures across all Regional departments. Over the forecast period it is anticipated that several of the planned Regional facilities to support the Seaton community will be designed, constructed and in some cases begin providing programs and services to the community. These include a Social Assistance and Family Services facility, Public Health facility, Waste Management facility and Transit facility. To help mitigate the financial impact of the operating costs of these facilities, the timing of the incremental property tax revenue is being aligned with the additional operating costs and the Regional programs and services being delivered from these facilities (strategy approved by Regional Council in the 2018 Regional Business Plans and Budget).

Social Investment

Under the Social Investment Goal, the Region is striving to ensure a range of programs, services and supports are available and accessible to those in need, so that no individual is left behind. The following are the forecasted 2024 – 2027 initiatives that support this Regional goal.

- Implement the recommendations coming forward from the Region’s comprehensive Master Housing Strategy following consultation with the public and stakeholders. This strategy will operationalize and support the goals of At Home in Durham, including a fulsome review of the current housing system and the revitalization of the Regionally owned Durham Regional Local Housing Corporation portfolio.
- Support the opening of two new Regional directly operated childcare centres, one in North Durham and one in Bowmanville, anticipated to open in 2024/2025 to address the increasing need for childcare services in these areas of the Region.
- Respond to the impacts of provincial employment services transformation on the Social Assistance program delivery including life stabilization programming.

Service Excellence

Under the Service Excellence Goal, the Region is working to provide exceptional value to Durham taxpayers through responsive, effective and fiscally sustainable service delivery. The following are the forecasted 2024 – 2027 initiatives that support this Regional goal.

- Implement the findings from the Works Depot Rationalization study estimated at \$266.5 million between 2024 and 2029 (\$313.5 million between 2023 and 2029) as part of an overall Facility Master Accommodation Plan. A portion of these capital improvements is proposed to be funded from the Water Supply and Sanitary Sewerage Business Plan and Budget.
- Review and refresh the Region’s Strategic Plan for 2025 - 2030.



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance
Report: #2023-F-2
Date: January 17, 2023

Subject:

Public process for the passage of a new Regional Development Charge By-law, along with the proposed amendments to both the Regional Transit and GO Transit Development Charge By-laws

Recommendation:

That the Finance and Administration Committee recommends to Regional Council:

- A) That Statutory Public Meetings of Regional Council, as required by the Development Charges Act, 1997 (DCA), be held at the beginning of the regular Regional Council meeting on March 29, 2023 to consider the passage of a new Regional Development Charge (DC) By-law, along with proposed amendments to both the Regional Transit and GO Transit DC By-laws;
- B) That the proposed Regional, Regional Transit, and GO Transit DC By-laws and Background Studies, as required by the DCA, be released to the public at no charge upon request to the Regional Clerk's Department and posted on the Region's website, commencing March 14, 2023; and
- C) That staff be authorized to place appropriate notification in newspapers of sufficient general circulation in Durham Region and the Regional website setting forth the date, time, location and purpose of the Statutory Public Meetings and the date and contact for the release of the proposed by-laws and background studies.

Report:**1. Purpose**

- 1.1 The purpose of this report is to advise Regional Council of the public process necessary to pass a new Regional DC By-law, along with amendments to both the Regional Transit and GO Transit DC By-laws.

2. Background

- 2.1 The current Regional DC by-law (#28-2018) expires on June 30, 2023. In 2022, Regional Council authorized the Regional DC By-law review which involves an extensive amount of work by an interdisciplinary staff team. However, in late 2022, the Province unexpectedly, and significantly, modified the DCA through the More Homes Built Faster Act (Bill 23). These changes included extending the maximum duration of a DC by-law from five to ten years; however, it did not address any transition matters for municipalities with by-laws expiring in the near term. The Regional CAO and Solicitor are seeking clarifications from the Ministry. In the meantime, staff are seeking the necessary authorizations from Council to ensure that the new DC by-law could be approved before the expiry of the existing by-law, should that remain necessary.
- 2.2 As part of the Regional DC review process, several new policies are being considered for the new by-law. These proposed policy changes will be identified in the DC Background Study released to the Public on March 14, 2023. Staff recommend proceeding with the public process to amend the policies of the Regional Transit and GO Transit DC By-laws to ensure the new policies align with the proposed Regional DC By-law.
- 2.3 In addition to any policy changes stemming from the proposed new Regional DC By-law, other changes have occurred with respect to Regional transit service that will need to be reflected in the Regional Transit DC By-law. These changes surround the electrification of the transit fleet. Included in the Regional Transit DC amendment will be the added costs of electric vehicles and the associated infrastructure required for electrification.
- 2.4 This report seeks authorization to place the notification necessary to advise all interested parties of the recommended March 29, 2023 Statutory Public Meetings of Council and the pending release of the proposed DC By-laws and Background Studies, as required by the DCA and associated regulations in order to have the new and amended by-laws in place by July 1, 2023.

3. Previous Reports and Decisions

- 3.1 Regional Council approved Report #2022-F-9 which provided staff authorization to undertake the comprehensive review and renewal of the Regional DC By-law.

- 3.2 Regional Council approved the current Regional Transit DC By-law (#39-2022) through Report #2022-F-15.
- 3.3 Regional Council approved a GO Transit DC By-law in 2001, which has subsequently been amended four times. The most recent amendment occurred on June 23, 2021 through Report #2021-F-17.

4. Requirements of DCA and Associated Regulations Regarding Public Process

Public Process

- 4.1 The DCA and associated regulations require that Regional Council hold at least one public meeting to receive public representation on a proposed new by-law (including an amendment) and corresponding background study.
- 4.2 The required public meetings for the proposed new Regional DC By-law, along with the proposed amendments to both the Regional Transit and GO Transit DC By-laws, will be held at the beginning of the Regional Council meeting on March 29, 2023. The final by-laws will be considered by Regional Council at the Regional Council Meeting scheduled for May 24, 2023.

Notice of Public Meeting

- 4.3 Regional Council is required to give at least 20 days notice of a public meeting. Therefore, the Regional Clerk will, by March 8, 2023, advertise a notice in newspapers of sufficient general circulation in Durham Region and on the Regional website, the date, time, location and purpose of the Statutory Public Meetings and the date and contact for the release of the proposed by-laws and background studies.

Release of Proposed By-laws and Background Studies

- 4.4 The DCA and associated regulations require that proposed new by-laws (including amendments) and background studies be made available to the public at least two weeks prior to the public meeting and 60 days prior to the passing of the DC By-law. Accordingly, the background studies and proposed Regional, Regional Transit, and GO Transit DC by-laws will be available on the Regional website and from the Regional Clerk's office at no charge upon request as of March 14, 2023.

Public Input

- 4.5 The statutory public meeting of Council, scheduled for March 29, 2023, allows for public representations related to the proposed by-laws and background studies from any person who attends the meeting (both virtually or in-person), as required under the DCA and associated regulations. Interested parties can also submit written correspondence via email or post directly to the Regional Clerk.

