

## Attachment #2

**Ministry of  
Municipal Affairs**

**Ministère des  
Affaires municipales**



Intergovernmental Relations &  
Partnerships Branch  
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May 8, 2018

Julia Langer  
Chief Executive Officer, Toronto Atmospheric Fund  
75 Elizabeth Street  
Toronto, ON M5G 1P4

### **Re: Consent to Pledge a Portion of the Provincial Endowment as Security**

Thank you for your letter dated April 2, 2018. Staff at the Ministry of Municipal Affairs (Ministry) have reviewed your request to pledge a portion of the provincial endowment (Funds) as security for a loan from the Federation of Canadian Municipalities Green Municipal Fund (the FCM loan).

In accordance with section 3.5 of schedule "C" of the Ontario transfer payment agreement (TPA), effective as of October 30, 2016 between the Province of Ontario, represented by the Ministry and Toronto Atmospheric Fund (TAF) and the City of Toronto, the Ministry hereby grants consent to TAF to pledge the Funds as security for a loan, subject to the following conditions and requirements:

1. The Funds are pledged as security for the \$5 million FCM loan identified in the above noted letter, and for no other purpose;
2. The maximum amount that can be pledged as security for the FCM loan is the lesser of \$1.9 million and the amount calculated based on the updated the proportionality ratio as set out in section 4.6 of schedule "C" of the TPA at the time of the loan disbursement;
3. TAF obtains consent from the City of Toronto's Council to pledge the remaining balance of the security for the FCM loan from the City of Toronto's endowment fund;
4. TAF reduces the amount of Funds pledged as security for its existing line of credit; and

5. TAF to include as part of the Quarterly Reports and Annual Report the status of the line of credit and the FCM loan including (but not limited to):
- Uptake and use of the line of credit; and
  - Updates on loan repayment, including timing, repayment schedules, etc. (as applicable).

Should you have any questions, please do not hesitate to contact me at 416-585-6047.

Thank you for your ongoing commitment and partnership to reducing carbon emissions and air pollution throughout the Greater Toronto and Hamilton Area.

Sincerely,

  
Diane McArthur-Rodgers  
Director