

Authority: Notice of Motion J(7), moved by Mayor Lastman, seconded by Councillor Shiner,
as adopted by City of Toronto Council on July 24, 25 and 26, 2001
Enacted by Council: July 24, 2001

CITY OF TORONTO

BY-LAW No. 612-2001

To authorize the issue of sinking fund debentures to the amount of \$100,000,000.00 for the purposes of the City of Toronto.

WHEREAS the *Municipal Act* provides that a municipality may borrow money or incur a debt for municipal purposes and may issue debentures for the money borrowed or for the debt; and

WHEREAS effective January 1, 1998 the *City of Toronto Act, 1997* incorporated a new municipality under the name of "City of Toronto" and the new municipality stands in the place, for all purposes, of the former municipality known as The Municipality of Metropolitan Toronto and of its six area municipalities; and

WHEREAS the *Municipal Act* provides that a municipality may borrow money or incur a debt for municipal purposes and may issue debentures for the money borrowed or for the debt without the approval of the Ontario Municipal Board ("the OMB") under section 65 of the *Ontario Municipal Board Act* (the "OMB Act") if the municipality does not thereby exceed its updated debt and financial obligation limit; and

WHEREAS the City of Toronto received from the Ministry of Municipal Affairs and Housing its annual debt and financial obligation limit for the year 2000 and the Treasurer of the City of Toronto updated such limit in accordance with Ontario Regulation 799/94, as amended, prior to the authorization of each of the purposes described in Column 1 of Schedule "A" and determined that the estimated annual amount payable in respect of each such purpose would not cause the City of Toronto to exceed its updated limit with the result that the Council of the City of Toronto, in accordance with the applicable legislation, could authorize each such purpose, without the approval of the OMB under section 65 of the OMB Act; and

WHEREAS the *City of Toronto Act, 1997 (No. 2)* provides that when the Council of the City of Toronto has authorized the City of Toronto to borrow money and issue debentures for its purposes the Council may, by by-law, authorize the Mayor and the Treasurer to enter into an agreement or agreements for the issue and sale of debentures, with any person or persons, at any time in the year in which the by-law is passed; and

WHEREAS pursuant to By-law No. 30-2001 the Council of the City of Toronto authorized the Mayor and the Treasurer during the year 2001 to enter into an agreement or agreements with a purchaser or purchasers for the issue and sale of debentures upon such terms and conditions as they deem expedient to provide an amount not exceeding \$600,000,000.00 for the purposes of the City of Toronto; and

WHEREAS the office of Chief Financial Officer and Treasurer of the City of Toronto is vacant and pursuant to By-law No. 506-2001, as amended by By-law No. 611-2001, Al Shultz has been appointed to the office of Acting Treasurer of the City of Toronto and in that connection has all of the powers and duties imposed upon a treasurer by the *Municipal Act*, by any other statutes, and by any by-law of the Council of the City of Toronto; and

WHEREAS the Mayor and the Acting Treasurer entered into an agreement dated July 16, 2001 with Scotia Capital Inc., RBC Dominion Securities Inc., and CIBC World Markets Inc. for the issue and sale of ten year sinking fund debentures dated July 26, 2001 in the principal amount of \$100,000,000.00 (the "Agreement"); and

WHEREAS the *City of Toronto Act, 1997 (No. 2)* provides that when an agreement is made under a by-law, like By-law No. 30-2001, the Council of the City of Toronto shall pass all necessary money by-laws in accordance with such agreement, Part X of the *Municipal Act* and specified sections of the *City of Toronto Act, 1997 (No. 2)*; and

WHEREAS the City of Toronto has complied with all of the provisions of the aforesaid Acts relating to the borrowing of money for the purposes described in Column 1 of Schedule "A", and the issue of debentures to provide the respective amounts set out in Column 2 of Schedule "A"; and

WHEREAS it is deemed necessary to issue debentures on the credit of the City of Toronto in the principal amount of \$100,000,000.00 in order to provide the respective amounts set out in Column 2 of Schedule "A" after providing for the discount, if any, and expenses incidental to the negotiation and sale of the debentures, such debentures to be payable within the term of years set out in Column 5 of Schedule "A" which term of years does not exceed the respective lifetimes of the purposes described in Column 1 of Schedule "A"; and

WHEREAS it is expedient that the said debentures bear interest at the rate set out in section 3 hereof payable semi-annually with the principal amount of such debentures payable on the 26th day of July, 2011;

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

1. The borrowing of the said sum of \$100,000,000.00 for the purposes described in Column 1 of Schedule "A" and the issue of sinking fund debentures therefor on the credit of the City of Toronto to be repaid on the day hereinafter fixed are hereby authorized.
2. The Mayor and the Treasurer or the Acting Treasurer of the City of Toronto are hereby authorized to cause any number of sinking fund debentures to be made for such sums of money as may be required for the purposes aforesaid in global and definitive forms not exceeding in the whole the said sum of \$100,000,000.00 (hereinafter called the "said debentures") and the said debentures shall be sealed and signed in accordance with the provisions of the *Municipal Act*. The said debentures shall initially be issued in global fully registered form as four certificates, each in the principal amount of \$25,000,000.00, each in the name of the nominee of The Canadian Depository for Securities Limited, (hereinafter called "CDS"), being CDS & Co., with provision for payment of principal and interest by

cheque sent by post to the registered address of the registered holder or, if authorized in writing, by electronic transfer (hereinafter called the “Global Debentures”). Any of the said debentures issued in definitive form may, with Council approval, be countersigned in writing by officials so designated by Council.