- 4.6 The public submissions resulting from the public meetings, along with all other comments received in writing by April 21, 2023, will be considered by staff in preparing the final by-laws, which will be presented to Regional Council on May 24, 2023.
- 4.7 Staff will contact the local development industry (local and GTA chapters of the Building and Land Development Associations and the Durham Region Home Builders' Association), local Chambers of Commerce / Business Associations and the area municipalities prior to the Public Meetings to offer consultations to discuss the proposed Regional DC by-law. Staff have already been providing status reports at regular industry liaison meetings and working with the local area municipalities

5. Time Frame for Development Charge By-law Reviews

- 5.1 Figure 1 provides the timing of the necessary actions to renew the Regional DC By-law and amend the Regional Transit and GO Transit DC By-laws:

Figure 1
Schedule of Dates for the Region of Durham
DC By-law Process

1.	Public Meeting Notice placed in newspapers (20 days prior to Public Meetings)	By March 8, 2023
2.	Release of Background studies and proposed by-laws (60 days prior to passing of DC By-Law and 14 days prior to Public Meetings)	March 14, 2023
3.	Public Meetings of Council	March 29, 2023
4.	Final Date for Public Comment	April 21, 2023 5:00 pm
5.	Committee of the Whole Consideration of Final DC By-laws	May 10, 2023
5.	Regional Council Consideration of Final DC By-laws	May 24, 2023
6.	Implementation of DC By-laws	July 1, 2023
7.	Newspaper and other notice given of by-law passage	By 20 days after passage of by-law
8.	Last day for by-law appeal	40 days after passage of by-law
9.	Region makes available pamphlet (where by-law not appealed)	By 60 days after in-force date

6. Implications of Bill 23, More Homes Built Faster Act

- 6.1 The More Homes Built Faster Act, 2022 (Bill 23) received Royal Assent on November 28, 2022. This Act includes several amendments to the DCA, including a provision that extends the maximum term of a DC by-law from five to ten years.
- 6.2 Although this provision became effective on the date the Act came into force (November 28, 2022), it is unclear whether this provision applies to existing by-laws that were already in force prior to the passage of the Act (and have not yet expired) or if it applies only to new by-laws that will be enacted in the future.
- 6.3 The Region's current Regional DC by-law expires on June 30, 2023 and the approval of a new by-law requires a lengthy public consultation period as set out in the DCA. Accordingly, staff are recommending that the necessary steps for the new by-law be approved while senior staff seek clarification on how this new 10-year provision is to be applied. Staff are also seeking clarification on the process and implications of extending the term of the existing by-law for an additional five years. If the More Homes Built Faster Act allows existing DC by-laws to be extended to ten years, Regional Council may be required to approve an amendment to the DC By-law to change the expiry date.
- 6.4 At this point, it is unclear as to whether an amendment to update the current expiry date would trigger the new five-year phase-in of the DC rates. If the new phase-in provision is triggered, the Region's current rates, both residential and non-residential, would drop by 20 per cent as the Region would only be able to collect 80 per cent of the calculated rate during the first year of the by-law. Collection will increase to 85, 90, and 95 per cent over the subsequent three years, before finally hitting 100 per cent in year five.
- 6.5 In the event, that the Regional DC by-law is not automatically extended, Regional Council may wish to implement the newly calculated DC rates in order to offset some of the loss from the new phase-in. However, the finalization of the Regional DC Background Study will be difficult without Provincial direction on several newly ineligible capital costs, including studies and land. The Act suggests that certain land costs will become ineligible through future regulation. In addition, although eligible costs for studies have been defined, the definition is broad and staff are seeking clarity.
- 6.6 In addition, the newly developable lands that have been removed from Greenbelt protection and are to be developed quickly have no Regional servicing plans. This means that those lands would be absent from the proposed 2023 Regional DC by-law.
- 6.7 Should the Region's current Regional DC by-law receive the additional five-year extension without any additional implications or requirements, the timeline provided above (for both the new by-law and amendments) could be modified. Staff will report back to Committee and Council once a definitive answer has been obtained.

7. Relationship to Strategic Plan

- 7.1 This report aligns with/addresses the following strategic goals and priorities in the Durham Region Strategic Plan:
- a. Ensuring the Region's DC By-law is in conformity with the DCA, supporting Goal 5 (Service Excellence).

8. Conclusion

- 8.1 This report provides Regional Council with an overview of the necessary tasks to ensure that the Region is able to undertake the public process to pass a new Regional DC By-law and amendments to the Regional Transit and GO Transit DC By-laws. Staff will report back with further information regarding the options that may be available should transition provisions be provided by the Province.
- 8.2 This report has been reviewed by staff of the Planning & Economic Development, Works, and Corporate Services - Legal departments who concur with the recommendations.

Respectfully submitted,

Original Signed By

N. Taylor, BBA, CPA, CA
Commissioner of Finance

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer



The Regional Municipality of Durham Report

To: Finance and Administration Committee
From: Commissioner of Finance and Regional Solicitor
Report: #2023-F-03
Date: January 17, 2023

Subject:

Regional Broadband Network: entering into indefeasible Right of Use Agreement for Durham OneNet Inc.'s use of Regional assets.

Recommendation:

It is recommended to Regional Council that:

- A) Regional staff be directed to enter into an Indefeasible Right of Use Agreement with Durham OneNet Inc. (DONi) for the use of Regional assets on substantially the same terms as provided in the attached draft.
 - B) The Commissioner of Finance is authorized to execute an Indefeasible Right of Use Agreement on behalf of the Region of Durham, subject to the approval of the final terms and conditions by the Regional Solicitor.
-

Report:

1. Purpose

1.1 The purpose of this report is to:

- a. Seek Council approval to enter into an Indefeasible Right of Use Agreement (IRU) with Durham OneNet Inc. (DONi) for the use of Regional assets on substantially the same terms as provided in the attached draft.
- b. Seek Council authorization for the Commissioner of Finance to execute the IRU agreement on behalf of the Region of Durham, subject to the approval of the final terms and conditions by the Regional Solicitor.

2. Background

- 2.1 The Region incorporated a municipal services corporation, Durham OneNet Inc. (DONi) under the authority of the *Municipal Act, 2001*. DONi is a separate legal entity from its owner, the Region (which is the sole shareholder).
- 2.2 The purpose of DONi is to develop, build and operate a fibre optic network to implement the Broadband Strategy approved by Council in 2019, with the goal that “Durham’s residents, businesses and institutions will have access to fast, reliable, and affordable broadband services so that they may fully participate, compete and thrive in the 21st century”.
- 2.3 DONi is constructing Regional broadband assets and an appropriate ownership structure will be required for the Region to transfer rights in these assets to DONi.
- 2.4 Regional staff have actively pursued federal and provincial grant opportunities to fund the development and construction of the broadband network assets under the Province’s Improving Connectivity for Ontario (ICON) program, administered by the Ministry of Infrastructure, and the federal Universal Broadband Fund (UBF) program administered by Innovation, Science and Economic Development Canada (ISED).
- 2.5 With respect to the transfer of Regional assets, the applicable Regulation under Section 203 of the *Municipal Act, 2001* requires the Region to adopt and maintain policies on asset transfers to corporations, such as DONi, in advance of transferring any assets to a corporation. The Asset Transfer Policy approved by Council on December 22, 2021, and the DONi Board on June 28, 2022 (page 73 to 74 of 2021-COW-23) amongst other items “permits the transfer of Regional assets to corporations owned by the Region in accordance with the requirements of applicable legislation.” The Policy indicates that “any transfer of Assets must be approved by Council in advance of the transfer, based on consultation with the Regional Solicitor and the Commissioner of Finance/Treasurer, to ensure compliance with prevailing legislation, including but not limited to the [Municipal] Act, and municipal reporting requirements.”
- 2.6 The Asset Transfer Policy approved by Council does not specifically transfer any Regional assets and Report 2021-COW-23 indicates that no assets are being transferred at this time. Either a full transfer of assets from the Region to DONi or the Region providing DONi with an IRU is consistent with the Asset Transfer Policy. As an IRU is a form of transfer, Council approval is required for authority to enter into an IRU with DONi.
- 2.7 Previous Report #2021-COW-32 (approved by Regional Council on December 22, 2021) included a shareholder direction from the Region (as sole shareholder) to DONi. Included in the Shareholder’s Direction (section 5.4(a)) was the asset ownership interests for DONi, which states:
 - a. The Corporation will own **or have such ownership interests** in the assets and infrastructure of the Network as acquired by it in conformance with the

Annual Business Plan and as transferred to it by the Region pursuant to transfers entered into by the Region in conformance with any applicable Asset Transfer Policy, with the exception of assets and infrastructure that may be owned by any third-party entity also involved in developing and operating the Network [emphasis added].

