



BY-LAW NUMBER 2014-

A By-law of The Corporation of the City of Barrie to authorize the submission of an Application to the Ontario Infrastructure and Lands Corporation ("OILC") for financing certain ongoing capital works of the City of Barrie (the "municipality"); and to authorize long term borrowing for such works through the issue of debentures 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 the Council of the Municipality has passed the by-laws enumerated in column (1) of Schedule "A" attached hereto and forming part of this By-law ("**Schedule "A"**") authorizing the capital works described in column (2) of Schedule "A" (individually a "**Project**", collectively the "**Projects**") in the amount of the respective estimated expenditure set out in column (3) of Schedule "A";

AND WHEREAS before the Council of the Municipality approved each Project in accordance with section 4 of Ontario Regulation 403/02, the Council of the Municipality 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 each Project as set out in column (3) of Schedule "A" ("**Authorized Expenditure**"), the Treasurer calculated the estimated annual amount payable in respect of each Project and determined that the estimated annual amount payable in respect of each Project does not exceed the Updated Limit, and accordingly the approval of the Ontario Municipal Board under the *Ontario Municipal Board Act* (Ontario), as amended, was not required before any such Project was authorized by Council;

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 OILC has invited Ontario municipalities desirous of obtaining long term debt financing in order to meet capital expenditures incurred after December 31, 2003 in connection with eligible capital projects to make application to OILC for such financing by completing and submitting an application on the form provided by OILC (the "**Application**");

AND WHEREAS the Municipality has submitted an Application to OILC to request financing in order to meet capital expenditures incurred in connection with the Projects after December 31, 2003 (the "Post 2003 Expenditures") by way of long term borrowing through the issue of debentures to OILC;

AND WHEREAS OILC has accepted and has approved the municipality's Application;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF BARRIE ENACTS AS FOLLOWS:

1. **THAT** the Council of the Municipality hereby confirms, ratifies and approves the completion by the Director of Finance/Deputy Treasurer of an Application and the submission by such authorized official of an Application, duly executed by such authorized official, to OILC for the financing of Post 2003 Expenditures for the Projects in the maximum aggregate principal amount of \$11,867,987 substantially in the form of Schedule "B" hereto and forming part of this By-law, with such changes thereon as such authorized official approved.
2. **THAT** the Mayor and the Director of Finance/Deputy Treasurer are hereby authorized to negotiate and enter into, execute and deliver for and on behalf of the Municipality a financing agreement (a "**Financing Agreement**") with OILC that provides for long term borrowing from OILC in respect of Post 2003 Expenditures for the Projects on such terms and conditions as such authorized officials may approve, such execution and delivery to be conclusive evidence of such approval.
3. **THAT** subject to the terms and conditions of the Financing Agreement and such other terms and conditions as OILC may otherwise require, the Mayor and the Director of Finance/Deputy Treasurer are hereby authorized to enter into long term borrowing in respect of the Projects and to issue debentures to OILC 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 and does not exceed the loan amount set out in column (4) of Schedule "A" in respect of such Project.

4. **THAT** in accordance with the provisions of Section 25 of the *Ontario Infrastructure and Lands Corporation Act, 2011*, as amended from time to time hereafter, as security for the payment by the Municipality of the indebtedness of the Municipality to OILC under the Debentures (the "Obligations"), the Municipality is hereby authorized to agree in writing with OILC that the Minister of Finance is entitled, without notice to the Municipality, to deduct from money appropriated by the Legislative Assembly of Ontario for payment to the Municipality, amounts not exceeding the amounts that the Municipality fails to pay OILC on account of the Obligations and to pay such amounts to OILC from the Consolidated Revenue Fund.
5. **THAT** for purposes of meeting the obligations of the Municipality in respect of any Debentures, the Municipality shall provide for raising in each year as part of the general levy, the amounts of principal and interest payable in each year under any outstanding Debenture, to the extent that such 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. (a) **THAT** the Mayor and the Director of Finance/Deputy Treasurer are hereby authorized to enter into, execute and deliver the Financing Agreement and to cause Debentures to be issued, the Clerk and Director of Finance/Deputy Treasurer are severally hereby authorized to generally do all things and to execute all other documents and papers in the name of the Municipality in order to perform the obligations of the Municipality under the Financing Agreement and to carry out the issuance of Debentures and the Treasurer is authorized to affix the Municipality's municipal seal to any such documents and papers.

