

# FCM Loan and Grant Agreement Resolutions

**Date:** November 6, 2024  
**To:** Board of Directors of the Toronto Atmospheric Fund  
**From:** Chief Executive Officer

## SUMMARY

---

TAF secured a loan and grant from the Federation of Canadian Municipalities Green Municipal Fund which will be used to support the retrofit of building(s) described in Item TA8.19 – Direct Investment Request Update: 2020.A, on the November 21, 2024 Board Agenda. A combined loan and grant agreement was signed August 22, 2018, and subsequently amended July 2021 and April 2024. The proposed Resolution ratifies, approves, confirms and authorizes the execution and delivery of the Agreement and its current and any subsequent amendments by the designated signatory/ies.

## RECOMMENDATIONS

---

The Chief Executive Officer recommends that the Board of Directors of the Toronto Atmospheric Fund approve the Resolutions of the Directors as presented in Attachment 1.

## FINANCIAL IMPACT

---

There is no financial impact resulting from the adoption of the recommendations in this report.

## DECISION HISTORY

---

On April 30, 2018, TAF's Board of Directors:

- Authorized borrowing from the Federation of Canadian Municipalities and pledging Toronto Atmospheric Fund assets as security in compliance with Toronto Atmospheric Fund's By-Law Number 1, Section 12.
- Requested, via the City Manager's Office, City Council approval to receive a loan of up to \$5 million and grant of up to \$750,000 from the Federation of Canadian Municipalities, and to pledge Toronto Atmospheric Fund assets - including the City and Ontario Funds - as security for the loan.
- Directed staff to take the necessary steps to finalize the terms and conditions of the Federation of Canadian Municipalities financing, including securing consent

from the Province of Ontario, securing City Council approval, negotiating final terms and conditions to the satisfaction of a subcommittee of Toronto Atmospheric Fund's Investment Committee, Toronto Atmospheric Fund's Solicitor, the City, the Province, and any other governance requirements. (<https://secure.toronto.ca/council/agenda-item.do?item=2018.TA20.4>)

In a letter dated May 8, 2018, the Ministry of Municipal Affairs provided TAF consent to pledge a portion of the provincial endowment as a security.  
(<https://www.toronto.ca/legdocs/mmis/2018/ex/bgrd/backgroundfile-116158.pdf>)

On June 26, 27, 28 and 29, 2018, City Council authorized the Toronto Atmospheric Fund to borrow up to \$5 million from the Federation of Canadian Municipalities for the purpose of financing eligible capital costs associated with the construction of the next phase of the Tower-wise project building retrofits, and authorized the Toronto Atmospheric Fund to enter into a secured loan agreement with the Federation of Canadian Municipalities by way of the pledge of a portion of the City and Provincial endowments of the Toronto Atmospheric Fund, subject to conditions.  
(<https://secure.toronto.ca/council/agenda-item.do?item=2018.EX35.19>)

## COMMENTS

---

TAF secured a loan of up to \$5 million and a grant of up to \$750,000 in 2018 from Federation of Canadian Municipalities (FCM) Green Municipal Fund for the purpose of financing deep retrofits. The dates of the original and amending loan and grant agreements are presented above. As presented in detail in Item TA8.19, TAF and the project recipient entered into agreements for the co-financing of a retrofit project on February 9, 2023. The Integrated Project Design process has been completed and the retrofit work initiated, with initial funding provided by TCHC. TAF's portion of the financing is required shortly, therefore all the legal requirements are being put in place to make the first draw, including this Resolution and the authority to borrow in the By-Law (Item TA8.1).

TAF's Solicitor has reviewed all the documentation related to the loan and grant agreement and the amendments and has prepared the attached Resolution which:

- ratifies, approves, confirms, authorizes and adopts the agreement, the two amending agreements and any additional amendments (collectively the Agreements)
- ratifies, approves, confirms and authorizes execution and delivery of the Agreements prior to the passing of this resolution by any of the signatory/ies or officers or directors of TAF, including those named, and makes each document executed a valid, binding and enforceable obligation of TAF notwithstanding any change of the persons holding such office or directorship between the time of the actual signing and the time of delivery of any document to FCM;

- ratifies, approves, confirms and authorizes all actions taken by TAF to date and prior to the passing of this resolution;
- authorizes and directs TAF to borrow the funds, obtain the grant and fulfill the obligations set out in the terms and conditions of the Agreements
- authorizes TAF to enter into all additional amendments required to fulfill the agreements and obligations including a Security Agreement between TAF and FCM; Portfolio Monitoring and Securities Control Agreement between TAF, FCM and TD Asset Management or another securities intermediary; Pari Passu Agreement between TAF, FCM and TD Bank; and such other security agreements, instruments, undertakings, directions and other agreements and documents as required under the Agreement;
- authorizes and directs each signing authority to act on behalf of TAF; and
- affirms electronically signed documents as original instruments.

## **CONTACT**

---

Julia Langer, Chief Executive Officer, [jlanger@taf.ca](mailto:jlanger@taf.ca)

## **SIGNATURE**

---

Julia Langer  
Chief Executive Officer

## **ATTACHMENTS**

---

1. Resolutions of the Directors