- 2.8 The Shareholder's Direction provides additional controls on DONi in Sections 8.4 (e), 8.5 (b) and 8.5 (g) which would provide a check and balance on DONi's dealing with any assets in addition to the terms and conditions in an IRU. Specifically, DONi requires prior written approval of the Region to:
- a. "Sell or otherwise dispose of, by conveyance, transfer, lease, sale or leaseback, or other transaction, or grant security, charges or mortgages upon the assets of [DONi] in respect of all, substantially all or a material amount or value of its assets or undertaking or in any transaction or series of transactions at variance with or not provided for in [DONi's] Annual Business Plan" (Section 8.4 (e)).
 - b. "Sell, transfer or otherwise dispose or encumber all, substantially all or a material amount or value of [DONi's] assets or undertaking or undertake any transaction or series of transactions which are at variance with or are not provided for in [DONi's] Annual Business Plan" (Section 8.5 (b)).
 - c. "Enter into any loan agreement, guarantee or grant any security or convey any assets that are not provided for in or do not conform to [DONi's] Annual Business Plan" (Section 8.5 (g))
- 2.9 In addition, the Municipal Capital Facility By-law (approved by Council on December 22, 2021) and the Municipal Capital Facility Agreement (approved by Council on December 22, 2021) (pages 70 to 71 of 2021-COW-32) indicates that:
- a. "The Region and [DONi] agree and acknowledge that the Region intends to transfer ownership of whole or part of the Facilities to [DONi] by way of gift or sale, including a sale for nominal less than fair market consideration or no consideration, or to otherwise lease, licence or lend the use of the whole or part of the Facilities to [DONi]."
 - b. "The Region covenants and agrees that it will consent to [DONi's] use of and access to the Regional Rights-of-Way as may be required in order to construct, operate, maintain and expand the Facilities. The Region and [DONi] covenant and agree that they will execute such further agreements as are necessary for this purpose."
 - c. "Except for the specific assistance set forth herein, the Region is not obligated in any manner with respect to the Facilities or to provide any additional financial assistance in connection therewith."
- 2.10 An Indefeasible Right of Use Agreement (IRU) is consistent with the Municipal Capital Facility By-law and Municipal Capital Facility Agreement.

- 2.11 The options for governance and ownership of broadband assets have been discussed and considered by staff at the Durham Region Broadband Steering Committee. For reasons set out below, staff are recommending that the Region retain ownership of broadband assets and that DONi be given an interest in the assets through an IRU.
- 2.12 An IRU allows the Region to retain ownership of critical broadband assets that have been funded by and are projected over the medium term (five years) to be funded by public funds. Additionally, this approach ensures the Region retains ownership of assets that support the delivery of critical regional services including traffic signals and the internet connectivity of Regional facilities. This provides additional security, control and flexibility to the Region should a decision be made in the future to enter into public private partnerships or pursue divestment, sale or other exit strategies. This decision does not preclude the transfer of existing or new assets to DONi in the future should the Region's objectives change or there be an identified benefit to the Region in transferring ownership.
- 2.13 Other regional governments in Ontario (such as York Region) have utilized the approach of the regional government maintaining ownership of broadband assets while transferring a long-term interest to the corporate entity utilizing the broadband assets through an IRU. The IRU for which Regional Council approval is requested on substantially the same terms as provided in the attached draft, is largely based on the York Region IRU with YorkNet.
- 2.14 The following are the key highlights from the draft IRU:
- a. Durham Region irrevocably transfers an equitable interest (right to use in its entirety but not own) in the network to DONi, does not retain any equitable interest thereto.
 - b. The grant of an IRU interest to DONi does not convey any legal title to, or possessory interest in, any real or personal property, including the IRU Fibre, the Cables, the Support Structures, the Routes along which the IRU Fibre is situated or the network.
 - c. DONi accepts the IRU interest on an "as is" basis. There is no financial compensation or monetary payment from DONi to the Region for the grant of an IRU interest.
 - d. DONi has substantially all benefits and risks associated with ownership of the network, subject to the terms and provisions of the IRU.
 - e. Durham Region and DONi shall not permit, cause or allow any of the IRU Fibre to form all or any part of any security granted by it nor shall either party encumber the IRU Fibre.
 - f. DONi has the right to use the IRU Fibre for any lawful purpose, which use shall include, but not be limited to, entering into contracts with third parties to provide for a right to use or lease the IRU Fibre.
 - g. DONi shall be responsible for maintenance and repair of the network IRU Fibre and the cable containing the IRU Fibre at its own expense and in accordance with specific standards and procedures detailed in the agreement.

- h. DONi shall, at DONi's sole risk and expense, perform locates and perform line clearing services to the specific standards and procedures detailed in the agreement.
- i. The Region shall, at its sole cost and expense, obtain and maintain all Rights of-Way.
- j. Upon termination or expiration of the IRU, DONi shall, at its sole expense and risk, disconnect or cause to be disconnected all third-party equipment from the network within six months after the date of termination or expiration unless the Region so chooses to enter/extend agreements with third-parties.

3. Previous Reports and Decisions

- 3.1 [#2019-P-3](#) - Connecting Our Communities; A Broadband Strategy for the Region of Durham
- 3.2 [#2020-INFO-5](#) - Durham Region Broadband Program Update
- 3.3 [#2020-EDT-6](#) - Regional Broadband Network Business Case Development and Endorsement of Grant Funding Application
- 3.4 [#2020-INFO-91](#) - Durham Region Broadband Program Update – Improving Connectivity for Ontario (ICON) Program, Stage 1 Application Status
- 3.5 [#2020-COW-29](#) - Durham Broadband Stage Two Funding Application for the Provincial Improving Connectivity for Ontario (ICON) Program
- 3.6 [#2020-EDT-11](#) - Pickering-Uxbridge Broadband Fibre Trunk Project
- 3.7 [#2021-COW-2](#) - Regional Broadband Network, Applications for Provincial and Federal Funding
- 3.8 [#2021-COW-18](#) - Update on Regional Broadband Program; Authority to Accept Improving Connectivity for Ontario (ICON) or Universal Broadband Fund (UBF) Grant Awards; and Authority to Make Project Commitments During Summer Recess
- 3.9 [#2021-COW-23](#) - CONFIDENTIAL Regional Broadband Program: Grant Application Status Update
- 3.10 [#2021-COW-32](#) - Establishing a Municipal Services Corporation to build and operate the Regional Broadband Network

4. Risk and Mitigation

- 4.1 The primary risk to the Region is to lose ownership of assets paid for with tax dollars.
 - a. The best way to mitigate this risk is to not fully transfer any assets to DONi. This ensures the Region has control and can protect and preserve its long-term access to these critical infrastructure assets. An IRU allows the Region

to retain some level of ownership/control down to a certain level to determine maintenance standards, redundancies, failsafe's etc.

