

## THE REGIONAL MUNICIPALITY OF YORK

### BYLAW NO. 2020-47•

To authorize the Submission of an Application to Ontario Infrastructure and Lands Corporation for Long-term Financing of a Capital Work of The Corporation of the Town of Aurora pursuant to a Floating Rate Capital Loan Facility Made Available by Ontario Infrastructure and Lands Corporation to The Regional Municipality of York.

**WHEREAS** the *Municipal Act, 2001*, as amended, (the “**Act**”) provides that a municipal power shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

**AND WHEREAS** subsection 405(1) of the Act provides, amongst other things, that a municipality may authorize temporary borrowing to meet expenditures made in connection with a work to be financed in whole or in part by the issue of debentures if, the municipality is a lower-tier municipality in a regional municipality and it has approved the work and the upper-tier municipality has approved the issue of debentures for the work;

**AND WHEREAS** subsection 401(1) of the Act provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt;

**AND WHEREAS** subsection 403(1) of the Act provides that a by-law of an upper-tier municipality authorizing the issuing of debentures for the purposes or joint purposes of one or more of its lower-tier municipalities may require those lower-tier municipalities to make payments in each year to the upper-tier municipality in the amounts and on the dates specified in the by-law;

**AND WHEREAS** the Act also provides that a municipality shall authorize long-term borrowing by the issue of debentures or through another municipality under section 403 or 404 of the Act and subsection 403(7) of the Act provides that all debentures issued under a by-law passed by an upper-tier municipality under section 403 are direct, joint and several obligations of the upper-tier municipality and its lower-tier municipalities;

**AND WHEREAS** Ontario Infrastructure and Lands Corporation (“**OILC**”) has invited Ontario municipalities desirous of obtaining temporary and long-term debt financing in order to meet capital expenditures incurred on or after

the year that is five years prior to the year of an application in connection with eligible capital works, pursuant to a floating rate capital loan facility, to make application to OILC for such financing by completing and submitting an application in the form provided by OILC;

**AND WHEREAS** the Council of The Corporation of the Town of Aurora (the “**Lower-tier Municipality**”), a lower-tier municipality that forms part of The Regional Municipality of York (the “**Upper-tier Municipality**”) for its purposes has requested the Upper-tier Municipality to authorize the issue of debentures for the capital work described in column (2) of Schedule “A” (the “**Capital Work**”) attached hereto and forming part of this By-law (“**Schedule “A”**”) in the amount of the estimated expenditure set out in column (3) of Schedule “A”, subject to approval by OILC of the financing for such Capital Work that will be requested by the Lower-tier Municipality in the Application as hereinafter defined;

**AND WHEREAS** before the Council of the Lower-tier Municipality approved the Capital Work and before it approved an additional cost amount in accordance with section 4 of Ontario Regulation 403/02 (the “**Regulation**”), the Council of the Lower-tier Municipality had its Treasurer calculate an updated limit in respect of its then most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the “**Updated Lower-tier Limit**”), and, on the basis of the authorized estimated expenditure for the Capital Work as set out in column (3) of Schedule “A” (the “**Authorized Expenditure**”) the Treasurer calculated the estimated annual amount payable in respect of the Capital Work and such additional cost amount and determined that the estimated annual amount payable in respect of the Capital Work and such additional cost amount did not cause the Lower-tier Municipality to exceed the Updated Lower-tier Limit, and accordingly the approval of the Local Planning Appeal Tribunal pursuant to the Regulation was not required before such Capital Work and such additional cost amount was authorized by the Council of the Lower-tier Municipality;

**AND WHEREAS** the Lower-tier Municipality requested the Upper-tier Municipality to issue debentures for the Capital Work and in this connection the Upper-tier Municipality and the Lower-tier Municipality completed and submitted an application to OILC (the “**Application**”) to request financing for the Capital Work by way of long-term borrowing pursuant to section 403 of the Act through the issue of debentures to OILC by the Upper-tier Municipality and by way of temporary borrowing by the Lower-tier Municipality from OILC pending the issue of such debentures, all pursuant to the Floating Rate Facility as hereinafter defined;

