

Report #3 of the Committee of the Whole

For consideration by Regional Council

March 26, 2025

The Committee of the Whole recommends approval of the following:

1. Motion regarding Tariff Response Recommendations

Whereas on February 26, 2025, Council approved the following:

Therefore be it resolved:

- A) That Durham staff be directed to strike a working group to take on a strategic review of procurement and to work with other municipal partners where appropriate, including looking at whether some project timing should be reassessed; and
- B) That review will be directed to achieve three aims:
 - To ensure Durham's procurement is resilient to the financial, supply chain and other risks associated with the changing Canada-US trade relationship;
 - To align Durham's procurement to take advantage of opportunities arising from reduction of interprovincial trade barriers, support for local businesses and development of new strategic trading partners; and
 - To inform and support Economic Development in a mission to assist local businesses in adapting and aligning to a renewed focus on strengthening Canadian business, with a view to increasing the amount of Canadian and local businesses who are competing and winning in Durham's procurement activities.

And Whereas Regional staff have already begun to focus on local and Canadian procurement opportunities where possible under the existing Regional purchasing by-law and to research alternatives;

Now therefore be it resolved that Council provide the following direction to staff on a Made in Durham response to trade tariffs:

- 1. The Commissioner of Finance be directed to adopt procurement strategies that prioritize Canadian and other non-U.S. goods and services over those of the U.S. where feasible;

2. That these Buy Canadian strategies be consistent with provincial and municipal procurement policies and aim to protect the maximum number of local jobs, Canadian jobs and Canadian-owned companies, in that order of priority, in order to support the medium and long-term growth of Canadian suppliers as well as develop longer term alternatives to U.S. suppliers to ensure competition and a diverse supply chain;
 3. These procurement strategies be aligned with any federal or provincial legislation or direction to municipalities to support a unified, cross-Canada approach that effectively leverages the considerable buying power of Canadian municipalities to support a broader trade and economic strategy;
 4. Regional procurement be assessed to determine what U.S.-sourced goods and services are relied on, and to develop alternative procurement strategies;
 5. That staff be directed to investigate amendments to the Purchasing By-law to allow alternative thresholds for bidding opportunities to maximize bidding opportunities for local and Canadian vendors;
 6. That the Commissioner of Finance be delegated authority to approve contract extensions in situations where negotiating an extension is favourable to obtaining bids during this time of uncertainty, or where supply or pricing is likely to be impacted;
 7. That the Commissioner of Finance be delegated authority to approve additional financing specifically related to tariffs and retaliatory issues where current contracts or bids come in over budget or require an increase that would otherwise require Council approval under the Budget Management Policy; and
 8. That any amendments to the Region's Purchasing By-law necessary to implement this Made in Durham Approach, including the above directions, be brought to Regional Council for endorsement.
2. Housing and Homelessness Service and Financing Strategy (2025 – 2034)
(2025-COW-14)
-
- A) That the 10-year Housing and Homelessness Service and Financing Strategy ("the Strategy"), including Regional investment in housing and homelessness service enhancements, new affordable housing development and renewal initiatives, and Durham Regional Local Housing Corporation (DRLHC) asset management and retrofit activities be approved in principle subject to investment approvals through the Region's annual business planning and budget process;

- B) That the Strategy be reviewed every four years or earlier as may be necessary in consideration of new or updated information that may impact project delivery, financing and timelines;
- C) That an annual incremental increase on the overall Regional property tax levy of approximately 0.75 per cent, each year over the 2026 - 2034 timeframe, be endorsed as necessary, subject to annual approvals through the Region's annual business planning and budget process to implement the Strategy;
- D) That staff continue to advocate for sustained, incremental, and additional funding from the provincial and federal governments to support the funding gaps identified in the Strategy;
- E) That the 2025 capital program and financing, as outlined in Attachment #2 to Report #2025-COW-14 of the Commissioners of Finance and Social Services, in the amount of \$271,213,492 be approved;
- F) That up to \$111,919,416 in debenture financing as outlined below be approved, for the following projects, subject to confirmation of other funding sources:
 - i) \$25,203,994 for housing redevelopment in the City of Oshawa, (this is subject to approval of Confidential Report #2025-COW-11 and excludes the debenture financing sought through Confidential Report #2025-COW-11);
 - ii) \$7,269,856 for the redevelopment of the Broader Hill housing complex in Oshawa;
 - iii) \$5,448,798 for the redevelopment of 409 Centre Street in Whitby;
 - iv) \$69,996,768 for the redevelopment of 419 - 451 Christine Crescent in Oshawa; and
 - v) \$4,000,000 for deep energy retrofits and asset management work at 315 Colborne St West in Whitby;
- G) That the Commissioner of Finance/Regional Treasurer be authorized to execute all necessary agreements associated with the debenture financing;
- H) That the 2026 to 2034 capital forecast, as outlined in Attachment #3 to Report #2025-COW-14, in the amount of \$1,934,459,343 be received for information purposes only and be subject to future approvals; and
- I) That Durham Region Council directs Works, Social Services and Community Growth and Economic Development staff to explore higher and better uses for Region-owned lands including, but not limited to, affordable housing and recreational facilities, while retaining their original purposes.