- b. An IRU provides DONi with the irrevocable right to access and exclusively use the network and related equipment over the term of the IRU. Depending on wording of the IRU, DONi would be provided the flexibility and agility to pursue business ventures that are aligned with the Regional Council approved annual business plan.

5. Financial Implications

5.1 The Municipal Capital Facility By-law (approved by Council on December 22, 2021) and the Municipal Capital Facility Agreement (approved by Council on December 22, 2021) (pages 70 to 71 of 2021-COW-32) indicates that:

- a. "Except for the specific assistance set forth herein, the Region is not obligated in any manner with respect to the Facilities or to provide any additional financial assistance in connection therewith."

5.2 The Asset Transfer Policy approved by Council on December 22, 2021, and the DONi Board on June 28, 2022 (pages 73 to 74 of 2021-COW-23) amongst other items "permits the transfer of Regional assets to corporations owned by the Region in accordance with the requirements of applicable legislation." The Policy indicates that "any transfer of Assets must be approved by Council in advance of the transfer, based on consultation with the Regional Solicitor and the Commissioner of Finance/Treasurer, to ensure compliance with prevailing legislation, including but not limited to the Act, and municipal reporting requirements."

5.3 This approach (utilizing an IRU) allows the Region to retain ownership of critical broadband assets that have been funded by and are projected over the medium term (five years) to be funded, in full or in part, by public funds. Additionally, this approach ensures the Region retains ownership of assets that support the delivery of critical regional services including traffic signals and the internet connectivity of Regional facilities. This provides additional security, control and flexibility to the Region should a decision be made in the future to enter into public private partnerships or pursue divestment, sale or other exit strategies.

5.4 This decision does not preclude the transfer of existing or new assets to DONi in the future should the Region's objectives change or there be an identified benefit to the Region in transferring ownership. In accordance with the Transfer of Asset Policy, Regional Council approval for any transfer would be required.

5.5 As the Region is the sole shareholder of DONi, the transfer of the long-term interest in the Regional assets from the Region to DONi through the IRU remains essentially an internal matter, regardless of the fact that the DONi is a separate corporate entity from the Region. On consolidation of the financial statements of DONi with the Region, the value of the IRU, an asset to DONi, is eliminated for reporting. Only the value of the capital assets remains for reporting.

6. Conclusion

- 6.1 It is recommended that the Region enter into an IRU with DONi to allow DONi a long-term interest in Regional broadband assets on substantially the same terms as provided in the attached draft.
- 6.2 It is recommended that the Commissioner of Finance be authorized to enter into an IRU with DONi, subject to the approval of the final terms and conditions by the Regional Solicitor.

7. Attachments

Attachment #1: Draft IRU

Respectfully submitted,

Original Signed By

Nancy Taylor
Commissioner of Finance/Treasurer

Original Signed By

Jason Hunt
Regional Solicitor

Recommended for Presentation to Committee

Original Signed By

Elaine C. Baxter-Trahair
Chief Administrative Officer

THIS INDEFEASIBLE RIGHT OF USE AGREEMENT made as of **XXXXXXXX, XX,**
2023 (the “**Effective Date**”)

BETWEEN:

THE REGIONAL MUNICIPALITY OF DURHAM,
a corporation constituted under the laws
of the Province of Ontario
(the “**Region**”)

-and-

DURHAM ONENET INC.,
a corporation incorporated under the laws
of the Province of Ontario
(“**OneNet**”)

RECITALS:

- A. The Region intends to build broadband internet infrastructure (the “**Network**”) to remote and underserved areas of Durham Region in cooperation with private third parties and with the financial assistance of grant funds from senior levels of government.
- B. The Region incorporated OneNet under the *Business Corporations Act (Ontario)* on February 10, 2022 as a municipal services corporation pursuant to the *Municipal Act, 2001* and the Regulations thereunder. The Region owns all of the issued and outstanding shares of OneNet.
- C. Pursuant to the Region’s shareholder direction to OneNet dated February 10, 2022 (the “**Shareholder Direction**”) OneNet is responsible for the strategic planning, management and development of the Network.
- D. The Region will continue to own the Network, as currently constructed, and will own any and all future segments of the Network that are acquired and/or constructed during the period in which this Agreement is in effect.
- E. To enable OneNet to carry out OneNet’s responsibilities under the Shareholder Direction, the Region wishes to grant to OneNet an indefeasible right of use to the Network for a period of thirty (30) years.
- F. With the granting by the Region to OneNet of such indefeasible right of use, the Region desires to irrevocably transfer an equitable interest in the Network to OneNet, subject to the terms and provisions of this Agreement.
- G. The parties intend that OneNet shall have substantially all benefits and risks associated with ownership of the Network, subject to the terms and provisions of this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements, and other good and valuable consideration, the receipt and sufficiency of which is hereby irrevocably acknowledged, and subject to the terms and conditions contained herein, the parties agree as follows:

Article 1 Definition and Interpretation

1.1 Defined Terms

1.1.1 In this agreement, including the Recitals and the Schedules hereto, in addition to terms defined elsewhere in this Agreement, unless the subject matter or context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

“**Affiliate**” has the meaning to it in the *Business Corporations Act* (Ontario), as amended.

“**Agreement**” means this Indefeasible Right of Use Agreement between the Region and OneNet and any Schedules attached to this Agreement, as same may be amended from time to time.

“**Applicable Laws**” means any federal, provincial or municipal statute, regulation, or by-law applicable to the subject matter detailed under this Agreement as the same may be amended, or replaced by successor legislation, from time to time. In this Agreement, a reference to a statute shall include any amending or successor legislation, and the regulations made under that statute.

“**Authority**” means any federal, provincial, regional or municipal government, board, agency or other authority, having or claiming jurisdiction over the matter.

“**Business Day**” means a day other than a Saturday, a Sunday, or a statutory holiday in the Province of Ontario.

“**Cable**” means a fibre cable and the Strands contained therein. In this Agreement, the Cable may include splicing connection, conduit or a Service Drop.

“**Connecting Point**” means a physical location where the IRU Fibre are technically/mechanically joined to another telecommunications network’s Fibre, typically the start and end points of an IRU Fibre section. Connecting Points may include:

- i. Existing in-building patch or splice panel where the IRU Fibre terminates in a building.

- ii. Any existing aerial or underground splice point along a Cable containing the IRU Fibre.
- iii. Any additional point along a Cable containing the IRU Fibre where a mutually agreed upon strategy can be devised to access the IRU Fibre.

“Customer” means any Person that enters into a contract with OneNet to use all or a portion of the IRU Fibre.

“Dark Fibre” means single-mode Strands of optical fibre in the Network which are capable of bi-directional wave-division multiplexing of transported signals, through which no light, light communications or signals are transmitted.

“Dark Fibre Specifications” means the specifications for Dark Fibre in the Network set out in Schedule C.

“Effective Date” means the date upon which this Agreement comes into effect as set out in the introductory clause of this Agreement.

“Fibre” means optical fibre cable.

