



**DATE:** September 21, 2023

**TO:** Mayor and Members of Council

**FROM:** Michael Coroneos, Deputy City Manager, Corporate Services,  
City Treasurer and Chief Financial Officer

**RE: COMMUNICATION – Council Meeting September 26, 2023**

**By-Law Number:131-2023**  
**2023 ISSUANCE OF DEBENTURES**  
**(Committee of the Whole (2) - June 6, 2023 - Item 3, Report No. 28)**

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## 1. Purpose

The purpose of this communication is to inform Council of the enactment of a By-law to authorize actions necessary to execute the issuance of debentures for financing capital projects. The attached By-law is subsequent to the 2023 Issuance of Debentures report prepared by Corporate Services to the Committee of the Whole ([Extract from Meeting on June 6, 2022 Item 3, Report No. 1](#)) and adopted by Council on June 20, 2023.

## 2. Analysis

The By-law authorizes the submission of an application to the Ontario Infrastructure and Lands Corporation (“OILC”) for financing ongoing capital projects; authorizes temporary borrowing from OILC to meet expenditures made in connection with such works; and authorizes long-term borrowing for such works through the issue of debentures by the Regional Municipality of York to OILC.

Within the By-law, Council enacts as follows:

1. Confirmation, approval and submission of the completed Application by the Treasurer to OILC, in cooperation with the Regional Municipality of York, for the financing of the capital projects by way of temporary borrowing from OILC, pending the issue of Debentures, in the maximum aggregate principal amount of \$45,489,000.
2. Authorization for the City Clerk and/or the Treasurer to negotiate and enter into, execute and deliver for and on behalf of the City of Vaughan, a Financing Agreement with OILC that provides for temporary borrowing from OILC in respect of the Projects on such terms and conditions as such authorized officials may approve.
3. Authorization for the City Clerk and/or the Treasurer, pending the substantial completion of projects or as otherwise agreed with OILC, to make temporary borrowings pursuant to section 405 of the Act in respect of capital projects, on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree.

4. Authorization for the City of Vaughan 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 on account of the outstanding indebtedness evidenced by the Note issued by the City to OILC, and on account of the outstanding indebtedness evidenced by Debentures issued by the Regional Municipality of York to OILC for any projects, and to pay such amounts to OILC from the Consolidated Revenue Fund.
5. The City of Vaughan shall provide for raising in each year as part of the general 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. Authorization for the City Clerk and/or the Treasurer to take all actions required and execute all other documents and papers in the name of the City of Vaughan to perform the obligations under the Financing Agreement and the Note, and as permitted by the Act.

### **3. Conclusion**

The costs associated with the debenture issuance, both principal and interest will be incorporated into the 2024-2026 Financial Plan. The actual annual repayment amount, which is dependent on the interest rate available at the time of the debenture issuance will be included in the 2024 Budget submission for Council consideration and approval (expected in December 2023).

For more information, contact:

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Analysis, ext. 8029

### **Approved by**



Michael Coroneos, Deputy City  
Manager Corporate Services, City  
Treasurer and Chief Financial Officer