3. The said debentures shall all be dated the 26th day of July, 2001 and shall be issued within two years after the day on which this By-law is passed and as to both principal and interest shall be expressed and be payable in lawful money of Canada. The said debentures shall be issued for a term of ten years bearing interest at the rate of 6.40 per cent per annum and shall be payable on the 26th day of July, 2011 and in each year during such ten year period, the sum of \$6,400,000.00 shall be payable for interest on the said debentures and the sum of \$7,950,457.00 shall be deposited by the said Treasurer, or an authorized official of the City of Toronto, in the sinking fund for the payment of the principal of the said debentures at maturity as required by the provisions of the *Municipal Act* and the *City of Toronto Act, 1997 No. 2*).
4. The said debentures shall bear interest at the rate aforesaid from the date thereof, which interest shall be payable semi-annually in arrears on January 26 and July 26 in each year commencing on January 26, 2002. Interest shall be payable to the date of maturity and on default shall be payable both before and after default and judgment. Any amounts payable by the City of Toronto as interest on overdue principal and interest in respect of the said debentures shall be paid out of current revenues.
5. In limited circumstances (as set out in the letter of representations referred to in subsection 7(1) of this By-law), the Global Debentures shall be exchangeable for debentures in definitive fully registered form in denominations of \$1,000.00 and any multiples thereof upon surrender of the Global Debentures to the Treasurer of the City of Toronto. The definitive debentures in respect of the said debentures shall aggregate the same principal amount as the principal outstanding balance of the Global Debentures which relate to the said debentures as at the date of exchange, shall bear the same interest rate and maturity date, shall bear all unmatured interest obligations and shall be the same substantially in every respect to the Global Debentures as they relate to the said debentures. In issuing definitive debentures, no change shall be made in the amount which would otherwise be payable in each year in respect of the said debentures under the Global Debentures. The definitive debentures shall be in fully registered form, payable as to principal in lawful money of Canada at any specified branch of the bank designated in the definitive debentures with provision for payment of interest by cheque sent by post to the registered addresses of the registered holders or, if authorized in writing, by electronic transfer.
6. There shall be raised in each year during the ten year period from the date of the said debentures the said sum of \$6,400,000.00 for interest on the said debentures together with the said sum of \$7,950,457.00 for deposit in the said sinking fund for the payment of the principal of the said debentures at maturity and in each such year, for the purposes described in Column 1 of Schedule “A”, the said two sums shall be levied and raised by a special rate sufficient therefor, on all the rateable property in the City of Toronto to the extent that such sums have not been provided for by any special rates imposed on persons or property made

especially liable for them by a by-law of the Council of the City of Toronto. The said sum of \$7,950,457.00 for deposit in the said sinking fund shall, in accordance with the provisions of the *Municipal Act* and sections 104 and 105 of the *City of Toronto Act, 1997 (No. 2)*, be deposited with a bank listed in Schedule I or II to the *Bank Act (Canada)* or a trust corporation that is registered under the *Loan and Trust Corporations Act*, or subject to the *Credit Unions and Caisses Populaires Act (sic)*, with a credit union as defined in that Act, and such amount shall be so deposited on or before the anniversary date in each year of the currency of the said debentures.

7. (1) The said Mayor and the Acting Treasurer are hereby authorized to complete the sale of the said debentures in accordance with the Agreement. The entering into of a letter of representations addressed to CDS is hereby authorized in such form as the Mayor and the Acting Treasurer, on the advice of the City Solicitor, may approve. The Mayor and the Acting Treasurer are hereby authorized to complete the sale of the said debentures in accordance with the terms of the Agreement and the letter of representations and generally to do all things and execute all documents and other papers in the name of the City of Toronto in order to complete the sale of the said debentures contemplated by the Agreement, the letter of representations and this By-law and the seal of the City of Toronto may be affixed to all or any of such documents and papers, including the Agreement and the letter of representations.
- (2) The proceeds of the sale or hypothecation of the said debentures, after providing for the discount, if any, and the expenses of the negotiation and sale thereof, shall be applied for the purposes described in Column 1 of Schedule "A" and for no other purpose except as permitted by the *Municipal Act* and the *City of Toronto Act, 1997 No. 2*).
8. The debentures to be issued hereunder may contain or have endorsed upon them a provision to the following effect: "This debenture, or any interest herein, shall not, after a certificate of ownership has been endorsed hereon by the Treasurer of the City of Toronto (or by such other person authorized by By-law of the City of Toronto to endorse such certificate of ownership), be transferable except by entry by the Treasurer (or by such other person so authorized), in the Debenture Registry of the City of Toronto at the City of Toronto".

