

**CITY OF IQALUIT
BY-LAW NO. 783**

A BY-LAW of the Council of the Municipal Corporation of the City of Iqaluit ("the City") in Nunavut, authorizing the City to borrow funds for the construction of an Aquatic Centre;

WHEREAS the ratepayers authorized the City to borrow up to \$40,000,000 for the purpose of building and equipping the Aquatic Centre;

AND WHEREAS the Federation of Canadian Municipalities, as Trustee of the Green Municipal Fund ("FCM"), has agreed to provide a portion of the financing required for the Aquatic Centre on the terms contained in an Amended and Restated Loan and Grant Agreement dated January 30, 2015 ("the FCM Loan Agreement");

NOW THEREFORE, Council hereby enacts as follows:

1. The City is authorized to borrow up to \$7,500,000 from FCM, to be borrowed on the terms set forth in the FCM Loan Agreement, in three separate draws, as follows:
 - a. the first Loan Disbursement of up to \$2,000,000.00 ("the First Loan Disbursement"), to be advanced on or before June 30, 2015 ("the First Loan Disbursement Date");
 - b. the second disbursement of up to \$4,875,000.00, less the amount of the first Loan Disbursement ("the Second Loan Disbursement"), to be advanced on or before May 31, 2016 ("the Second Loan Disbursement Date"); and
 - c. the Third disbursement of up to \$7,500,000, less the amount of the First Loan Disbursement and the Second Loan Disbursement ("the Third Loan Disbursement"), to be advanced on substantial completion of the Aquatic Centre or such other date the City and FCM may agree upon ("the Third Loan Disbursement Date").

2. The Mayor and Chief Administrative Officer are authorized to issue any number of amortizing debentures up to:
 - a. the principal amount of the First Loan Disbursement, such debentures to be dated the First Loan Disbursement Date;
 - b. the principal amount of the Second Loan Disbursement, such debentures to be dated the Second Loan Disbursement Date; and
 - c. the principal amount of the Third Loan Disbursement, such debentures to be dated as of the Third Loan Disbursement Date.The Mayor and Chief Administrative Officer shall sign and put the City's seal on each such debenture.

3. The Debentures shall be substantially in the form of the draft Debenture in Schedule K of the FCM Loan Agreement, and shall be subject to the terms and conditions set forth in the Schedule K of the FCM Loan Agreement with such changes as the City and FCM may agree upon.

4. The Debentures shall be payable in Canadian dollars and shall bear interest at the greater of 4.25%, or the average of the GoC ten (10) year benchmark bond yield and the long-term GoC benchmark bond yield (both indicated at www.bankofcanada.ca) on the date that is:
- a. five business days prior to the First Loan Disbursement Date for debentures issued as part of the First Loan Disbursement;
 - b. five business days prior to the Second Loan Disbursement Date for debentures issued as part of the Second Loan Disbursement; and
 - c. five business days prior to the Third Loan Disbursement Date for debentures issued as part of the Third Loan Disbursement.


Interest shall be payable from the date of issue, payable semi-annually in arrears, commencing 6 months after the First Loan Disbursement Date. The Debentures issued for the Second Loan Disbursement and the Third Loan Disbursement shall have the same payment dates and maturity dates as the Debentures issued for the First Loan Disbursement. All Debentures shall mature 20 years from the First Loan Disbursement Date, and shall be payable in semi-annual instalments of blended principal and interest, but for the first payment on Debentures issued as part of the First Loan Disbursement, the first payment shall be interest only, payable 6 months after the First Loan Disbursement Date.

5. If the City defaults in any payment under any Debenture, the interest rate shall increase while the default continues to the greater of:
- a. the annual rate in effect under that Debenture, plus 2.5% per annum; or
 - b. the average of the GoC ten (10) year benchmark bond yield and the long-term GoC benchmark bond yield (both indicated at www.bankofcanada.ca) in effect on the applicable default date, plus 2.5% per annum.
6. On any regular payment date after the 10th anniversary of the First Loan Disbursement Date, the City may, on not less than thirty (30) days' notice to FCM, prepay all or part of the principal amount of any Debenture that is outstanding, provided the City also pays all accrued interest thereon plus an amount equal to:
- a. eighteen (18) months of interest if less than 15 years have passed since the First Loan Disbursement Date; or
 - b. twelve (12) months of interest if 15 years or more has passed since the First Loan Disbursement Date.
- Interest payable on the amount prepaid shall be calculated as the greater of
- c. the interest rate payable on the Debenture being prepaid, plus 2.0% per annum, or
 - d. the average of the GoC ten (10) year benchmark bond yield and the long-term GoC benchmark bond yield (both indicated at www.bankofcanada.ca) in effect on the business day before the prepayment date, plus 2.0% per annum.


Any prepayment must be at least 10% of the principal balance owing on the Debenture being prepaid.

7. This by-law shall come into effect upon receiving Third Reading and otherwise meeting the requirements of the *Cities, Towns and Villages Act*.

READ a First time this 14 day of April, A.D. 2015.




MAYOR




CHIEF ADMINISTRATIVE OFFICER

READ a Second time this 14 day of April, A.D. 2015.




MAYOR




CHIEF ADMINISTRATIVE OFFICER

READ a Third and Final Time this 28 day of April, A.D. 2015.



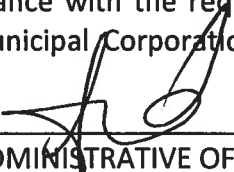


MAYOR



CHIEF ADMINISTRATIVE OFFICER

I hereby certify that this by-law has been made in accordance with the requirements of the *Cities, Towns and Villages Act* and the by-laws of the Municipal Corporation of the City of Iqaluit.



CHIEF ADMINISTRATIVE OFFICER

