

**CITY OF IQALUIT**  
**BY-LAW NO. 827**

A BY-LAW of the Council of the Municipal Corporation of the City of Iqaluit in Nunavut, authorizing the Municipal Corporation of the City of Iqaluit to change lenders for the long term financing of the 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 Bank of Montreal provided a portion of the financing required for construction the Aquatic Centre (“the Construction Financing”) and has agreed to provide up to \$26,500,000 of long term financing;

AND WHEREAS the Construction Financing will come due not later than May 2017;

AND WHEREAS it is in the interests of the City to change from Bank of Montreal to Royal Bank of Canada for the long term financing of the Aquatic Centre;

NOW THEREFORE, THE COUNCIL OF THE MUNICIPAL CORPORATION OF THE CITY OF IQALUIT, in regular session duly assembled, hereby enacts as follows:

1. The City is authorized to borrow up to \$26,500,000 (“the Long Term Debt”) from Royal Bank of Canada for the purposes of refinancing the Construction Financing previously borrowed from the Bank of Montreal.
2. THAT amount of Long Term debt shall be payable as follows:

Principal: In one hundred twenty (120) monthly installments of \$138,108.00 each (based on an amortization of 240 months), commencing 30 days after advance and continuing until the 10<sup>th</sup> anniversary of the advance of funds, at which time the unpaid principal shall be due and payable; and

Interest: In forty (40) quarterly installments commencing 90 days after the first advance or such other date as may be approved by the City and the lender and continuing quarterly until the 10th anniversary of the advance or such other date as the lender and the City may agree upon, at a fixed interest rate not to exceed 3.0% per annum. The interest rate for the term of the loan shall be set by one or more interest rate swap transactions. The fixed rate of interest on the swap transaction shall be based on the Bank of Canada Bond Yield at the time of advance for bonds of similar maturity plus the stamping fee on the Bankers’ Acceptance issue of 0.51%. At the time of first reading this by-law, the total interest rate was estimated to be 2.23 % per annum.

3. The Chief Administrative Officer and Mayor are hereby authorized to:
  - a. Enter into a Loan Agreement with Royal Bank of Canada;
  - b. Issue one or more debentures to secure the indebtedness;

- c. Agree to the terms of the Swap Transaction and execute all necessary confirmations relating thereto;
  - d. Execute the ISDA 2002 Master Agreement and Schedule to the 2002 Master Agreement in the name of the City of Iqaluit respecting the Swap Transaction; and
  - e. Enter into all necessary agreements with the Royal Bank of Canada, including, but not limited to, agreements respecting the use of Bankers' Acceptances, and generally to do all things and to execute all documents and other paper in the name of the City of Iqaluit in order to carry out the transactions.
4. The Loan Agreement may provide for up to a 2.0% increase in the interest rate otherwise payable while any event of default, as specified in the Loan Agreement, continues.
  5. The security documents shall be approved by the City's legal counsel and shall be in a form satisfactory to the Mayor and Chief Administrative Officer, who are authorized to sign on the security documents on behalf of the City, and to execute any certificates or other documents required to secure the loan, under the corporate seal of the City or otherwise.
  6. Interest and principal shall be payable in Canadian dollars.
  7. The loan shall be repaid from the general revenues of the City.

**EFFECT**

8. 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 2<sup>nd</sup> day of December, A.D. 2016.

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MAYOR

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CHIEF ADMINISTRATIVE OFFICER

READ a Second time this 2<sup>nd</sup> day of December, A.D. 2016.

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MAYOR

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CHIEF ADMINISTRATIVE OFFICER

READ a Third and Final time this 2<sup>nd</sup> day of December, A.D. 2016.

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MAYOR

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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.

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CHIEF ADMINISTRATIVE OFFICER