

Bill No. 340
2023

By-law No. A.-_____

A by-law to establish the DC Incentive Program - Property Tax Supported Reserve Fund and to repeal By-law No. A.-7187-343 being "A by-law to establish the Industrial DC Incentive Program Tax-supported Reserve Fund".

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides a municipality with the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority;

AND WHEREAS subsection 10(2) of the *Municipal Act, 2001*, as amended, provides that a municipality may pass by-laws respecting the financial management of the municipality (paragraph 3) and services or things that the municipality is authorized to provide under subsection 10(1) (paragraph 7);

AND WHEREAS section 417 of the *Municipal Act, 2001*, as amended, provides that a municipality may establish a reserve fund for any purpose for which it has authority to spend money;

AND WHEREAS it is desirable to establish a reserve fund to provide a source of funding for the City Services Reserve Fund for development charge incentives;

AND WHEREAS the Municipal Council considers the incentives for development charges necessary and desirable for economic development;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. A reserve fund is hereby established to be known as the DC Incentive Program – General Reserve Fund (hereinafter called the "Fund").
2. The monies standing in the Fund shall be used by The Corporation of the City of London (the "Corporation") to fund the Obligatory City Services Reserve Fund(s) with amounts equal to development charges incurred so that these required infrastructure projects, when started at a later date, can be funded through the City Services Reserve Fund.
3. Contributions to the Fund shall be deposited by the City Treasurer or designate and consist of:
 - i. Municipal Council approved tax supported multi-year budget contributions;
 - ii. Municipal Council approved annual surplus contributions, if any;
 - iii. Other non-tax supported contributions as approved by The City Treasurer, and/or, Municipal Council.
4. Aligned with the authority provided for in the Council approved Reserve and Reserve Fund Policy, before any monies are transferred to the Obligatory City Services Reserve Fund(s) from the Fund for the purposes outlined in section 2 of this by-law, the approval of the City Treasurer, or designate shall be given.
5. The City Treasurer or designate may deposit the monies standing in the Fund into a special bank account or into a consolidated bank account into which are deposited the monies raised for other funds, and the earnings derived from the monies so deposited shall accrue to and form part of the Fund.

6. The City Treasurer, or designate, may invest the monies standing in the Fund in such securities as are permitted under subsection 418(1), of the *Municipal Act*, 2001, S.O. 2001, C.25, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the City may hold from time to time provided that any earnings derived from the monies standing in the Fund shall be accrued to and form part of the Fund as permitted under sections 418(3) and 418(4) of the *Municipal Act*, 2001, S.O. 2001, C.25, as amended.

7. Notwithstanding that provision may not be made by the Municipal Council in the budget estimates of the current or any subsequent year for contributions or drawdowns to the Fund, it shall continue and be maintained, and the Municipal Council shall always be taken as considering the Fund as necessary so long as this by-law continues in force.

8. By-law No. A.-7187-343 being “A by-law to establish the Industrial DC Incentive Program Tax-supported Reserve Fund”, passed by Municipal Council on October 14, 2014, is hereby repealed.

9. This by-law comes into force on the day it is passed subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

PASSED in Open Council on September 26, 2023, subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

Josh Morgan
Mayor

Michael Schulthess
City Clerk

First Reading – September 26, 2023
Second Reading - September 26, 2023
Third Reading - September 26, 2023