



TOWN OF STRATFORD RESOLUTION

No. FT0013-2021 – Stratford Community Campus Land Purchase- Interim Financing

Motion Carried	<u> √ </u>	Council Chambers
Motion Lost	<u> </u>	Town Hall
Motion Withdrawn	<u> </u>	November 10, 2021

Committee	<u>Finance & Technology Committee</u>
Moved by	<u>Councillor Gail MacDonald</u>
Seconded by	<u>Councillor Jill Burridge</u>

WHEREAS the Town of Stratford has purchased land from 1011523 P.E.I Inc. (part of PID 608141) and Paul & Robert Farquharson (part of PID 1086107) for the development of a community campus; and

WHEREAS a portion of the land will be sold to the province for the construction of a new high school, and a portion will be sold to the Business Park Corporation for an extension of the business park; and

WHEREAS the Town has arranged for short term financing of \$2,500,000 through a Bankers Acceptance (BA) with the Royal Bank of Canada for a 3 month term in August 2021, as the rates for BA are significantly lower than our line of credit, and they are the only bank that the Town currently has a BA with; and

AND WHEREAS the short term financing of \$2,500,000 is within the 10% capital debt threshold of the Town of Stratford given that the current borrowing limits for the Town of Stratford is based on its total assessed tax base ($\$935,740,000 \times 10\% = \$93,574,000$) of which the Town of Stratford is using \$15,250,673 as of March 31, 2021;

BE IT RESOLVED that the Town of Stratford enter into a Bankers' Acceptance with the Royal Bank of Canada for an additional 3 month term for the Community Campus Land Purchase in the amount of \$2,500,000, at the rate of 0.48% and a credit spread of 0.47% for an all-in rate of 0.95% subject to market fluctuations prior to closing, and that the Mayor and Chief Administrative Officer be authorized to enter into the Bankers' Acceptance Service Agreement with RBC, on behalf of the Town of Stratford.