(b) **THAT** the proceeds realized in respect of the Debentures, after providing for the expenses related to their issue, if any, shall be apportioned and applied for the respective Projects and for no other purpose except as permitted by the Act.
7. **THAT** this By-law shall come into force and effect immediately upon the final passing thereof.

READ a first and second time this 16th day of June, 2014.

READ a third time and finally passed this 16th day of June, 2014.

THE CORPORATION OF THE CITY OF BARRIE

MAYOR – J. R. LEHMAN

CITY CLERK – DAWN A. MCALPINE

**Schedule "A"
to By-Law Number 2014-**

(1) <u>By-Law Number</u>	(2) <u>Description of Capital Work</u>	(3) <u>Estimated Expenditure</u>	(4) <u>Loan Amount</u>
2013-178	Allandale Train Station	\$5,212,292	\$3,916,684
2010-144	Police – 35 Sperling	\$513,081	\$313,667
2013-178	Pine Drive Ph 1 - 3	\$9,055,429	\$7,637,636
Total		\$14,780,802	\$11,867,987

**Schedule "B"
to By-Law Number 2014-**

OILC Application

**ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION**

Application ID: 14027 **Program Year:** 2014/2015
Application Submit Date: Jun-05-2014

A. GENERAL INFORMATION - Borrowing Municipality

Name: The City of Barrie **ID:** 43042
Address: 70 Collier Street **City:** Barrie
Postal Code: L4M 4T5
Name of Treasurer(or equivalent): Debbie McKinnon **Title:** Director of Finance
Telephone Number: 705-739-4220 x5130 **Fax No.:** 705-739-4237
Email: debbie.mckinnon@barrie.ca

B. CONTACT INFORMATION

Questions regarding the information contained in the application form should be addressed to:

Name: Michael Jerney **Title:** Deputy Treasurer
Telephone: 739-4232 ext. 4407 **Fax No.:** 705-739-4237
Email: Michael.Jerney@barrie.ca

C. PROJECT SUMMARY INFORMATION

<u>No.</u>	<u>Project Name</u>	<u>Category</u>	<u>Type</u>	<u>Loan Amount</u>
1	2014 Debenture Issue	Municipal Other Infrastructure	Others	\$11,867,987.00
Total Loan Amount				\$11,867,987.00

**ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION**

Project Details - Municipal Other Infrastructure

Project Name 2014 Debenture Issue
Category Municipal Other Infrastructure
Construction Start Date Sep-01-2009
Construction End Date Jun-03-2013

Please indicate the type of infrastructure project. Please select only one.

- Fire
- Police
- Ambulance
- Administration
- Others

Variety of Projects detailed below

Please indicate below if any aspect of the project pertains to:

Energy Conservation: Yes No

The Municipal Eco Challenge Fund (MECF) is a three year, \$20 million grant and \$200 million loan initiative to help municipalities reduce Green House Gas (GHG) emissions from their infrastructure.

Please indicate whether the loan is for a project that will reduce energy consumption or GHG emissions from a municipally-owned facility (building, arena, etc.).

Yes No

Is this project also being considered for an MECF grant?

Yes No

Please provide :

An estimate of the reduction in energy consumption or GHG emissions as a result of the project.

or

A short description of the energy conservation benefits.

Address of the project:

Various locations throughout
Barrie

**ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION**

Type of work (e.g. new construction, renovation of existing facilities, redevelopment, deferred maintenance, etc.):

renovation and new construction

Description of the project:

2014 DEBENTURE PROJECTS:

1. Allandale Train Station - Renovation of exterior and interior to Base Building for a Heritage Building. Debenture - \$3,916,684
 2. Police Building 35 Sperling Drive - Land acquisition for Police parking - Debenture - \$313,667
 3. Pine Drive Ph 1 to 3 - Urbanization of the Pine Drive area including replacement of road structure with new storm sewer, curb, gutter and sidewalk. Debenture - \$7,637,636
- TOTAL DEBENTURE REQUIRED \$11,867,987**

Additional comments:

Full details of above projects will be provided separately.