“Force Majeure” means any event beyond reasonable control of a party including but not limited to and without restricting the generality thereof, (i) fires, lightning, storms, earthquakes, landslides, floods, washouts, and other acts of God; (ii) explosions, ruptures, breakage of or accidents to pipeline, plant, machinery, equipment of storage facilities; (iii) strikes, lockouts, or other labour disturbances; (iv) national emergencies, civil disturbances, sabotage, war, blockades, insurrections, vandalism, riots, epidemic; (v) government, legal or statutory restrictions on forms of commercial activity; (vi) arrests and/or restrains by government or government agencies; (vii) the order of any court; (viii) the order of any civil or military authority; (ix) inability to obtain or curtailment of supplies of electric power, water, fuel or other necessary utilities or services to operate any facilities or of any materials or equipment; and/or (x) inability to obtain or revocation or amendment of any permit(s), authorization(s) or approval(s) of any Authority required to perform or comply with any obligation under this Agreement, unless the revocation or modification of any such necessary permit(s), authorization(s) or approval(s) was caused by the violation of the terms thereof or consented to by the party holding same.

“FOSC” means fibre optical splice closure.

“Insolvency Event” means (i) a proceeding in respect of either party under the *Bankruptcy and Insolvency Act (Canada)*, the *Companies’ Creditors Arrangement Act (Canada)*, the *Winding-up and Restructuring Act (Canada)* or any other bankruptcy, insolvency or other similar rules or laws for the benefit of or dealing with the rights of debtors and creditors, (ii) the appointment of an interim receiver, receiver, receiver and manager or liquidator over a substantial portion of the

assets of either party, or (iii) any enforcement of or realization upon any security over the Network or portion thereof or over a substantial portion of any of the other assets of a party.

“IRU” or “Indefeasible Right of Use” means an irrevocable right to access and exclusively use during the term of an IRU Grant specified strands of fibre optic cable. An IRU confers on the grantee substantially all of the risks and rewards of ownership.

“IRU Fibre” means the specific Strands of Dark Fibre, as same is set out in quality (in Strands) and kilometers (in Route Kilometers) of Fibre within the Network, which the Region hereby grants to OneNet and OneNet hereby acquires from the Region, on an IRU basis, pursuant to the terms and conditions of this Agreement.

“IRU Grant” means a grant of an Indefeasible Right of Use by the Region to OneNet in IRU Fibre pursuant to and in accordance with this Agreement.

“OTDR” means Optical Time Domain Reflectometer.

“Over Lash” means to place an additional Cable or Strand onto an existing Cable or Strand.

“party” means, unless the context otherwise requires or provides, either of the Region or OneNet.

“Person” means any individual, corporation, municipal corporation, firm, partnership, limited liability company, association, joint venture or organization of any kind and the lawful trustee, successor, assignee, transferee or personal representative thereof.

“Reasonable Efforts” shall mean efforts commercially and reasonably designed to achieve the desired results but shall not oblige the party making the efforts to make unreimbursed expenditures that are substantial in amount, in light of the circumstances to which the requirement to use reasonable efforts applies.

“Recital” means a recital in this Agreement set out on the first and second pages of this Agreement.

“Region” means The Regional Municipality of Durham as a municipal corporation, or if the context requires, its geographic area.

“Right-of-Way” means an easement, licence, right-of-way, or other similar right of use or occupy land including any highway, street, walkway, road allowance, lane, bridge, viaduct and boulevard.

“Route(s)” means, generally, a route on a telecommunications network along which a party has been granted an IRU, and in respect of the Network, is a route

depicted on the Network Map attached hereto as Schedule A, as such Map may be updated from time to time.

“Route Kilometers” means the actual kilometers traversed by the Cable (including spurs) along a Route, as measured by OTDR.

“Schedule” means any Schedule to this Agreement as listed in Section 1.4.1.

“Service Drop” means a Cable affixed to the Network at a Connecting Point leading to a Customer’s equipment or facilities.

“Strands” means standard strands of Dark Fibre.

“Strand Kilometers” means the number of Strands in a Cable multiplied by the Route Kilometers.

“Support Structures” means the infrastructure necessary to support the operations of the IRU Fibre including without limitation, conduit, troughing, pedestals, slack containers, poles, handholds, warning signals, manholes, marking posts and any equipment related thereto, but excluding Fibre, any electronic, optronic, optical or similar equipment.

“Taxes” means all municipal, sales, use, value added, goods and services, harmonized and other taxes (other than tax imposed on the income, capital, property or payroll of a Person) and similar charges required to be reported upon or paid to any domestic or foreign jurisdiction and all interest and penalties thereon (but excluding interest and penalties imposed on a party as a result of its failure to fulfill all of its obligations to applicable tax authorities), whether initially or as a result of reassessment.

“Term” means the Term of this Agreement as set out in Section 2.1.1.

“Underlying Rights” means all of the rights, licences, permits, authorizations, easements, leases, fee interests, and other agreements or authorizations from governmental or private third parties that underlie the Network and provide access to Support Structures in connection with the Network and that are necessary for the installation, operation, maintenance, removal and use of the Network and IRU Fibre.

“The Network Map” means the Network Map attached as Schedule A to this Agreement, as such Map may be updated from time to time.

“The Network operations policies” means OneNet’s change control and other operations policies generally applicable to the Network, as may be updated and/or amended from time to time, by OneNet, in its sole discretion.

1.2 Recitals

1.2.1 The recitals form a part of this agreement.

1.3 Sections and headings

1.3.1 The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

1.3.2 Unless otherwise indicated, any reference in this Agreement to a Section, subsection or clause, or to a Schedule, refers to the specified Section, subsection or clause of, or a Schedule to this Agreement.

1.4 Schedules

1.4.1 The following Schedules are attached to and form part of this Agreement:

Schedule A: The Network Map

Schedule B: **INTENTIONALLY DELETED**

Schedule C: Dark Fibre Specifications and Fibre Acceptance Testing

Schedule D: Maintenance and Operations Procedures

Article 2 TERM OF AGREEMENT

2.1 Term

2.1.1 Subject to termination rights in this Agreement and except as otherwise specified, this Agreement shall be of full force and effect for a period of thirty (30) years commencing on the Effective Date (the “Term”), unless the parties agree in writing to extend it.

Article 3 GRANT OF IRU FIBRE

3.1 IRU Grant

3.1.1 To the extent that the Region is permitted by the Underlying Rights and, subject to the terms and conditions of this Agreement, the Region hereby grants to OneNet an IRU interest in all of the Dark Fibre in the Network existing at the Effective Date and any further Dark Fibre in the Network that may be acquired and/or constructed during the Term, with the exception of the Dark Fibre in the Network in which the Region’s private third party partner, Vianet Inc., has an interest.

