

THE CITY OF VAUGHAN

BY-LAW

BY-LAW NUMBER 131-2023

A by-law to (1) authorize certain capital works of the Corporation of the City of Vaughan (the “City”); (2) to authorize the submission of an application to the Ontario Infrastructure and Lands Corporation (“OILC”) for financing such works and certain other ongoing works; (3) to authorize temporary borrowing from OILC to meet expenditures made in connection with such works; and (4) to authorize long term borrowing for such works through the issue of debentures by the Regional Municipality of York (the “Region”) to OILC.

WHEREAS the Municipal Act, 2001 (Ontario), as amended, (the “Act”) provides that a municipal power shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

AND WHEREAS it is now deemed to be expedient to authorize for the municipal purposes of the City the new capital works described in column (1) of Schedule “A” (individually a “Project”, collectively the “Projects”) attached hereto and forming part of this By-law (“Schedule “A”) in the amounts set out in column (2) of Schedule “A”, subject in each case to approval by OILC of the financing for such Projects that will be requested by the City in the Application as hereinafter described;

AND WHEREAS before the Council of the City (“Council”) approved each Project, in accordance with section 4 of Ontario Regulation 403/02, Council had its Treasurer update its most recent annual debt and financial obligation limit received from the Ministry of Municipal Affairs and Housing (as so updated, the “Prior Updated Limit”), and, on the basis of the authorized expenditure for each Project as set out in column (2) of Schedule “A” the Treasurer determined that the estimated annual amount payable in respect of each Project does not exceed the Prior Updated Limit, and accordingly the approval of the Ontario Municipal Board under the Ontario Municipal Board Act (Ontario), as amended, was not required before authorization of the Projects by Council;

AND WHEREAS subsection 405(1) of the Act provides that a municipality may authorize temporary borrowing to meet expenditures made in connection with a work to be financed in whole or in part by the issue of debentures if,

- (a) the municipality is an upper-tier municipality, a lower-tier municipality in a

county or a single-tier municipality and it has approved the issue of debentures for the work;

- (b) the municipality is a lower-tier municipality in a regional municipality and it has approved the work and the upper-tier municipality has approved the issue of debentures for the work; or
- (c) the municipality has approved the issue of debentures for another municipality or a school board under section 404;

AND WHEREAS subsection 403(1) of the Act provides that a by-law of an upper-tier municipality authorizing the issuing of debentures for the purposes or joint purposes of one or more of its lower-tier municipalities may require those lower-tier municipalities to make payments in each year to the upper-tier municipality in the amounts and on the dates specified in the by-law;

AND WHEREAS subsection 401(1) of the Act provides that a municipality may incur a debt for municipal purposes, whether by borrowing money or in any other way, and may issue debentures and prescribed financial instruments and enter prescribed financial agreements for or in relation to the debt;

AND WHEREAS subsection 401(3) of the Act provides that a lower-tier municipality in a regional municipality does not have the power to issue debentures and accordingly the City intends that the Region will issue debentures in respect of the Projects and will request that the upper-tier Municipality do so;

AND WHEREAS the Act also provides that a municipality shall authorize long term borrowing by the issue of debentures or through another municipality under section 403 or 404 of the Act and subsection 403(7) of the Act provides that all debentures issued under a by-law passed by an upper-tier municipality under section 403 are direct, joint and several obligations of the upper-tier municipality and its lower-tier municipalities;

AND WHEREAS OILC has invited Ontario municipalities desirous of obtaining temporary and long term debt financing in order to meet capital expenditures incurred in connection with eligible capital projects to make application to OILC for such financing by completing and submitting an application in the form provided by OILC (the “**Application**”);

AND WHEREAS the City requested the Region to issue debentures for the Projects and in this connection the Region and the City submitted an application (hereinafter the

“Application”) to OILC to request financing in order to meet capital expenditures incurred in connection with the Projects (the “Project Expenditures”) by way of long term borrowing pursuant to section 403 of the Act through the issue of debentures to OILC and by way of temporary borrowing pursuant to section 405 of the Act;

AND WHEREAS OILC has accepted and has approved such Application;

AND WHEREAS the Region has agreed to issue debentures for the Projects to OILC in the maximum aggregate principal amount of \$9,056,000 (the “Debentures”); and OILC has indicated that pending the issue of the Debentures it will provide financing by way of temporary advances to the City in respect of the Projects;

AND WHEREAS the City will enter into a financing agreement with OILC pursuant to the terms of which OILC will provide temporary advances to the City in respect of the Projects;

NOW THEREFORE the Council of The Corporation of the City of Vaughan ENACTS AS FOLLOWS:

1. Council hereby confirms, ratifies and approves the completion and submission of the Application to OILC, in cooperation with the Region, for the financing of the Projects by way of temporary borrowing from OILC, pending the issue of Debentures, in the maximum aggregate principal amount of \$45,489,000 substantially in the form of Schedule “A” to this By-law, with such changes as may be approved by the Treasurer.
2. The Clerk and/or the Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the City a financing agreement (a “Financing Agreement”) with OILC that provides for temporary borrowing from OILC in respect of the Projects on such terms and conditions as the Clerk and Treasurer may approve, execution and delivery to be conclusive evidence of such approval.
3. The Clerk and/or the Treasurer are hereby authorized, pending the substantial completion of a Project or as otherwise agreed with OILC, to make temporary borrowings pursuant to section 405 of the Act in respect of such Project, on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as they may agree, and to sign such evidence of indebtedness (a “Note”) and certifications as OILC may require in connection with such borrowings; provided that the amount of borrowings allocated to any Project does not exceed

either the Authorized Expenditure, or the loan amount set out in column (5) of Schedule "A", in respect of such Project .