**AND WHEREAS** OILC has accepted and has approved or will accept and approve the Application, as the case may be;

**AND WHEREAS** OILC has agreed or will agree, as the case may be, to make long-term financing pursuant to a floating rate capital loan facility available to the Upper-tier Municipality (the “**Floating Rate Facility**”) up to the maximum principal amount of \$38,000,000.00 (the “**Floating Rate Facility Limit**”) and has agreed or will agree, as the case may be, to make temporary financing available

pursuant to the Floating Rate Facility to the Lower-tier Municipality from time to time during the currency of the financing agreement to be entered into by OILC, the Upper-tier Municipality and the Lower-tier Municipality (the “**Financing Agreement**”) up to the Floating Rate Facility Limit to meet expenditures made in connection with the Capital Work on the basis that the Capital Work will be long-term financed in whole or in part by the issue of debentures of the Upper-tier Municipality (the “**Debentures**”), subject to the terms and conditions set out in the Financing Agreement.

**NOW THEREFORE** the Council of The Regional Municipality of York hereby enacts as follows:

1. The Council of the Upper-tier Municipality hereby approves the issue of debentures for the Capital Work in a maximum principal amount up to the Floating Rate Facility Limit pursuant to the Floating Rate Facility and the Council of the Upper-tier Municipality hereby confirms, ratifies and approves the execution by the Commissioner of Finance and Regional Treasurer of the Application and the submission by such authorized official of the Application, duly executed by such authorized official, to OILC, in cooperation with the Lower-tier Municipality, for the financing of the Capital Work through the issue of Debentures in a maximum principal amount up to the Floating Rate Facility Limit substantially in the form of Schedule “B” hereto and forming part of this By-law, with such changes thereon as such authorized official may hereafter approve, such execution and delivery to be conclusive evidence of such approval.
2. The Regional Chair and the Commissioner of Finance and Regional Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Upper-tier Municipality the Financing Agreement that provides for long-term financing of the Capital Work in a maximum principal amount up to the Floating Rate Facility Limit and temporary financing of the Capital Work in a maximum principal amount up to the Floating Rate Facility Limit on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.
3. Subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OILC may otherwise require, the Regional Chair and the Commissioner of Finance and Regional Treasurer are hereby authorized to long-term borrow for the Capital Work and to issue Debentures to OILC on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree; provided that the principal amount of the Debentures issued in respect of the Capital Work, does not exceed the Authorized Expenditure and does not exceed the related loan amount set out in column (4) of Schedule “A” in respect of the Capital Work and the aggregate principal amount of all of the outstanding temporary borrowings and the Debentures outstanding does not exceed the Floating Rate Facility Limit.

4. In accordance with the provisions of section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011*, as amended from time to time hereafter, the Upper-tier Municipality is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled, without notice to the Upper-tier Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Upper-tier Municipality, amounts not exceeding the amounts that the Upper-tier Municipality fails to pay OILC on account of any unpaid indebtedness of the Upper-tier Municipality to OILC under the Debentures (the “**Obligations**”) and to pay such amounts to OILC from the Consolidated Revenue Fund.
5. For the purposes of meeting the Obligations, the Upper-tier Municipality shall provide for raising in each year as part of the general upper-tier levy, the amounts of principal and interest payable in each year in respect of any Debenture outstanding pursuant to the Financing Agreement, to the extent that the amounts have not been provided for by any other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality.
6. (1) The Commissioner of Finance and Regional Treasurer is hereby authorized to execute and deliver the Application, the Regional Chair and the Commissioner of Finance and Regional Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement and to issue the Debentures, one or more of the Regional Clerk and the Commissioner of Finance and Regional Treasurer are hereby authorized to generally do all things and to execute all other documents and papers in the name of the Upper-tier Municipality in order to perform the Obligations of the Upper-tier Municipality under the Financing Agreement and to issue the Debentures, and the Regional Clerk or the Commissioner of Finance and Regional Treasurer, as the case may be, is authorized to affix the Upper-tier Municipality’s municipal seal to any such documents and papers.  
  
(2) The money realized in respect of the Debentures, including any premium, and any earnings derived from the investment of that money, after providing for the expenses related to their issue, if any, shall be delivered to the Lower-tier Municipality on the basis that the Lower-tier Municipality will apportion and apply such money to the Capital Work and to no other purpose except as permitted by the Act.

ENACTED AND PASSED on September 24, 2020.

