SPECIAL COUNCIL MEETING
APPROVED MINUTES

DATE: July 28, 2021
TIME: 4:00 p.m.
PLACE: Council Chambers

PRESENT: Deputy Mayor Gary Clow; Councillors Gail MacDonald; Steve Gallant; Derek Smith; Darren MacDougall; Jill Burridge; Robert Hughes, CAO; Wendy Watts, Community and Business Engagement Manager, and transcribed by Mary McAskill

REGRETS: Nil

CHAIR: Mayor Steve Ogden

1. CALL TO ORDER

a) Mayor Ogden called the meeting to order at 4:00 p.m.

Mayor Ogden took a moment to acknowledge the land upon which we gather is the unceded territory of the Mi'Kmaq people, and we pay our respects to the indigenous Mi'Kmaq people of this territory past, present, and future.

2. APPROVAL OF AGENDA

a) It was moved, seconded, and carried that the agenda be approved as presented.

3. RESOLUTION FT010-2021 – STRATFORD COMMUNITY CAMPUS LAND PURCHASE – INTERIM FINANCING

a) **Resolution FT010-2021 – Stratford Community Campus Land Purchase – Interim Financing**

Moved by Councillor Gail MacDonald
Seconded by Councillor Jill Burridge

WHEREAS the Town of Stratford is purchasing 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 but neither parcel can be sold until the Master Plan is complete so interim financing is required until those parcels are sold; and

AND WHEREAS the Town is seeking short term financing of $2,500,000 through a Bankers Acceptance (BA) as the rates for BA are significantly lower than our line of credit, and the only bank that the Town currently has a BA with is the Royal Bank of Canada;

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 x 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 a 3 month terms for the Community Campus Land Purchase in the amount of $2,500,000, at the rate of 0.44% and a credit spread of 0.47% for an all-in rate of 0.91% 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.

Discussion: Councillor Smith noted that in regard to this resolution, and for the record, he will be voting in favour of this resolution. We have signed the deal with the landowners and dealt in good faith and the purchase is necessary. However, he does have a concern about the rate of borrowing and saying that the interest rates are low, and we have available space. Councillor Smith would like to keep the spending under control because the interest rates might be going up, and there will be additional costs in the future that the Town citizens are going to need to look after.

Councillor MacDougall asked if the rate was a variable rate. or a fixed rate, and the CAO replied that he believed it was fixed but he would need to check with the finance director to be sure.

Mayor Ogden noted that the Bankers' Acceptance Service Agreement loan that we received for the pipe to Charlottetown was set for 25 years.

Deputy Mayor Clow asked for an update on the school property and the CAO replied that they have given their feedback to our consultant, and we are hoping to get our two concept plans from the consultant sometime next week. We will then have to review them and decide which is the final one. The CAO noted that we had asked the province to wait until we finish this work on the campus and they agreed to wait. The CAO noted that we reached out to a few of their staff earlier this week, but he hasn't heard back from them yet.

Councillor Gallant noted that as chair of recreation he felt that this was something the Town needed. Everyone around the table had a vision, and we know the Town is growing and you can never go wrong buying land. He added that as a representative of ward 3, he is excited about it all.

Councillor Burridge felt that it will absolutely be an asset to the Town, and the return on this investment will be great. She added that she is proud of this endeavour and proud of Council. She took a moment to thank the CAO for all the negotiations that he undertook.

For clarification to those watching via the internet, Mayor Ogden noted that if this resolution is approved tonight, it will allow us to purchase the land and complete the deal and move forward with further development of the campus. We can then sell to the province what they need for the school at the price it cost the Town.

Question: **CARRIED**

4. ADJOURNMENT

There being no further business, the meeting was adjourned.