3. Authorization to Enter into an Agreement with Brooklin Northeast Developments CR Inc. for the Construction of a Zone 4 Feedermain on Thickson Road (Regional Road 26) Required to Service Brooklin Pressure Zone 4 in the Town of Whitby ([2025-COW-10](#))

- A) That the Regional Municipality of Durham (Region) be authorized to enter into an Agreement with Brooklin Northeast Developments CR Inc. (Brooklin Northeast) for a Zone 4 feedermain from Thickson Road Zone 4 Water Pumping Station to the future Bergamot Street, in the Town of Whitby (the “Works”) with the following terms:
- i) Brooklin Northeast will finance upfront 100 per cent of the design and construction costs of the Works, estimated at \$5,984,700;
 - ii) Brooklin Northeast will tender, award, and construct the necessary Works, subject to Regional inspection and Regional approval of all contract change orders which, in aggregate, exceed 10 per cent of the tendered cost;
 - iii) Brooklin Northeast will post security in the form of a letter of credit, satisfactory to the Commissioner of Finance, in the amount of 100 per cent of the estimated value of the design and construction costs of the Works;
 - iv) Brooklin Northeast will receive residential water supply development charge credits up to an amount equal to the residential share (92.6 per cent) of the design and construction costs of the Works, estimated at \$5,541,800 (at the rates in effect at the time of development) for lands within the Brooklin Zone 4 area that are serviced by the Works;
 - v) Development charge credits earned will be indexed in accordance with Statistics Canada’s Building Construction Price Index (the prescribed series used to index the Regional Development Charge Rates);
 - vi) The Region will pay Brooklin Northeast the non-residential share (7.4 per cent) of the design and construction costs of the Works, estimated at \$442,900, upon acceptance by the Region of the completion of the Works, from the 2025 Water Supply Budget:

2025 Water Supply Budget

Item #128 Zone 4 feedermain from Thickson Rd. Zone 4 Water Pumping Station to Zone 4 Myrtle Rd. Reservoir with connection to Zone 4 Water Pumping Station at Duffs Rd. Reservoir and Zone 5 feedermain from Duffs Reservoir to Brawley Rd., Whitby

Commercial Development Charges	\$173,600
Industrial Development Charges	\$227,400
2025 Water User Revenue ¹	<u>\$41,900</u>
Total	<u>\$442,900</u>

Note:

¹ \$41,900 in water user revenue related to the shortfall in institutional development charges

- B) That an allowance of 15 per cent of the costs of the construction of the Works to address engineering and other soft costs incurred by Brooklin Northeast, included in the estimated cost of the Works, will be paid by the Region:
 - i) All financial commitments will be based on final actual costs;
 - ii) Such other terms as deemed appropriate by the Commissioner of Works; and
 - C) That the Regional Chair and Regional Clerk be authorized to execute the above-noted Agreement in a form satisfactory to the Regional Solicitor.
4. Authorization to Enter into an Agreement with the Southeast Courtice Landowner Group for the Construction of a Zone 2 Feedermain and a Sub Trunk Sanitary Sewer Required to Service the Southeast Courtice Secondary Plan Area in the Municipality of Clarington ([2025-COW-12](#))
-
- A) That the Regional Municipality of Durham (Region) be authorized to enter into an Agreement with the Southeast Courtice Landowners Group for the construction of a Zone 2 feedermain and sub-trunk sanitary sewer (the “Works”) with the following terms:
 - i) The Southeast Courtice Landowners Group will finance upfront 100 per cent of the design and construction costs of the Works estimated at \$17,842,900 (\$9,601,500 for the feedermain and \$8,241,400 for the sub-trunk sewer);
 - ii) The Southeast Courtice Landowners Group will tender, award, and construct the necessary Works, subject to Regional inspection and approval of all contract change orders which, in aggregate, exceed 10 per cent of the tendered cost;
 - iii) The Southeast Courtice Landowners Group will post security in the form of a letter of credit, satisfactory to the Commissioner of Finance, in the amount of 100 per cent of the estimated value of the design and construction costs of the Works;

