THE REGIONAL MUNICIPALITY OF YORK

BILL NO. 82

BY-LAW NO. B-0040-2003-081

A by-law to authorize certain capital works of The Regional Municipality of York (the "Regional Corporation") to authorize submitting an application to the Ontario Municipal Economic Infrastructure Financing Authority ("OMEIFA") for financing such capital works; to authorize temporary borrowing to meet expenditures in connection with such works; and to authorize long term borrowing for such works through the issue of debentures

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 Regional Corporation the new capital works described in column (2) of Schedule "A" (the "Projects") attached hereto and forming part of this By-law ("Schedule "A") in the amount of the respective estimated expenditure set out in column (3) of Schedule "A", subject in each case to approval by OMEIFA of the financing for such Projects that will be requested by the Regional Corporation in the Application as hereinafter described;

AND WHEREAS in accordance with section 4 of Ontario Regulation 403/02, the Regional Council has 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 "Updated Limit"), and, on the basis of the authorized expenditure for the Projects as set out in column (3) of Schedule "A" ("Authorized Expenditure"), the Treasurer has calculated the estimated annual amount payable in respect of the Projects (the "Project Limits") and has determined that the aggregate of the Project Limits would not exceed the Updated Limit, and accordingly the approval of the Ontario Municipal Board under the *Ontario Municipal Board Act* (Ontario), as amended, is not required before the Projects are authorized by Council;

AND WHEREAS subsection 405(1) of the Act provides that an upper-tier 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 it has approved the issue of debentures for the work.

AND WHEREAS subsection 405(4) of the Act provides that a municipality may delegate the power set out in subsection 405(1) to the head of council, to the treasurer, or to both of them;

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 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 WHEREAS OMEIFA has invited Ontario municipalities desirous of obtaining temporary and long term debt financing in order to meet capital expenditures incurred after December 31, 2002 in connection with eligible capital projects to make application to OMEIFA for such financing by completing and submitting an application on the form provided by OMEIFA (the "Application");

AND WHEREAS it is now deemed expedient for the Regional Corporation to submit an Application to OMEIFA to request financing for the Projects by way of long term borrowing through the issue of debentures to OMEIFA and by way of temporary borrowing from OMEIFA pending the issue of such debentures and to approve the Projects;

NOW THEREFORE, the Council of The Regional Municipality of York HEREBY ENACTS as follows:

1. The Treasurer is hereby authorized to complete or cause to be completed and submit or cause to be submitted to OMEIFA an Application by the Regional Corporation for the financing of the Projects in the maximum aggregate principal amount of $50,000,000, the submission of such Application to be conclusive evidence of such approval.

2. The acceptance of the Application by OMEIFA and the approval by OMEIFA in such Application of the financing requested therein in respect of the Eligible Category (as such term is used in the Application) to which the Projects belong will be hereinafter referred to as "OMEIFA Approval".

3. Subject to and conditional upon OMEIFA approval:

   (a) work in respect of the Projects in the amount of the respective estimated Authorized Expenditure set out in column (3) of Schedule "A" is hereby approved and authorized;

   (b) any one or more of the Chair and the Treasurer are hereby authorized to conclude contracts on behalf of the Regional Corporation for work in respect of the Projects in accordance with the Regional Corporation's usual protocol;

   (c) where applicable, the Regional Corporation's Commissioner of Transportation and Works (the "Commissioner") will forthwith make such plans, profiles and specifications and furnish such information as in the opinion of the Commissioner is necessary for work in respect of the Projects; and

   (d) where applicable, work in respect of the Projects shall be carried on and executed under the superintendence and according to the direction and orders of such Commissioner.

4. Upon approval of the Application by OMEIFA, the Chair and the Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Regional Corporation a financing agreement (a "Financing Agreement") with OMEIFA that provides

for temporary and long term borrowing from OMEIFA in respect of the Projects on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.

5. Subject to and conditional upon OMEIFA Approval, any one or more of the Chair and the Treasurer are hereby authorized, pending the substantial completion of the Projects or as otherwise agreed with OMEIFA, to make temporary borrowings pursuant to section 405 of the Act in respect of the Projects, on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree, and to sign such evidence of indebtedness as OMEIFA may require (a "Note"); and the Treasurer is authorized to sign such certifications as OMEIFA may require in connection with such borrowings in respect of a Project; provided that the amount of borrowings allocated to any Project does not exceed the Authorized Expenditure for such Project.

6. Subject to and conditional upon OMEIFA Approval, and subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OMEIFA may otherwise require, the Chair and the Treasurer are hereby authorized to enter into long term borrowing in respect of the Projects and to issue debentures to OMEIFA on the terms and conditions provided in the Financing Agreement and on such other terms and conditions as such authorized officials may agree ("Debentures"); provided that the principal amount of such Debentures issued in respect of a Project does not exceed the Authorized Expenditure for such Project.

7. In accordance with the provisions of section 18 of the *Ontario Municipal Economic Infrastructure Financing Act, 2002* (Ontario), as security for the payment by the Regional Corporation of any indebtedness of the Regional Corporation to OMEIFA incurred under the Note or any Debentures, the Regional Corporation is hereby authorized to agree in writing with OMEIFA that the Minister of Finance is entitled to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Regional Corporation, or from money appropriated by the Assembly for payment to the Regional Corporation in respect of specified matters, amounts not exceeding the amounts that the Regional Corporation fails to pay to OMEIFA on account of the outstanding indebtedness evidenced by the Note or any Debentures issued by the Regional Corporation to OMEIFA, and to pay such amounts to OMEIFA.

8. Subject to and conditional upon OMEIFA Approval, for purposes of meeting the obligations of the Regional Corporation in respect of the Note and any Debentures, the Regional Corporation 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 and any outstanding Debenture, 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.

9. (a) Subject to and conditional upon OMEIFA Approval, any one or more of the Chair and the Treasurer are hereby authorized to execute and deliver the Note, the Chair and the Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement and to cause Debentures to be issued, the Clerk and Treasurer are severally hereby authorized to generally do all things and to execute all other documents and papers in the name of the Regional Corporation in order to perform the obligations of the Regional Corporation under the Financing Agreement and to

carry out the issuance of the Note and Debentures, and the Treasurer is authorized to affix the Regional Corporation's municipal seal to any such documents and papers.

(b) The proceeds realized in respect of the Note and Debentures, after providing for the expenses related to their issue, if any, shall be applied for the respective Projects and for no other purpose except as permitted by the Act.

10. Schedule "A" shall form part of this By-law.

11. This By-law takes effect on the day of passing.

ENACTED AND PASSED this 18th day of September, 2003.

Regional Clerk	Regional Chair

Schedule “A”to By-Law No. B-0040-2003-081

(1) Project Number	(2) Description of Capital Work	(3) Estimated Expenditure
77300	Construction of a water feedermain pipeline from Beckett Sproule Reservoir in the Region of Peel to the Maple Reservoir in the Region of York	$84,439,000
80830	Transit Rolling Stock - conventional buses replacement	$13,429,151
82100	Transit Rolling Stock - conventional buses expansion - cross boundary routes	$14,235,000
82110	Transit Rolling Stock - conventional buses expansion - internal routes	$7,938,000
82120	Transit Rolling Stock - specialized buses expansion	$1,991,000