What is the life span of the project in years? (i.e. the physical asset)

50

Please identify your Ministry contact (if applicable)

Ministry:

Contact Name:

Contact Phone:

**ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION**

D. DEBT AND REPAYMENT SUMMARY

Financial Information Returns (FIR)

Please be aware that OILC will be unable to complete the processing of your application until you have filed your most current FIR with the Ministry of Municipal Affairs and Housing. If you have not filed your FIR, you should submit your application to OILC and send your FIR to MMAH as soon as possible.

ARL

Please provide a copy of the Borrower's most recent ARL issued by MMAH.

Existing Borrowing:

Please provide the following details on the existing debt, including capital leases and unsecured debt.

Loan #	Loan Purpose	Initial Amount Borrowed	Amount Outstanding as per Most Recent Audited Financials	Annual Interest Rate (%)	Date Borrowed (mm/dd/yy)	Maturity Year	Summary of Existing Pledges, Conditions, Covenants	Payment Type	Periodic Amount Payable	Payment Frequency
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Please elaborate on re-financing plans and options for any existing "interest only" debt, if applicable

Please see latest FIR for details of all existing debt with IO. Draft Audited Financial Statements for 2013 will be provided. 2014 ARL will also be provided.

Existing Encumbrances:

Does the Borrower have any existing liens, pledges and any other encumbrances on existing assets?

Yes No

If yes, please provide details:

**ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION**

OILC Loan Repayment Information

Please indicate the source(s) of revenue you plan to use to repay the OILC Loan.

Contribution to OILC Loan Payments (%)

Source

Taxation	100.00
User Fees	
Service Charges	
Development Charges	
Connection Fees	
Subsidies	
Other	
Total	100.00

Description of Other Source

Audited Financial Statements

A copy of the most recent audited financial statements must be attached with this loan application.

**ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION**

E. LITIGATION

Is there any litigation threatened or existing which would affect any projects or substantially impair the Borrower's ability to pay debt service costs on its general obligation indebtedness? Please indicate Yes or No.

Yes No

Please complete the Certificate of Litigation template found under the Forms menu.

F. NON-REPAYMENT OF LOANS OR DEBENTURES

In the last 10 years has the Borrower ever failed to make a loan or debenture repayment on time to any lender, including to the Provincial Government?

Yes No

If yes, please provide details. If necessary, attach details.

G. PROVINCIAL GRANTS AS SECURITY

Pursuant to OILC's enabling legislation, the Minister of Finance may deduct funds from provincial grants to the Borrower appropriated by the Legislative Assembly of Ontario for payment to OILC to satisfy any outstanding unpaid amounts owed by the Borrower to OILC.

H. ATTACHMENTS

Please ensure all required documents are submitted with the signed application. OILC requires originals as noted below to be mailed or couriered. Also, please retain a copy of all documents submitted to OILC for your records.

- Loan Application Signature Page signed and dated by the appropriate individual (original to be submitted)
- Certified and sealed copy of OILC template By-Law authorizing project borrowing and applying for a loan (original with seal)
- Certificate of Treasurer Regarding Litigation using the OILC template (original, signed & sealed)
- Updated Certified Annual Repayment Limit Calculation (original)
- OMB approval if exceeding debt repayment limit, if applicable
- Capital Plan if applicable
- Project management letter

**ONTARIO INFRASTRUCTURE AND LANDS CORPORATION (OILC)
LOAN APPLICATION**

- I acknowledge and agree that all of the above referenced documents must be submitted in the form required by OILC and understand that the application will not be processed until such documents have been fully completed and received by Infrastructure Ontario.

Please note: OILC retains the right to request and review any additional information or documents at its discretion.

- I acknowledge that I have read and understood the Project Management and Best Practices Reporting Requirements

Confidential Information

OILC is an institution to which the *Freedom of Information and Protection of Privacy Act* (Ontario) applies. Information and supporting documents submitted by the Borrower to process the loan application will be kept secure and confidential, subject to any applicable laws or rules of a court or tribunal having jurisdiction.



**ONTARIO INFRASTRUCTURE
AND LANDS CORPORATION (OILC)
LOAN APPLICATION SIGNATURE PAGE**

Application ID: 14027

Printed Date: Jun-05-2014

Application Submit Date: Jun-05-2014

I/We acknowledge that a Loan Application has been submitted to Ontario Infrastructure and Lands Corporation (OILC) containing the following information.