- iv) The Southeast Courtice Landowners Group will receive residential water supply development charge credits up to an amount equal to the residential share (92.6 per cent) of the design and construction costs of the water supply Works, estimated at \$8,891,000 and residential sanitary sewerage development charge credits up to an amount equal to the residential share (83.3 per cent) of the design and construction costs of the sanitary sewer Works, estimated at \$6,865,100 (at the rates in effect at the time of development), for lands within the areas that are serviced by the Works;
- v) Development charge credits earned will be indexed in accordance with Statistics Canada's Building Construction Price Index (the prescribed series used to index the Regional Development Charge Rates);
- vi) The Region will pay to the Southeast Courtice Landowners Group the non-residential share (7.4 per cent for water supply and 16.7 per cent for sanitary sewerage) of the design and construction costs of the Works, estimated at \$710,500 for Water Supply and \$1,376,300 for Sanitary Sewerage upon acceptance by the Region of the completion of the Works, from the 2025 Business Plans and Budgets:

Water Supply

2025 Water Supply System Capital Budget

Item #148 Zone 2 feedermain on Bloor St. from
Prestonvale Rd. to Hancock Rd., Courtice

Commercial Development Charges	\$278,400
Industrial Development Charges	\$364,900
2025 Water User Revenue ¹	<u>\$67,200</u>
Total	<u>\$710,500</u>

Note:

¹ \$67,200 in water user revenue related to the shortfall in institutional development charges

Sanitary Sewerage

Prior Years' Sanitary Sewerage System Capital Budget

Item #86: Sub-trunk sanitary sewer on easement along the north side of CPR from Trulls Rd. to Courtice Rd. and on Courtice Rd. from the north side of CPR to Bloor St., Courtice

Commercial Development Charges	\$412,800
Industrial Development Charges	\$223,600
2025 Sewer User Revenue ¹	<u>\$739,900</u>
Total	<u>\$1,376,300</u>

Note:

¹ \$739,900 in Sewer user revenue related to the shortfall in non-residential development charges

Total Non-Residential Share **\$2,086,800**

- vii) An allowance of 15 per cent of the costs of the construction of the Works to address engineering and other soft costs incurred by the Southeast Courtice Landowners Group, included in the estimated cost of the Works, will be paid by the Region;
 - viii) All financial commitments will be based on actual costs;
 - ix) Such other terms as deemed appropriate by the Commissioner of Works; and
- B) That the Regional Chair and Regional Clerk be authorized to execute the above-noted Agreement in a form satisfactory to the Regional Solicitor.
5. Recommendations for Eligible Projects Under the At Home Incentive Program for Affordable Housing ([2025-COW-13](#))
-
- A) That the following applications for affordable rental housing projects be approved under the At Home Incentive Program (AHIP):
- i) Muslim Welfare Canada to build 55 units of affordable seniors rental housing at 1589-1603 Highway #2 East in Courtice, Municipality of Clarington (Attachment #1 to Report #2025-COW-13);
 - ii) Borelia Cooperative Homes Inc. to build 16 units of affordable rental housing at 10 Borelia Crescent in Port Perry, Township of Scugog (Attachment #2 to Report #2025-COW-13); and
 - iii) 1465 King Street Inc. to build 70 units of affordable rental housing at 1465 Highway #2 in Courtice, Municipality of Clarington (Attachment #3 to Report #2025-COW-13);