- 3.1.2 The Region represents and agrees that, for all purposes, with the grant of an IRU interest to the Network's Dark Fibre under and pursuant to this agreement, the Region (i) irrevocably transfers an equitable interest in the IRU Fibre to OneNet for the term of the grant of such IRU Fibre, (ii) does not retain any equitable interest thereto, and (iii) once the transfer of the IRU Fibre to OneNet comes into effect, has no right to use such IRU Fibre for the term of the grant of such IRU Fibre, with the exception of the capacity in the IRU Fibre required for the Region to operate traffic lights, other Regional infrastructure and to connect to Regional facilities.
- 3.1.3 OneNet shall have no right, title or interest in the IRU Fibre or any part thereof other than, conditional upon OneNet's compliance with the fulfillment of the terms and conditions of this Agreement, the right to use and enjoy the IRU Fibre to which it has acquired an IRU interest during the Term of this Agreement in accordance with the terms and conditions herein. The grant of an IRU interest to OneNet under this Agreement does not convey any legal title to, or possessory interest in, any real or personal property, including the IRU Fibre, the Cables, the Support Structures, the Routes along which the IRU Fibre is situated or the Network, unless otherwise specifically provided herein. The IRU Grant to OneNet herein does not include any equipment used to transmit capacity over or "light" the IRU Fibre.
- 3.1.4 Subject to the Region's representation and warranty under Section 6.1.1(e) that the Dark Fibre meets the Dark Fibre Specifications set out in Schedule C, OneNet accepts the grant under this Agreement of an IRU interest to IRU Fibre on an "as is" basis without warranties of any kind, either express or implied. OneNet hereby disclaims all other warranties or representations, both express or implied, including but not limited to the warranties of merchantability and fitness for a particular purpose.
- 3.1.5 In respect of Dark Fibre in the Network that is owned by the Region as at the Effective Date, the Region shall be deemed to have granted to OneNet, and OneNet shall be deemed to have accepted from the Region, an IRU interest in such Dark Fibre, as at the Effective Date. In respect of Dark Fibre in the Network that is acquired and/or constructed during the Term, the Region shall be deemed to have granted to OneNet, and OneNet shall be deemed to have accepted from the Region an IRU interest in such Dark Fibre as of the date same is acquired and/or constructed.

3.2 Consideration for the Grant

- 3.2.1 There will be no financial compensation or monetary payment from OneNet to the Region for the grant of an IRU interest in the Dark Fibre to OneNet pursuant to this Agreement.

3.3 Grant not an Executory Contract

3.3.1 The parties agree that:

- a) the IRU Grant hereunder and pursuant to this Agreement shall be treated as, and deemed to be, an executed grant by the Region to OneNet;
- b) from and after the Effective Date to this Agreement and, except as otherwise expressly provided in this Agreement, no material obligations of either party shall remain to be performed with respect to the IRU Grant hereunder and pursuant to this Agreement, and
- c) this Agreement does not constitute an executory contract with respect to the IRU Grant hereunder and pursuant to this Agreement, notwithstanding that there are other executory obligations of both parties under this Agreement, including the provision of maintenance services.

3.4 Applicable Laws

- 3.4.1 Notwithstanding anything in this Agreement to the contrary, OneNet shall act in accordance with and comply with all Applicable laws, guidelines and/or codes of every Authority in exercising, enjoying and otherwise dealing with an in anyway relating to its IRU interest in the IRU Fibre or any Strand thereof. OneNet shall, at its own expense, obtain and maintain any required licenses, permits and approvals applicable to OneNet's acquisition of any IRU interest in the IRU Fibre.
- 3.4.2 Notwithstanding anything in this Agreement to the contrary, the Region shall act in accordance with and comply with all Applicable Laws, guidelines and/or codes of every Authority in granting any IRU interest in the IRU Fibre or any Strand thereof to OneNet. The Region shall, at its own expense, obtain and maintain any required licences, permits and approvals applicable to any such grant to OneNet hereunder.

3.5 No Encumbrances

- 3.5.1 The parties shall not permit, cause or allow any of the IRU Fibre to form all or any part of any security granted by it nor shall either party encumber the IRU Fibre under any mortgage, charge, lien, pledge, security interest or encumbrance of any kind or nature and each of the parties shall ensure that the IRU Fibre shall not be liable to seizure for arrears of rent or taxes, or under execution, bankruptcy proceedings or other legal process against such party, except that a party may grant a security interest to secure its financial obligations, subject to OneNet's rights in respect of the IRU Fibre as provided for in this Agreement. In the even that any part of the IRU Fibre is encumbered contrary to the foregoing, the responsible party shall immediately take any and all necessary steps at its own risk and expense to remove the said encumbrance(s). If any such encumbrance is not discharged and released within sixty (60) days after the

effective date of such encumbrance (or within such shorter period as shall be mandated under the applicable law), the other party may pay or secure the release thereof at the expense of the responsible party.

Article 4 USE OF IRU FIBRE

- 4.1 Subject to the terms and conditions herein, OneNet shall have the right to use the IRU Fibre for any lawful purpose, which use shall include, but not be limited to, entering into contracts with third parties to provide for a right to use or lease the IRU Fibre or the provision of telecommunications services via the IRU Fibre.
- 4.2 Subject to any restrictions imposed by, or rights of, an Authority, any applicable Network operations policies, including without limitation, network safety procedures, and the securing and maintain of applicable Rights-of-Way, there shall be no limitations on the types of electronics or technologies that may be employed to utilize the IRU Fibre, so long as such electronics or technologies do not interfere with the use of or present a risk of damage to any portion of the Network, any Support Structures, and/or any third party equipment attached to the Network.
- 4.3 The Region covenants and agrees that OneNet shall and may peaceably and quietly enjoy and use the IRU Fibre or any part thereof without molestation, hindrance, disturbance or interruption from or by the Region or any Person claiming through or under the Region.
- 4.4 OneNet hereby accepts the requirements, restrictions and/or limitations on OneNet's right to use the IRU Fibre imposed under the Underlying Rights.

Article 5 NETWORK MAINTENANCE OBLIGATIONS

5.1 Network Maintenance Obligations

- 5.1.1 OneNet shall be responsible for maintenance and repair of the Network. OneNet shall maintain, or shall cause to be maintained, the Network, in good working order, condition and repair. OneNet shall perform such maintenance and repair obligations in accordance with the maintenance and operation procedures set forth in Schedule D and in a professional, diligent and timely manner, using competent personnel who have the necessary technical skills, qualifications, experience, certifications and training. OneNet shall report to the Region on an annual basis (beginning one year after the Effective Date) on the physical state of the IRU Fibre to the best of its knowledge.
- 5.1.2 OneNet shall have, at various key locations along the Route(s) containing the IRU Fibre, which locations shall be determined by OneNet in its sole discretion, all tools, lengths of Fibre, and transportation equipment and construction

materials that OneNet deems necessary to enable it to react to and deal appropriately with various situations or emergencies along the Route of the IRU Fibre and to promptly respond to such situations or emergencies in accordance with industry standards and practices.

- 5.1.3 OneNet shall operate the Network in such manner so as to ensure that there is no material interference with a third party customer's use or enjoyment of the IRU Fibre and so as not to cause any material damage, disturbance or interference to the Region's or to any third party's equipment.
- 5.1.4 OneNet shall, at OneNet's sole risk and expense, perform the following activities: (i) locate and mark the location of the Cable(s) containing the IRU Fibre when OneNet has notice that third parties are digging or constructing near the Cable(s), upon notice to OneNet of such activities and OneNet shall act upon such locate requests in conformance with the provisions of the *Ontario Underground Infrastructure Notification System Act, 2012, S.O. 2012, c. 4* ; and (ii) perform line clearing services which shall involve the provision of adequate clearance from tree interference for the IRU Fibre and includes, underbrushing, tree removal and disposal of debris.
- 5.1.5 The Region shall, at its sole cost and expense, obtain and maintain all Rights-of-Way, permits and other permissions in respect of the Support Structures to give effect to an IRU Grant to OneNet pursuant to this Agreement.

5.2 IRU Fibre Maintenance Obligations

- 5.2.1 OneNet shall be responsible for maintenance and repair of the IRU Fibre and the Cable containing the IRU Fibre. OneNet shall, at its sole expense, maintain the IRU Fibre in good working order, condition and repair and in such manner so as to ensure that there is no material interference with a third party's use or enjoyment of the IRU Fibre and so as not to cause any material damage, disturbance or interference to the Region's or any third party's equipment. OneNet shall take remedial measures at its sole expense that it considers necessary to mitigate the potential of any such damage, disturbance or interference occurring.