4. In accordance with the provisions of section 25 of the Ontario Infrastructure and Lands Corporation Act, 2011 (Ontario), as security for the payment by the City of any indebtedness of the City to OILC incurred under the Note, and as security for the payment by the City of any indebtedness of the City to the Region in respect of Debentures issued for any Projects, the City is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the City amounts not exceeding the amounts that the City fails to pay to OILC or to the Region regarding any outstanding indebtedness as set out in this section and to pay such amounts to OILC from the Consolidated Revenue Fund.
5. For the purposes of meeting the obligations of the City in respect of the Note and any Debentures issued by the Region to OILC for any Projects, the City shall provide for raising in each year as part of the general lower-tier levy the amounts of principal and interest payable in each year under the Note or any such Debentures, to the extent that the amounts have not been provided for by any other available source including other taxes or fees or charges imposed on persons or property by a by-law of any municipality.
6. The Clerk and/or the Treasurer are hereby authorized to execute and deliver the Note, the Clerk and/or the Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement, the Clerk and/or the Treasurer are hereby severally authorized to generally do all things and to execute all other documents and papers in the name of the City in order to perform the obligations of the City under the Financing Agreement and the Note, and the Clerk is authorized to affix the City's municipal seal to any such documents and papers.
7. The proceeds realized in respect of the Note after providing for the expenses related to its execution and delivery, if any, shall be apportioned and applied to the respective Projects and to no other purpose except as permitted by the Act.
8. This By-law takes effect on the day of passing.

Voted in favour by City of Vaughan Council this 26th day of September, 2023.

Steven Del Duca, Mayor

Todd Coles, City Clerk

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Authorized by Item No. 3 of Report No. 28 of the Committee of the Whole
Adopted by Vaughan City Council on June 20, 2023.
City Council voted in favour of this by-law on September 26, 2023.
Approved by Mayoral Decision MDC 003-2023 dated September 26, 2023.
Effective Date of By-Law: September 26, 2023

Schedule "A"
By-law Number 131-2023
The Corporation of the City of Vaughan
2023 Debenture Requirement

Project Number & Description	Total Project Budget	Total Budget (Debtur Financing)	Actual Expenses as of Dec 31, 2022)	Total Received from Prior Year Debtur Issues	Debtur Funding Required
BF-8388-12 CivicCentre-Demo/Parking/Drai	2,069,300	2,069,300	1,234,118	0	1,234,118
BF-8657-21 Garnet Williams CC - Rink Con	1,444,179	1,246,300	453,211	0	391,113
BF-8671-18 Energy Retrofits - City Facil	1,545,000	1,545,000	536,156	0	536,156
CD-2001-16 2018 Road Rehabilitation	6,839,816	1,762,515	6,839,999	0	1,762,562
CD-2015-15 2016 Road Rehabilitation	9,193,069	2,648,703	8,554,489	0	2,464,716
CD-2018-15 2017 Road Rehabilitation	5,654,467	3,441,580	5,654,767	0	3,441,763
CD-2026-17 2019 Road Rehabilitation/ Rec	15,655,400	10,101,282	15,593,214	0	10,061,158
DE-7175-17 VMC Edgeley Pond Construction	27,896,092	11,049,544	2,233,314	0	884,608
DE-7176-17 Black Creek Channel Renewal D	17,852,424	1,568,947	1,974,201	0	173,501
EN-1886-12 Bridge Rehab-Humber Bridge Tr	2,166,801	151,943	2,169,301	0	152,118
EN-1888-13 Bridge Rehabilitation-Glen Sh	1,985,444	154,500	1,920,587	0	149,453
EN-1889-13 Bridge Replacement/Rehab.	231,725	133,378	231,725	0	133,378
EV-2117-17 Methane Station Rehabilitatio	1,231,880	1,231,880	1,135,630	0	1,135,630
ID-2033-17 Utility Relocations for City	1,133,000	1,133,000	420,686	0	420,686
ID-2045-17 Garnet A. Williams Consultant	18,986,857	13,216,857	12,678,327	0	8,825,454
ID-2047-18 2020 Road Rehabilitation/ Rec	8,203,727	1,381,127	6,802,331	0	1,145,197
ID-2059-18 Dufferin Works Yard Improveme	11,804,197	5,441,830	1,158,985	0	534,301
ID-2060-19 2021 Road Rehabilitation/ Rec	13,328,562	3,248,034	3,576,198	0	871,483
ID-2081-21 Road Reconstruction, Watermai	1,776,132	639,524	542,305	0	195,265
ID-2097-20 Road Reconstruction, Watermai	10,532,599	4,042,544	3,386,340	0	1,299,720
ID-2101-20 City Hall Entrance/ Intersect	6,628,050	6,628,050	3,711,455	0	3,711,455
PK-6604-20 York Hill District Park Redev	4,975,670	2,885,633	732,657	0	424,903
RP-1972-17 Public Works and Parks Operati	16,209,557	6,090,951	14,743,903	0	5,540,213
TOTAL	205,320,278	96,962,508	113,840,229	0	45,488,951

Rounded: 45,489,000

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