- B) That the Region provide up-front capital funding to support the development and construction of affordable rental housing projects in the total amount of \$13,250,000 broken down as follows:
 - i) \$5,750,000 to Muslim Welfare Canada;
 - ii) \$2,688,000 to Borelia Cooperative Homes Inc.; and
 - iii) \$4,812,000 to 1465 King Street Inc.;
 - C) That the up-front capital funding be provided from the At Home Incentive Program Reserve Fund (AHIPRF) and advanced based on the following key construction milestones:
 - i) 50 per cent at the signing of the Municipal Capital Housing Facilities and Contribution Agreement and registration of security;
 - ii) 40 per cent at confirmation of fully enclosed building;
 - iii) 10 per cent at confirmation of occupancy;
 - D) That the up-front capital funding provided by the Region be conditional upon each proponent listed in Recommendation A) providing written confirmation of funding by third-party financiers (if applicable) prior to execution of the Municipal Capital Housing Facilities and Contribution Agreement;
 - E) That the Region enter into a Municipal Capital Housing Facilities and Contribution Agreement with the above-mentioned parties to:
 - i) maintain affordable rents for the specified affordability period;
 - ii) continue to use the eligibility requirements for tenants to enable the use of capital grants for eligible purpose-built affordable rental housing projects; and
 - iii) provide accountability and reporting requirements, including proforma construction accounting of their projects on a quarterly basis, given the heightened current economic challenges that these projects may face; and
 - F) That the Regional Solicitor be directed to prepare the necessary by-laws.
6. Motion regarding Free Transit for veterans of the Canadian Armed Forces, Reservist, or full-time members of the Canadian Armed Forces
-

Whereas Metrolinx, the operator of GO transit, announced that it is providing free service to GO passengers who are veterans of the Canadian Armed Forces, Reservist, or full-time members of the Canadian Armed Forces; and

Whereas we owe a debt of gratitude to those who serve our country in the Canadian Armed Forces in past conflicts and in the current defence of our country; and

Whereas the integrated fares between Metrolinx and local municipal transit systems has meant that there is seamless travel between GTHA transit authorities; and

Whereas it is the intent of Durham Regional Council to recognize the contribution of those that have served in our Canadian Armed Forces; and

Whereas making transportation a seamless opportunity for past and current members of the Canadian Armed Forces is a desired outcome;

Now Therefore Be It Resolved That:

1. Durham Regional Council requests that the Transit Executive Committee consider the concept of allowing past and current members of the Canadian Armed Forces to ride for free on Durham Regional Transit subject to approval of the updated Fare Strategy in 2025, and consideration for the 2026 Budget; and
 2. This resolution be forwarded to the Transit Executive Committee for consideration at their next meeting.
7. Motion to Request the Province to Temporarily Remove Tolls on Highway 407 in Durham Region
-

Whereas Highway 407 from Brock Road (Regional Road 1) in Pickering to Highway 35/115 is provincially owned and tolls are set by the Province; and

Whereas planned Regional road construction work to widen Winchester Road (Regional Road 3) from Anderson Street to Baldwin Street (Regional Highway 12) will necessitate reducing Winchester Road to one lane of traffic in one direction over an expected two construction seasons impacting travel times for residents and businesses; and

Whereas the temporary removal of tolls on Highway 407 during Winchester Road construction work would improve overall travel times and alleviate the traffic impacts on surrounding Regional and local municipal roads; and

Whereas at a media appearance on October 25, 2024 Premier Ford indicated that he had requested that the Minister of Transportation review reducing or eliminating tolls on the provincially-owned portion of the highway, being Highway 407 East; and

Whereas the Progressive Conservative Party of Ontario was re-elected on February 27, 2025, receiving a strong mandate for their 2025 Protect Ontario Plan which indicates that the Provincial government will remove all tolls on Highway 407 East; and

Whereas Winchester Road from Anderson Street to Baldwin Street will be once again reduced to one lane of traffic in one direction beginning in April 2025; and

Whereas the Council of the Region of Durham has previously advocated for the removal of tolls on Highway 407 East through Council Resolution in 2024 in order to boost economic development, improve travel times, and alleviate traffic impacts in Durham Region;

Now Therefore Be It Resolved That:

1. That the Council of the Region of Durham hereby requests that the Provincial government expedite the removal of all tolls on the entirety of Highway 407 East, in accordance with the 2025 Protect Ontario Plan, starting April of 2025 to align with the resumption of construction that will reduce traffic capacity on Winchester Road; and
 2. That the Regional Chair be requested on behalf of Council, to author a letter including this motion to the Premier of Ontario, the Minister of Transportation, all Durham Region MPPs, all Durham municipalities, the City of Kawartha Lakes, the Township of Cavan Monaghan, the City of Peterborough, the Ontario Trucking Association, and the Ontario Federation of Agriculture.
8. Confidential Report of the Commissioners of Works, Finance and Social Services – Proposed or Pending Acquisition or Disposition of Land for Regional Corporation Purposes as it relates to the Acquisition of Property in the City of Oshawa (2025-COW-11)
-

That the recommendations contained in Confidential Report #2025-COW-11 of the Commissioners of Works, Finance and Social Services, be adopted.

Respectfully submitted,

J. Henry, Regional Chair and CEO