

Authority: Policy and Finance Committee Report No. 1, Clause No. 5,
as adopted by City of Toronto Council on January 30, 31 and February 1, 2001
Enacted by Council: February 1, 2001

CITY OF TORONTO

BY-LAW No. 31-2001

To authorize temporary advances pending the issue and sale of debentures and raising money by way of loan on the debentures.

WHEREAS subsection 183(1) of the Municipal Act, as amended, (the “Act”) provides that, pending the sale of a debenture, or in lieu of selling it, a municipal council may by by-law authorize the head of council and the treasurer to raise money by way of loan on the debenture and to hypothecate the debenture for the loan; and

WHEREAS subsection 188(1) of the Act provides that if a municipality has approved an undertaking to be financed in whole or in part by incurring long-term debt, the municipal council may by by-law authorize temporary borrowing to meet expenditures made in connection with the said undertaking; and

WHEREAS subsection 123(2) of the Act provides that where a school board exercises jurisdiction in all or part of a municipality, the school board may apply to the council of the municipality for the issue and sale of debentures on the credit of the municipal corporation for raising such sums as may be required by the school board for permanent improvements; and

WHEREAS subsection 123(7) of the Act provides that a municipal council or the school board pending the issue and sale of debentures may, and the municipal council on the request of the school board shall, agree with a bank or person for temporary advances from time to time for the purposes authorized and the municipal council may, or on the request of the school board shall, pending the sale of such debentures or in lieu of selling them, authorize the chair and treasurer to raise money by way of loan on the debentures and to hypothecate them for the loan, and shall transfer the proceeds of such advance or loan to the school board; and

WHEREAS the council of the former municipality called The Municipality of Metropolitan Toronto (“Metro”) has, pursuant to subsection 123(4) of the Act, approved applications of the former school board called The Metropolitan Toronto School Board (the “Board”) under subsection 123(2) of the Act for the issue and sale of debentures on the credit of Metro for raising such sums as may be required by the Board in respect of permanent improvements of the Board and of the former boards of education called The Board of Education for the Borough of East York, The Board of Education for the City of Etobicoke, The Board of Education for the City of North York, The Board of Education for the City of Scarborough, The Board of Education for the City of Toronto, The Board of Education for the City of York and Conseil des écoles francaises de la communauté urbaine du Toronto (the “Boards of Education”) as set out in such applications (the “School Purposes”);

The Council of the City of Toronto HEREBY ENACTS as follows:

1. When Council has approved an undertaking to be financed in whole or in part by incurring long-term debt for the purposes of the City of Toronto, including the purposes of any former area municipality, the purposes of the former municipality called The Municipality of Metropolitan Toronto, or the School Purposes of the Board or of the Boards of Education, authority is granted:
 - (a) to the Treasurer to obtain from a bank or person temporary advances from time to time to meet expenditures in connection with the purposes authorized provided that temporary advances in respect of each such purpose shall at no time exceed the gross expenditure approved for such purpose, and to borrow temporarily in respect of such purposes an aggregate amount not to exceed \$600,000,000.00, pending the sale and issuance of debentures;
 - (b) to the Mayor and the Treasurer to raise money by way of a loan on the debentures and to hypothecate them for the loan pending the sale and issuance of debentures or in lieu of selling them;
 - (c) to the Treasurer to transfer the proceeds of any advance or loan obtained for the Board to the Board; and
 - (d) to the Mayor and the Treasurer to enter into any agreements necessary to give effect to the foregoing.

2. When the Board requests the Treasurer to agree with a bank or person for temporary advances in respect of School Purposes, the money raised for the Board by the City of Toronto by temporary advances shall be undertaken in accordance with the request of the Board, section 1 of this by-law and the provisions of the Act.

ENACTED AND PASSED this 1st day of February, A.D. 2001.

CASE OOTES,
Deputy Mayor

NOVINA WONG,
City Clerk

(Corporate Seal)