Article 6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of the Region

- 6.1.1 The Region represents and warrants to OneNet, with the intent that OneNet shall rely thereon in entering into this Agreement, the following:
- a) the Region has all the necessary power, authority and capacity to enter into this Agreement and to perform its obligations hereunder;

- b) the execution of this Agreement and compliance with and performance of the terms, conditions and covenants contemplated herein have been duly authorized by all necessary corporate action on the part of the Region;
 - c) the Region is the absolute beneficial and legal owner of the Dark Fibre and presently has good, clear and marketable title thereto, free and clear of any liens, charges, encumbrances or rights of others and is exclusively entitled to and authorized to grant IRU interests in the Dark Fibre to OneNet in accordance with the terms and conditions of this Agreement;
 - d) the Region has good and sufficient rights, including the Underlying Rights, to locate, maintain, operate, use and access the Support Structures in their existing location; and
 - e) Schedule C contains the characteristics of the Dark Fibre in respect of any IRU Grant to OneNet pursuant to this Agreement.
- 6.1.2 The Region covenants not to sell, lease, transfer or otherwise dispose of its beneficial and legal ownership in the Network and/or IRU Fibre or part thereof to a third party during the Term of this Agreement or the terms of the grant of any such IRU Fibre unless as a condition to completing such sale, lease, transfer or other disposition, the Region causes such third party to enter into an assumption agreement with OneNet to assume all of the Region's obligations under this Agreement and provided that the Region has obtained OneNet's prior written consent to the sale, lease, transfer or other disposition to such third party.

6.2 OneNet's Representations and Warranties

- 6.2.1 OneNet represents and warrants to the Region, with the intent that the Region shall rely thereon in entering into this Agreement, the following:
- a) it has all the necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder; and
 - b) the execution of this Agreement and compliance with and performance of the terms, conditions and covenants contemplated herein have been duly authorized by all necessary corporate action on the part of OneNet.

Article 7 DEFAULT, TERMINATION AND ABANDONMENT

7.1 Events of Default

The occurrence of any of the following events shall constitute an “**Event of Default**”:

- a) if either party (“**Defaulting Party**”) has failed to perform any obligation hereunder other than as a result of and to the extent of any event of Force Majeure, the

other party has given the Defaulting Party written notice of such failure and such failure has continued for a period of sixty (60) days, or if such failure is capable of being cured but cannot reasonably be cured within such sixty (60) day period, and the Defaulting Party provides reasonable written evidence that it is pursuing such cure with diligence to the satisfaction of the other party acting reasonably, such longer time period as may be necessary to complete such cure if the same is pursued with due diligence; or

- b) if an Insolvency Event in respect of either party has occurred.

7.2 Remedies upon Event of Default

Upon the occurrence of an Event of Default by a Defaulting Party:

- a) the other party may pursue any legal remedies it may have under Applicable Laws or principles of equity relating to such default, including specific performance;
- b) the other party's obligations with respect to an IRU Grant shall be suspended while such Event of Default is continuing; and
- c) the other party may terminate this Agreement.

7.3 Disconnection and Removal of Equipment

Upon termination or expiration of this Agreement or of an IRU interest in specific Strands of IRU Fibre, OneNet shall, at its sole expense and risk, disconnect or cause to be disconnected all third party equipment from the Network within the six (6) month period after the date of termination or expiration, as the case may be, and shall repair or cause to be repaired any damage to the Network or to any third party's property or equipment that was caused by such disconnection and removal. If OneNet fails to have any such equipment disconnected and removed as required under this Section 7.3, the Region may do so and invoice OneNet for all of its reasonable costs in so doing. OneNet agrees to pay any such invoice within thirty (30) Business Days after receipt thereof.

7.4 Effect of Termination

If this Agreement is terminated by OneNet prior to the end of the Term due to an Event of Default by the Region as defined in Section 7.1 such termination shall not relieve the Region of or from its obligations hereunder, and notwithstanding such termination, the rights granted to OneNet hereunder shall continue to be of full force and effect in respect of any then existing IRU Grants for such time as any contract between OneNet and a third party in respect of such IRU Grant continues in existence.

7.5 Reversion of Interest

Subject to the terms and conditions of this Agreement, upon termination or expiration of this Agreement, any IRU interest granted by the Region to OneNet in IRU Fibre shall revert to the Region, its successors and assigns.

7.6 Rights and Obligations Arising Prior to Termination

Notwithstanding anything to the contrary contained herein, no termination or expiration of this Agreement shall affect the rights or obligations of either party hereto with respect to any then existing defaults or the obligation to make any payment required hereunder prior to the termination or expiration of this Agreement.

Article 8 CONFIDENTIALITY

8.1 MFIPPA

The parties acknowledge that OneNet is deemed to be an “institution” as defined under, and for the purposes of, the *Municipal Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. M.56 (“**MFIPPA**”). As such, OneNet is subject to and bound by obligations under MFIPPA with respect to the collection, use and disclosure of information pertaining to or in respect of this Agreement.

8.2 Confidentiality of Information

- 8.2.1 The Region agrees to identify to OneNet, in writing, as required from time to time, any information (“**Region's Confidential Information**”) provided by the Region to OneNet in respect of this Agreement pertaining to the Region and its business where the disclosure of which could prejudice significantly the Region's competitive position or economic interests or could reasonably be expected to be injurious to Region's financial or business interests. Subject to Section 8.2.3, unless required by Applicable Laws, or by an applicable Authority, and subject to the provisions of MFIPPA, OneNet shall not disclose the Region's Confidential Information to any Person in the absence of a direction, in writing, from the Region, to do so.
- 8.2.2 OneNet agrees to identify to the Region, in writing, as required from time to time, any information (“**OneNet's Confidential Information**”) provided by OneNet to the Region in respect of this Agreement pertaining to OneNet and its business where the disclosure of which could prejudice significantly OneNet's competitive position or economic interests or could reasonably be expected to be injurious to OneNet's financial or business interests. Subject to Section 8.2.3, unless required by Applicable Laws, or by an applicable Authority, the Region shall not disclose OneNet's Confidential Information to any Person in the absence of a direction, in writing, from OneNet, to do so.

