

The Corporation of the Township of Huron-Kinloss



BY-LAW

2021-44

Being a By-law to Authorize the Signing of a Loan Agreement with the
Lucknow Community Centre Board

WHEREAS the Municipal Act S.O. 2001, c 25, Section 5(1), as amended, provides that the powers of a municipal corporation are to be exercised by its Council;

AND WHEREAS the Municipal Act S.O. 2001, c 25, Section 5(3), as amended, provides that a municipal power, including a municipality's capacity rights, powers and privileges under Section 9; shall be exercised by By-Law;

AND WHEREAS The Council for The Corporation of the Township of Huron-Kinloss deems it expedient to enter into a loan agreement with the Lucknow Community Centre Board to provide and interest-free loan to assist in meeting operating expenditures due to the loss of revenue during the COVID-19 pandemic.

NOW THEREFORE the Council of The Corporation of the Township of Huron-Kinloss enacts as follows:

- 1.0 That the Corporation of the Township of Huron-Kinloss Council hereby enters into a Loan Agreement with the Lucknow Community Centre Board which is attached as Schedule "A" and forms part of this By-Law.
- 2.0 That the Mayor and Clerk are hereby authorized to sign on behalf of the Council for The Corporation of the Township of Huron-Kinloss, any contracts and other documents required to authorize the agreement, and to affix the corporate seal of the Township of Huron-Kinloss.
- 3.0 This By-law shall come into full force and effect upon final passage.
- 4.0 This By-law may be cited as the "Lucknow Community Centre Board Loan Agreement By-Law".

READ a FIRST and SECOND TIME this 19th day of April, 2021.

READ a THIRD TIME and FINALLY PASSED this 19th day of April, 2021



Mitch Twolan, Mayor

Don Murray, Deputy Mayor



Emily Dance, Clerk

LOAN AGREEMENT

This Agreement made in duplicate as of the 19th day of April, 2021

BETWEEN:

THE CORPORATION OF THE TOWNSHIP OF HURON-KINLOSS
(herein referred to as "Huron-Kinloss")

- and -

THE LUCKNOW COMMUNITY CENTRE BOARD.
(herein referred to as the "Board")

WHEREAS Section 107 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, gives municipalities the power to make grants and loans for any purpose that council considers to be in the best interests of the municipality;

AND WHEREAS the Board has approached Huron-Kinloss for financial support due to the loss of revenue during the COVID-19 pandemic;

AND WHEREAS Huron-Kinloss has agreed to provide an interest-free loan of funds to the Board in order to assist in meeting operating expenditures until rentals can safely resume;

NOW THEREFORE in consideration of the mutual terms, conditions and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. CONDITIONS

- 1.01 Huron-Kinloss agrees to provide a loan of up to \$2,000.00 per month for operating expenditures incurred to maintain the Lucknow Community Centre until such time as COVID-19 restrictions on rentals are lifted.
- 1.02 The Board agrees to repay Huron-Kinloss for the full amount of the loan on or before March 31, 2026. Huron-Kinloss agrees that no interest will be charged on any amount outstanding, provided that repayment is received in full by March 31, 2026.
- 1.03 If any amounts remain unpaid after March 31, 2026, they shall become immediately due and owing and shall accrue interest, from April 1, 2026 onward at the rate of the then prime interest rate as charged at that time by Huron-Kinloss' principal financial institution, plus five percent (5%), compounded semi-annually.
- 1.04 The Board agrees to comply with and conform to the requirements of all applicable statutes, laws, by-laws, regulations, ordinances and orders of any federal, provincial or municipal government and any applicable department, commission, board or officer thereof.
- 1.05 The Board shall indemnify and save harmless Huron-Kinloss, from the date of commencement of this Agreement, against all liabilities, costs (including legal fees on a solicitor and client basis), fines, suits, claims, demands or actions of any kind for which Huron-Kinloss may incur or become liable due to any breach, violation or non-performance by the Board of any covenant, term or provision of this agreement, or any injury, death or damage to property occasioned to or suffered by any person or any property by reason of any act, negligence, or default by the Board or its members, volunteers or agents, including any environmental matters that arise as a result of the Board's activities.
- 1.06 The Board agrees to enter into an agreement with Huron-Kinloss to provide information as may be required to ensure accountability including, but not limited to an up-to-date list of all members, regular financial reporting and reports to Council. The specific reporting requirements will be included in said agreement.

- 1.07 Request for funds to be advanced under the terms of this loan agreement shall be made in writing and submitted via e-mail to the Treasurer of the Township of Huron-Kinloss.

2. TERM

- 2.01 The term of this Agreement shall commence on March 1, 2021. The term of the loan shall expire on May 31, 2026, or such earlier date as agreed to by the parties, and all funds paid by Huron-Kinloss hereunder shall be repayable on or before that date as set out herein.
- 2.02 Any subsequent renewal of this agreement shall be at the sole discretion of Huron-Kinloss.

3. GENERAL

- 3.01 Any notice to be given under this Agreement shall be provided:

to Huron-Kinloss at:

The Corporation of the Township of Huron-Kinloss
21 Queen Street
Ripley, ON N0G 2R0
jmacarthur@huronkinloss.com

and to the Board at:

Lucknow Community Centre Board
P.O. Box 517
Lucknow, ON N0G 2H0

- 3.02 Nothing in this Agreement relieves either party from any outstanding financial obligation to the other in respect of any prior agreement or other contractual arrangement between the parties related to the subject matter of this Agreement or otherwise.
- 3.03 For the convenience of the parties, delivery of this Agreement may be validly made by a party by electronic mail transmission to the other party. A party who delivers the executed Agreement by electronic mail transmission shall, as soon as reasonably practicable, deliver a copy of the executed Agreement bearing the original signature(s) of such party to the other party.

IN WITNESS WHEREOF the parties have executed this Agreement under the hands of their duly authorized signing officers.

THE CORPORATION OF THE TOWNSHIP OF HURON-KINLOSS



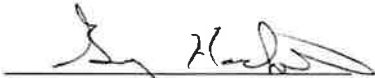
MAYOR – Mitch Twolan



CLERK – Emily Dance

We have authority to bind the Township.

THE LUCKNOW COMMUNITY CENTRE BOARD.



PRESIDENT – Greg Hackett

I have authority to bind the Board.