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Regional Clerk

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Regional Chair

**THE REGIONAL MUNICIPALITY OF YORK  
SCHEDULE "A" TO BYLAW NO. 2020-•**

(1)	(2)	(3)	(4)
Bylaw Number/ Capital Work Number	Capital Work Description	Estimated Expenditure \$	Loan Amount \$
<u>Capital Work of The Corporation of the Town of Aurora</u>			
6274-20; 6276-20 / 81019	Capital costs in connection with the Library Square project	51,939,500.00	38,000,000.00

**THE REGIONAL MUNICIPALITY OF YORK  
SCHEDULE "B" TO BYLAW NO. 2020-47•**

## Webloans Loan Application PDF

**FA Number**

**Application for**

### Projects

ID	SIT Project ID	Project Name	Construction/Purchase Start	Construction/Purchase End	Project Cost	OILC Loan Amount
1282	1	Library Square	09/01/2020	06/15/2022	\$51,939,500.00	38,000,000.00

### Details of Project Library Square

**Project Category**

**Work Type**

**Project Name**

**Construction/Purchase Start**

**Construction/Purchase End**

**Energy Conservation**

**Project Address 1**

**Project Address 2**

**City / Town**

**Province**

**Postal Code**

**Description**

Redevelopment project includes:

- 1) Multi-purpose building as already indicated in the application;
- 2) New outdoor square including amphitheatre seating, water wall and other water features; including an outdoor skating rink in the winter;
- 3) Enclosed bridge connecting the new multi-purpose building and the existing Public library building;
- 4) Multiple enhancements to the existing public library building including new meeting room space and front entrance to Yonge Street.
- 5) In addition, various rehabilitation work will be done to both the existing public library building and old church street school.

**Comments and/or Special Requests**

They are requesting for \$38,000,000 for construction financing and plan on issuing a debenture in 2022. They are interested in the Floating Rate Capital Loan to allow for flexibility upon substantial completion as they may prefer to keep it in a floating rate for up to 5 years. Long term debenture is planned to be \$12,900,000 amortized over 20 year in an amortizing facility. They have applied for a grant to pay it down by \$25,100,000 and are awaiting for approval of this by August/2020 but due to timing of when the grant will be provided they have decided to seek \$38,000,000 in construction to assist with the flow of funds for the project.

They are seeking approval and access to the facility by October/2020.

Project Life Span (Years)

100

## Project Financial Information

Project Cost (A)

\$51,939,500.00

**Other Project Funding / Financing (B):**

Description	Timing	Amount
Cash Reserves	Existing	\$13,939,500.00

**Other Project Funding/Financing Total (B)**

\$13,939,500.00

**OILC Loan Amount (A-B)**

\$38,000,000.00

Only include long-term borrowing in this section. If you anticipate that you will require short-term financing during the construction phase of the project, the information will be gathered as part of the Financing Agreement.

Required Date	Amount	Term	Type
06/15/2022	\$0.00	20	Amortizing
<b>Long-term Borrowing Total</b>	\$0.00		

## Debt and Re-payments Summary

Has there been any new/undisclosed debt acquired since last FIR was submitted?

Yes  No

Please describe any re-financing plans for any existing "interest only" debt, if applicable.

## Non Re-payments of Loans or Debenture

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

If yes, please provide details.

## OILC Loan Repayment Information

Please indicate the source(s) of revenue you plan to use to repay the OILC Loan

Taxation

50.00

User Fees

0.00

Service Charges

0.00

Development Charges

50.00

Connection Fees

0.00

Repayment Subsidies

0.00

Other



Total

100.00%

## Documentation and Acknowledgements

Please ensure all required documents are submitted with the signed application. OILC requires originals as noted below to be mailed or couriered. Also, please retain a copy of all documents submitted to OILC for your records.

To obtain templates for documents see listed below.

- Loan Application Signature Page signed and dated by the appropriate individual (original to be submitted)
- Certificate and sealed copy of OILC template By-law authorizing project borrowing and applying for a loan (original with seal)
- Certificate of Treasurer Regarding Litigation using the OILC template (original, signed & sealed)
- Updated Certified Annual Repayment Limit Calculation (original)

I acknowledge and agree that all of the above referenced documents must be submitted in the form required by OILC and understand that the application will not be processed until such documents have been fully completed and received by Infrastructure Ontario.

**Please note: OILC retains the right to request and review any additional information or documents at its discretion.**

### **Confidential Information**

OILC is an institution to which the Freedom of Information and Protection of Privacy Act (Ontario) applies. Information and supporting documents submitted by the Borrower to process the loan application will be kept secure and confidential, subject to any applicable laws or rules of a court or tribunal having jurisdiction.

## Infrastructure Ontario

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