- 8.2.3 Notwithstanding Sections 8.2.1 and 8.2.2, OneNet may disclose the Region's Confidential Information to OneNet's directors, officers, advisors, employees, agents or representatives who have a need to know without securing prior written consent from the Region and the Region may disclose OneNet's Confidential Information to the Region's members of council, officers, advisors, employees, agents or representatives who have a need to know without securing prior written consent from OneNet.
- 8.2.4 For the purposes of Sections 8.2.4 and 8.2.5, a reference to "Confidential Information" shall refer to both the Region's Confidential Information and OneNet's Confidential Information. Each party shall maintain in strict confidence the other party's Confidential Information and shall return any Confidential Information received from the other party and copies thereof to the other party upon expiry or termination of this Agreement. Each party shall protect the confidentiality of the Confidential Information they receive from the other party to the same extent as it protects the confidentiality of its own confidential information and in no event shall that be less than reasonable and prudent care, but nothing in this Section 8.2 shall prohibit the party (the "Recipient") receiving Confidential Information from disclosing such Confidential Information to those of its Affiliates who have a need to know. Confidential Information shall not include information which:
- a) is previously known to or lawfully in the possession of the Recipient prior to the date of disclosure as evidenced by the Recipient's written record;
 - b) is independently known or discovered by the Recipient, without any reference to the Confidential Information;
 - c) is obtained by the Recipient from an arm's length third party having a bona fide right to disclose same and who was not otherwise under an obligation of confidence or fiduciary duty to the other party or its employees or representatives;
 - d) is or becomes public knowledge through no fault or omission of, or breach of this Agreement by, the Recipient or its employees or representatives;
 - e) is disclosed to a purchaser of either of the parties or a permitted assignee of this Agreement; or
 - f) is required to be disclosed pursuant to a final judicial or governmental order or other legal process.
- 8.2.5 If the Recipient or anyone to whom the Recipient transmits Confidential Information pursuant to this Agreement or otherwise, becomes legally compelled to disclose any Confidential Information, the Recipient will provide the other party with prompt notice so that the other party make seek injunctive relief or other appropriate remedies and/or waive compliance with the provisions of this

Agreement. If the other party is unable to obtain injunctive relief or other remedies, the Recipient will exercise Reasonable Efforts to prohibit the further transmission of the Confidential Information. If both parties are unable to prevent the further transmission of the Confidential Information, the Recipient will, or will use Reasonable Efforts to cause such Person to whom the Recipient transmitted the Confidential Information to furnish only that portion of the Confidential Information, which the Recipient is advised by written opinion of counsel is legally required to be furnished by the Recipient to such Person and exercise Reasonable Efforts to obtain assurances that confidential treatment will be afforded to that portion of the Confidential Information so furnished.

8.3 No Public Announcements, Press Releases etc.

Except as may be otherwise required by Applicable Laws, each party shall obtain the written consent of the other party prior to releasing any public announcements, press releases, sales brochures, advertising or other publicity materials relating specifically to this Agreement in which the name or logo of any other party is used; any such consent shall not be unreasonably withheld or unduly delayed.

8.4 Survival

The provisions of this Article 8 shall survive the expiry or termination of this Agreement.

Article 9 FORCE MAJEURE

9.1 Obligations Suspended in the event of Force Majeure

Except for the payment of any monies required hereunder, which may not be claimed as Force Majeure by the obligated payer, the obligations of the parties shall be suspended to the extent and for the period that the performance is prevented either wholly or partially by reason of Force Majeure provided that the party invoking Force Majeure shall give forthwith written notice to the other party of such inability and provide reasonably full particulars of the cause. If notice is not given forthwith then the party suffering the Force Majeure shall only be relieved from such obligations after the giving of such notice. The party invoking Force Majeure shall use all Reasonable Efforts to remedy the situation and remove the cause of its inability to perform or comply, so far as possible and with reasonable dispatch, provided, however, that settlement of strikes, lockouts and other labour disturbances resulting from and directly related to an event of Force Majeure shall be wholly within the discretion of the party involved. The party invoking Force Majeure shall give prompt notice of the cessation of the event of Force Majeure.

9.2 Limitation on Invoking Force Majeure

Neither party shall be entitled to the benefits of Section 9.1 relating to an invocation of Force Majeure under any or all of the following circumstances:

- a) if the failure to comply with any of the obligations herein imposed upon it was caused by an arrest or restraint by government or governmental agencies or the order of any court and such arrest, restraint or order was the result of a breach by the party claiming suspension of the term of a permit, licence, certificate or other authorization granted by an Authority or under or pursuant to Applicable Laws.
- b) if the failure to perform or comply with any of the obligations herein imposed upon it was caused by the party invoking Force Majeure having failed to use all Reasonable Efforts to remedy the situation and remove, so far as possible and with reasonable dispatch, the cause of its inability to perform or comply with such obligations.
- c) if the failure to perform or comply with any of the obligations herein imposed upon the party was caused by lack of funds or other financial cause for whatever reason.

Article 10 NOTICES

10.1 Address for Notice

Unless otherwise provided herein any demand for consent or otherwise, notice or other communication ("**Notice**") to be given in connection with this Agreement shall be in writing and shall be delivered by pre-paid private courier or otherwise hand-delivered, or transmitted by email or similar means of recorded electronic communications, or by prepaid mail, addressed to the recipient as follows:

If to the Region:

The Regional Municipality of Durham

Attention:

Email:

If to OneNet:

Durham OneNet Inc.

Attention:

Email:

or such other address as a party may advise the other party in writing.

10.2 Deemed Receipt

Any Notice required or permitted to be given hereunder shall be deemed to have been given or received on the day on which it was delivered or emailed, if delivered or emailed on a Business Day during the normal business hours of the recipient, and if not so delivered or emailed, on the next Business Day; or if mailed by prepaid mail as permitted in Section 10.1, on the fourth Business Day following the date of mailing, provided, however, that if at the time of mailing or within three (3) Business Days thereafter there occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, Notices shall be delivered by pre-paid private courier or otherwise hand-delivered or transmitted by email or similar means of recorded electronic communications.

Article 11 MISCELLANEOUS

11.1 Time of the Essence

Time shall be of the essence in respect of this Agreement.

11.2 Waiver

The failure of either party to enforce any of the provisions of this Agreement, or the waiver thereof in any instance, shall not be construed as a general or continuing waiver or relinquishment on its part of any such provision, or of any other provision. No waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party.

11.3 Entire Agreement, Amendment

This Agreement constitutes the entire agreement between the parties with regard to the matters herein, and supersedes and replaces all prior representations, negotiations, understanding and agreements, whether oral or written, between the parties with respect to this Agreement. No amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both parties.

11.4 Assignment

Except as otherwise specified in this Agreement, neither this Agreement nor any rights, remedies, liabilities or obligations arising under it or by reason of it shall be assignable by either party without the prior written consent of the other party; provided, however, that either party may, without the prior written consent of the other party, assign this Agreement and any of its rights, remedies, liabilities or obligations to: (i) a financial institution for purposes of financing provided that such assignment shall not limit or otherwise affect such party's obligations hereunder and/or (ii) any of the assigning party's Affiliates. The parties agree that in the event of any assignment pursuant to this

Section 11.4, the assigning party shall continue to remain liable for all of its obligations under this Agreement unless released by the other party.

11.5 Relationship of Parties

The relationship between the Region and OneNet is not that of partners, agents or joint venturers of one another. The Region and OneNet, in performing any of their obligations herein, shall be independent contractors or independent parties.

11.6 Governing Law

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and shall be treated in all respects as an Ontario contract. Venue of any court proceeding shall be in a court of competent jurisdiction located in Durham Region.

11.7 Severability

The invalidity or unenforceability, in whole or in part, of any provision of this Agreement shall not affect the validity and enforceability of the remainder of it.

11.8 Further Assurances

Each party shall from time to time execute and deliver all such further documents and instruments and do all acts and things as the other party may reasonably require effect the full intent and meaning of this Agreement.

11.9 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns and is not intended to confer upon any other Person any rights or remedies hereunder.

11.10 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all of which such counterparts, together, shall constitute one and the same agreement. Counterparts may be executed in original, facsimile or electronic form, and the parties shall accept any signatures received by facsimile or in electronic form as if they were original signatures of the parties.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

THE REGIONAL MUNICIPALITY OF DURHAM

I have authority to bind the Region

Name:

Title:

I have authority to bind the Region

Name:

Title:

DURHAM ONENET INC.

I have authority to bind the Corporation

Name:

Title: President