<u>Eligible Category</u>	<u>Loan Amount</u>
Municipal Other Infrastructure	\$11,867,987.00
Total	\$11,867,987.00

Name of Borrower: The City of Barrie

Name of Treasurer (or equivalent): Debbie McKinnon

Address: 70 Collier Street
Barrie, L4M 4T5

Telephone Number: 705-739-4220 x5130
ID: 43042

The undersigned certifies that he/she has read the OILC loan program guidelines and all information provided to OILC is accurate and complete. The undersigned acknowledges that some information provided may be shared with the line ministries to provide technical expertise to OILC. Applicant agrees to provide OILC with additional information as required in order to process the loan.

Treasurer's (or
equivalent's) Signature:

 Date: June 12 14



TREASURER'S CERTIFICATE RE LITIGATION

Loan Application No. 43042
Program Year: 2009/2010

CERTIFICATE OF TREASURER REGARDING LITIGATION

IN THE MATTER OF an application of The Corporation of The City of Barrie (the "**Municipality**") No. 43042 (the "**Application**") to the Ontario Infrastructure and Lands Corporation ("**OILC**") for long term project financing in the maximum aggregate principal amount of \$11,867,987 in respect of the projects more particularly described in the Application (individually a "**Project**" and collectively the "**Projects**")

TO: OILC

This Certificate is delivered as an attachment to the Application under paragraph H of the Application.

I, Debbie McKinnon, the Director of Finance/Deputy Treasurer of the Municipality, certify for and on behalf of the Municipality as follows:

1. Except as summarized in Exhibit "A" hereto, there is no litigation or judicial or administrative proceeding of any kind now existing, pending or threatened that in any way seeks to restrain, enjoin, delay or otherwise adversely affect the commencement or completion of any of the Projects or that would substantially impair the Municipality's ability to meet its debt obligations as they generally come due or that in any manner questions the proceedings and authority under which the Projects or the borrowings applied for in the Application have been or will be authorized, or the capacity of the officers of the Municipality authorized in that behalf thereunder.
2. The Municipality is not now subject to any restructuring order under Part V of the *Municipal Act, 2001*; accordingly, no approval of the Projects, the Application or the borrowings applied for in the Application is required to be given by any transition board or commission appointed in respect of the restructuring of the Municipality.

DATED June 10, 2014.





Debbie McKinnon, Director of Finance/
Deputy Treasurer
The City of Barrie

TREASURER'S CERTIFICATE RE LITIGATION
Loan Application No. 43042
Program Year: 2009/2010

EXHIBIT "A"
PENDING LITIGATION

"NONE"



Ministry of Municipal Affairs and Housing
777 Bay Street,
Toronto, Ontario M5G 2E5

Ministère des affaires municipales et du logement
777 rue Bay,
Toronto (Ontario) M5G 2E5

2014 ANNUAL REPAYMENT LIMIT (UNDER ONTARIO REGULATION 403 / 02)

MMAH CODE:	70101	FIR CLEAN FLAG:	C
MUNID:	43042		
MUNICIPALITY:	Barrie C		
UPPER TIER:	N/A		
REPAYMENT LIMIT:		\$	40,947,776

The repayment limit has been calculated based on data contained in the 2012 Financial Information Return, as submitted to the Ministry. This limit represents the maximum amount which the municipality had available as of December 31, 2012 to commit to payments relating to debt and financial obligation. Prior to the authorization by Council of a long term debt or financial obligation, this limit must be adjusted by the Treasurer in the prescribed manner. The limit is effective January 01, 2014.

FOR ILLUSTRATION PURPOSES ONLY,

The additional long-term borrowing which a municipality could undertake over a 5-year, a 10-year, a 15-year and a 20-year period is shown.

