

Authority: Executive Committee Item 2.1,
adopted as amended, by City of Toronto Council on February 7 and 8, 2011
Enacted by Council: February 8, 2011

CITY OF TORONTO

BY-LAW No. 205-2011

To authorize agreements for the year 2011 respecting the issue of debentures to CMHC.

WHEREAS section 7 of the *City of Toronto Act, 2006* (the "Act") provides that the City has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act; and

WHEREAS subsection 8(2) of the Act provides that the City may pass by-laws respecting the financial management of the City and its local boards; and

WHEREAS, paragraph 1 of section 245 of the Act provides that, without limiting sections 7 and 8 of the Act, those sections of the Act authorize the City to undertake financial activities related to borrowing and investing money in accordance with such conditions and restrictions as may be prescribed; and

WHEREAS Ontario Regulation 610/06 (the "Regulation") provides that the City may for its purposes borrow money to obtain or provide long-term financing for any capital work by, amongst other means, issuing debentures; and

WHEREAS pursuant to City of Toronto Municipal Code Chapter 30, Debenture Committee, City Council has delegated to the Debenture Committee the authority to approve debenture issues and to enact the requisite borrowing by-laws in accordance with the terms and conditions set out in any agreement for the issuance of debentures entered into by the Mayor and the Deputy City Manager and Chief Financial Officer in accordance with Council's annual by-law delegating authority to enter into any such agreements up to an annual limit established by Council (the "Borrowing Authority By-law"); and

WHEREAS Council has not yet enacted a Borrowing Authority By-law for 2011 and intends to do so as part of its annual budget process; and

WHEREAS the City wishes to borrow and issue debentures in the amount of \$22 Million to the Canada Mortgage and Housing Corporation ("CMHC") under its Municipal Infrastructure Lending Program (the "Program"); and

WHEREAS due to the time constraints of the Program, the Mayor and the Deputy City Manager and Chief Financial Officer must enter into an agreement for the issuance of debentures to CMHC prior to City Council's consideration of its 2011 budget and its enactment of its 2011 Borrowing Authority By-law; and

WHEREAS City Council wishes to delegate to the Mayor and the Deputy City Manager and Chief Financial Officer the power to enter into an agreement, or agreements, with CMHC for the issuance of debentures in 2011 in an amount not to exceed \$22 million, and to enact an interim Borrowing By-law for 2011 to provide such authority;

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

1. The Mayor and Deputy City Manager and Chief Financial Officer are authorized to enter into an agreement or agreements with CMHC, during the year 2011 for the issue of debentures upon such terms and conditions including price or prices as they deem expedient to provide an amount not exceeding \$22,000,000.00 for the City's purposes.
2. Any agreement or agreements entered into under the authority contained in section 1 may provide that the debentures to be issued may be expressed and be payable in lawful money of Canada.
3. The Mayor and Deputy City Manager and Chief Financial Officer are authorized to apply on behalf of the City of Toronto to any regulatory body in Canada or outside Canada for any approvals required in connection with any such agreement or agreements or for the issue of debentures thereunder.
4. Where the Mayor and the Deputy City Manager and Chief Financial Officer have entered into an agreement or agreements in accordance with section 1, the Deputy City Manager and Chief Financial Officer shall report the terms of the agreement to the Debenture Committee for approval, and the Deputy City Manager and Chief Financial Officer shall report the terms of any such agreements approved by the Debenture Committee to City Council for information once every calendar year for Council's information.

ENACTED AND PASSED this 8th day of February, A.D. 2011.

FRANCES NUNZIATA,
Speaker

ULLI S. WATKISS
City Clerk

(Corporate Seal)