ENACTED AND PASSED this 24th day of July, A.D. 2001.

CASE OOTES,
Deputy Mayor

JEFFREY A. ABRAMS,
Acting City Clerk

(Corporate Seal)

SCHEDULE “A”

1	2	3	4		5
Purpose	Amount	Term Repayment	Authorizing By-laws		Maximum Term of Years Approved by Council
	\$	Years	No.	Date	
CULTURE					
Cultural Infrastructure	2,500,000	10	2-2000	January 27, 2000	20
Development – investment in the Scarborough Art Centre and the Lakeshore Assembly Hall			3-2000	January 27, 2000	20
FIRE					
Purchase of Radio Communication System	1,900,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
HOMES FOR THE AGED					
Site Redevelopment	1,100,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
Cummer Lodge Renovation	1,700,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
PARKS AND RECREATION					
Land Acquisition	2,700,000		2-2000	January 27, 2000	20
North York City Centre			3-2000	January 27, 2000	20
Parkland Acquisition					
Major River Valley Lands –fund for land purchase					
Park Development	4,400,000	10	2-2000	January 27, 2000	20
Works to include improvements to landscaping, playgrounds, and open spaces, trails and streetscaping. Other developments include park expansion, lighting, site improvements, park upgrades and enhancements – Colonel Sam Smith Park, South District various locations and minor park improvements, Port Union – Village Common Trail connection, Expansion of Dempsey Park			3-2000	January 27, 2000	20

City of Toronto By-law No. 612-2001

1 Purpose	2 Amount \$	3 Term Repayment Years	4 Authorizing By-laws No. Date		5 Maximum Term of Years Approved by Council
Trails and Pathways Upgrade trails and pathways, better lighting, new bridge and stairs, extension to trails – Thomson Park Trail development, Rouge Park Trail development, East District Park lighting, South District various locations, Martin Goodman Trail, Mid-Humber Trail	1,500,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
Major Maintenance State of good repair to Mooredale Pool, Taylor Creek Water Crossing and Masaryk K. Cowan Office	2,000,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
Community Centres Convert, replace and construct community centres at various locations – Humber Sheppard Community Centre and Maryvale Wexford Community Centre	2,000,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
SHELTER, HOUSING AND SUPPORT					
Seaton House Renovations	2,500,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
TRANSPORTATION					
Various Construction Projects	5,000,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
Gardiner Dismantling Don Valley Parkway to Leslie St.	4,000,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20
INFORMATION TECHNOLOGY					
Electronic Service Delivery – purchase of system.	1,100,000	10	2-2000	January 27, 2000	20
			3-2000	January 27, 2000	20

City of Toronto By-law No. 612-2001

1 Purpose	2 Amount \$	3 Term Repayment Years	4 Authorizing By-laws No. Date		5 Maximum Term of Years Approved by Council
Network Upgrade	1,100,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Telecommunications Upgrade	1,000,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Data Retention Implementation – purchase of system	3,400,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
WORKS AND EMERGENCY SERVICES					
Topographical Mapping Program – purchase of system	1,400,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
TORONTO POLICE SERVICES					
51 Division Renovations	1,300,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
MDT Replacements - Mobile Data Terminal Replacement Program – purchase of system	2,700,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
TORONTO PUBLIC LIBRARY					
Eatonville Neighbourhood Library Reconstruction	900,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Leaside Neighbourhood Library Reconstruction	700,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
TORONTO TRANSIT COMMISSION					
Subway Track – State of good repair work	2,000,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Surface Track – State of good repair work	3,500,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Traction Power – various, State of good repair work	2,800,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20

City of Toronto By-law No. 612-2001

1	2	3	4		5
Purpose	Amount	Term Repayment	Authorizing By-laws		Maximum Term of Years Approved by Council
	\$	Years	No.	Date	
Bridges and Tunnels – various – State of good repair work	2,600,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Bus Garage Replacement	2,500,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Transit Control Centre - State of good repair work	2,300,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Bus Heavy Rebuild Program – 18 year program – State of good repair work	16,000,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20
Bus Heavy Rebuild Program – 12 year program – state of good repair work	13,500,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Fire Ventilation Upgrade	5,300,000	10	2-2000 3-3000	January 27, 2000 January 27, 2000	20 20
Communications- various – purchase of equipment	2,100,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
TORONTO ZOO					
Safari Lodge Acquisition	1,000,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Buildings and Visitor Services Refurbishment – restaurant and bathroom facilities	1,500,000	10	2-2000 3-2000	January 27, 2000 January 27, 2000	20 20
Total	<u>100,000,000</u>				