If the municipalities could borrow at 5% or 7% annually, the annual repayment limits shown above would allow it to undertake additional long-term borrowing as follows:

5% Interest Rate	
(a) 20 years @ 5% p.a.	\$ 510,299,796
(a) 15 years @ 5% p.a.	\$ 425,023,911
(a) 10 years @ 5% p.a.	\$ 316,187,871
(a) 5 years @ 5% p.a.	\$ 177,282,440

7% Interest Rate	
(a) 20 years @ 7% p.a.	\$ 433,801,321
(a) 15 years @ 7% p.a.	\$ 372,948,821
(a) 10 years @ 7% p.a.	\$ 287,600,043
(a) 5 years @ 7% p.a.	\$ 167,893,966

DETERMINATION OF ANNUAL DEBT REPAYMENT LIMIT

(UNDER ONTARIO REGULATION 403/02)

MUNICIPALITY:

Barrie C

MMAH CODE:

70101

Debt Charges for the Current Year		1 \$
0210	Principal (SLC 74 3099 01)	8,057,675
0220	Interest (SLC 74 3099 02)	10,534,127
0299	Subtotal	18,591,802
Ontario Clean Water Agency Provincial Projects		
0410	Water projects - For this Municipality only (SLC 74 2810 03)	0
0420	Water projects - Share of integrated project(s) (SLC 74 2820 03)	0
0430	Wastewater projects - For this Municipality only (SLC 74 2830 03)	0
0440	Wastewater projects - Share of integrated project(s) (SLC 74 2840 03)	0
0499	Subtotal	0
0610	Payments for Long Term Commitments and Liabilities financed from the consolidated statement of operations (SLC 42 6010 01)	11,761,517
9910	Total Debt Charges	30,353,319

Amounts Recovered from Unconsolidated Entities		1 \$
1010	Electricity - Principal (SLC 74 3030 01)	0
1020	Electricity - Interest (SLC 74 3030 02)	0
1030	Gas - Principal (SLC 74 3040 01)	0
1040	Gas - Interest (SLC 74 3040 02)	0
1050	Telephone - Principal (SLC 74 3050 01)	0
1060	Telephone - Interest (SLC 74 3050 02)	0
1099	Subtotal	0
1410	Debt Charges for Tile Drainage/Shoreline Assistance (SLC 74 3015 01 + SLC 74 3015 02)	0
1411	Provincial Grant funding for repayment of long term debt (SLC 74 3120 01 + SLC 74 3120 02)	0
1412	Lump sum (balloon) repayments of long term debt (SLC 74 3110 01 + SLC 74 3110 02)	0
1420	Total Debt Charges to be Excluded	0
9920	Net Debt Charges	30,353,319

Total Revenues (Sale of Hydro Utilities Removed) (SLC 10 9910 01)		1 \$
1610		320,264,563
Excluded Revenue Amounts		
2010	Fees for Tile Drainage / Shoreline Assistance (SLC 12 1850 04)	0
2210	Ontario Grants, including Grants for Tangible Capital Assets (SLC 10 0699 01 + SLC 10 0810 01 + SLC 10 0815 01)	6,218,226
2220	Canada Grants, including Grants for Tangible Capital Assets (SLC 10 0820 01 + SLC 10 0825 01)	1,984,765
2225	Deferred revenue earned (Provincial Gas Tax) (SLC 10 830 01)	2,121,794
2226	Deferred revenue earned (Canada Gas Tax) (SLC 10 831 01)	5,725,192
2230	Revenue from other municipalities including revenue for Tangible Capital Assets (SLC 10 1098 01 + SLC 10 1099 01)	714,724
2240	Gain/Loss on sale of land & capital assets (SLC 10 1811 01)	109,790
2250	Deferred revenue earned (Development Charges) (SLC 10 1812 01)	19,750,593
2251	Deferred revenue earned (Recreation Land (The Planning Act)) (SLC 10 1813 01)	0
2252	Donated Tangible Capital Assets (SLC 53 0610 01)	12,185,615
2253	Other Deferred revenue earned (SLC 10 1814 01)	606,000
2254	Increase / Decrease in Government Business Enterprise equity (SLC 10 1905 01)	0
2299	Subtotal	49,416,699
2410	Fees and Revenue for Joint Local Boards for Homes for the Aged	-14,356,515
2610	Net Revenues	285,204,379
2620	25% of Net Revenues	71,301,095
9930	ESTIMATED ANNUAL REPAYMENT LIMIT (25% of Net Revenues less Net Debt Charges)	40,947,776

* SLC denotes Schedule, Line Column.