

THE CORPORATION OF THE CITY OF BROCKVILLE

BY-LAW NUMBER 085-2004

*A by-law to amend by-law number 027-2004
re - St. Lawrence Lodge*

WHEREAS Subsection 5(3) of the *Municipal Act, 2001*, 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 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(2)(c) of the Act provides that the municipal purposes referred to in Subsection 401(1) include, among other purposes, the purposes of one or more other municipalities if any Act authorizes or requires the municipalities to provide money for any purpose jointly;

AND WHEREAS Section 3 of the *Homes for the Aged and Rest Homes Act*, R.S.O. 1990, c. H.13, as amended (the "**Homes for the Aged Act**") provides that: (1) except as otherwise provided in subsection (2) or in Section 7 of the Homes for the Aged Act, every municipality not in a territorial district shall establish and maintain a home for the aged; and (2) instead of establishing separate homes, the councils of two or more municipalities described in Subsection 3 (1) of the Homes for the Aged Act may, with the approval in writing of the Minister of Health and Long-Term Care (the "**Minister**"), enter into an agreement to establish and maintain a joint home for the aged;

AND WHEREAS The Corporation of the City of Brockville ("**Brockville**"), The Corporation of the United Counties of Leeds and Grenville (the "**United Counties**"), The Corporation of the Separated Town of Prescott ("**Prescott**") and The Corporation of the Separated Town of Gananoque ("**Gananoque**") (collectively the "**Operator**") are not in a territorial district and have established and maintain a facility known as St. Lawrence Lodge, in accordance with the Homes for the Aged Act;

AND WHEREAS the Operator on July 29, 2003 entered into an agreement (the "**Agreement**") with Her Majesty the Queen in right of Ontario, as represented by the Minister, for the redevelopment of long-term care facility beds in the Lanark/Leeds & Grenville Service Area, a project that will require the construction of an addition on or to the building currently existing on the Site described in the Agreement (the "**Site**"), which project is known as the "Redevelopment of St. Lawrence Lodge" (the "**Project**");

AND WHEREAS in accordance with the Agreement, the Operator has obtained or will obtain (as the case may be) the approval of the Minister in respect of the Site;

AND WHEREAS Subsection 404(1) of the Act provides that a municipality may incur debt and issue debentures for another municipality under Subsection 401(2)(c) only if the other municipality applies to the municipality and the municipality agrees;

AND WHEREAS Subsection 405(1)(c) 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, the municipality has approved the issue of debentures for another municipality under section 404;

AND WHEREAS the cost of the Project was initially estimated as \$32,484,000 and Brockville has indicated that it is prepared to issue debentures in respect of Brockville's share of the Project and in respect of the respective share of the Project of any one or more of United Counties, Prescott and Gananoque (collectively the "**Applicant Municipalities**") that applied to Brockville pursuant to Section 404 of the Act on the basis that Brockville will issue debentures in the maximum aggregate principal amount of \$29,500,000 in stages over three years with the first stage of debentures to be issued in 2004, the second stage to be issued in 2005 and the third stage to be issued in 2006 (respectively, the "**2004 Issue**", the "**2005 Issue**" and the "**2006 Issue**") and on the basis that Brockville, pursuant to Section 405 of the Act, at its sole and absolute discretion, will authorize temporary borrowing in an aggregate principal amount not to exceed \$29,500,000 to meet expenditures made in connection with the Project that is to be financed by the issue of debentures; and whereas the capital costs in respect of the Projects have been apportioned among Brockville and the Applicant Municipalities accordingly;

AND WHEREAS by By-law Number 027-2004 passed on March 23, 2004 (the "**Authorizing By-law**") the Council of Brockville, subject to the written approval of the

Minister, approved the award of the tender by the Operator, in accordance with the Agreement, on the basis that Brockville's share of the Project may be financed through the issue of debentures over a term not to exceed 20 years;

AND WHEREAS by the Authorizing By-law, in connection with the 2004 Issue, the Council of Brockville approved the issue of debentures in respect of the Project having a maximum term of 20 years, in the 2004 Maximum Authorized Amount (as defined in the Authorizing By-law) of \$7,000,000, and whereas the Council of Brockville approved the respective application of each Applicant Municipality pursuant to Section 404 of the Act requesting the Council of Brockville to incur debt and issue debentures in respect of each such Applicant Municipality's share of the Project in each of the years 2004, 2005 and 2006 in the aggregate principal amount of \$29,500,000; approved and

authorized the Treasurer of Brockville to negotiate and settle, including, without limitation, the terms and conditions, the applicable rate(s) of interest and any other aspect relating to the temporary borrowing in a maximum aggregate principal amount of \$29,500,000 to meet expenditures in connection with the Project pending the issue of debentures;

AND WHEREAS an actual estimated cost of the Project is \$35,406,000, as set out in the document entitled "Financial Management of Capital Projects" attached as Schedule "A" hereto and forming part of this By-law;

AND WHEREAS in this connection it is deemed expedient for the Council of Brockville and each Applicant Municipality, to approve an increase in the amount of \$2,922,000 in respect of the estimated cost of the Project, in respect of the amount to be financed by the issue of debentures and in respect of the amount to be financed by temporary borrowing pending the issue of debentures with the result that the total approved estimated cost of the Project will be \$35,406,000 on the basis that the Project will be financed by the issue of debentures in an aggregate amount in connection with the 2004 Issue, the 2005 issue and the 2006 Issue not to exceed \$32,400,000 over a term not to exceed 20 years on the basis that the amount of the approved temporary borrowing to meet expenditures in connection with the Project pending the issue of debentures will be \$32,400,000;

AND WHEREAS the Applicant Municipalities, in consultation with Brockville, have authorized or are expected to authorize such increase.

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

1. An increase in the amount of \$2,922,000 in respect of the estimated cost of the Project, in respect of the amount to be financed by the issue of debentures and in respect of the amount to be financed by temporary borrowing is hereby approved, with the result that the total estimated cost of the Project will be \$35,406,000 on the basis that the Project will be financed by the issue of debentures in an aggregate principal amount in connection with the 2004 Issue, the 2005 issue and the 2006 Issue not to exceed \$32,400,000 over a term not to exceed 20 years and that the temporary borrowing to meet expenditures in connection with the Project pending the issue of debentures will be \$32,400,000.
2. The Authorizing By-law is hereby amended by deleting the figure \$32,484,000 in the twelfth recital and substituting therefore the figure \$35,406,000.
3. The Authorizing By-law is hereby amended by deleting the figure \$29,500,000 in all instances where it occurs and by substituting therefor the figure \$32,400,000.

4. The Authorizing By-law is hereby amended by deleting the thirteenth recital and by substituting therefor by the thirteenth recital as follows:

"AND WHEREAS the apportionment of the capital costs that are to be borne in respect of the Project is as follows:

Municipality	Percentage Apportionment %	Principal Amount Apportionment \$
Brockville	60.26	19,524,240
United Counties	28.57	9,256,680
Prescott	9.38	3,039,120
Gananoque	1.79	579,960
	<hr/> 100	<hr/> 32,400,000"

5. This By-law shall come into force and take effect upon the final passing thereof.

Given under the Seal of
The Corporation of the City of Brockville
and passed this 6th day of July, 2004



MAYOR



CLERK