

From: "Mochrie, Paul" <Paul.Mochrie@vancouver.ca>
To: "Direct to Mayor and Council - DL"
Date: 10/25/2021 3:36:25 PM
Subject: FW: 2021 Sustainability Bond Update
Attachments: Memo to Mayor CFS Chair CM - 2021 Bond Update post pricing.pdf

Good afternoon Mayor and Council,

I am sharing for your information the attached memo from Patrice Impey regarding an update on the Sustainability Bond.

Please let me or Patrice know if you have any questions.

Best,
Paul

Paul Mochrie (he/him)
City Manager
City of Vancouver
paul.mochrie@vancouver.ca



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations.

From: Impey, Patrice
Sent: Monday, October 25, 2021 2:14 PM
To: Stewart, Kennedy <kennedy.stewart@vancouver.ca>; Bligh, Rebecca <rebecca.bligh@vancouver.ca>; Mochrie, Paul <Paul.Mochrie@vancouver.ca>
Cc: Leung, Tim <tim.leung@vancouver.ca>; Tia, Anthony <anthony.tia@vancouver.ca>; Cheng, Grace <grace.cheng@vancouver.ca>
Subject: 2021 Sustainability Bond Update to Mayor, CFS Chair and City Manager

Mayor Kennedy, Councillor Bligh and Paul,

Attached is a further update from our City Treasurer, Tim Leung, and I regarding our issuance of the City's inaugural Sustainability Bond, as is our regular process outlined in the Council report of July 2021 (RTS#14199).

We are pleased to let you know we were successful today in bringing the issue to market. The attached memo outlines the details of the issuance which was \$100 million at a coupon rate of 2.3%. This is the first sustainability bond issued by any Canadian government entity and was very well received by the investment community with demand of approximately four times the issuance size. If you have any questions, please feel free to contact me. I have copied the content below for ease of review.

Best Regards,
Patrice

TO: Mayor Kennedy Stewart
Councillor Rebecca Bligh – Chair of City Finance & Services
Paul Mochrie – City Manager

CC: Grace Cheng – Deputy City Treasurer
Anthony Tia – Treasury Senior Analyst
FROM: Patrice Impey – Director of Finance
Tim Leung – City Treasurer
SUBJECT: 2021 City of Vancouver \$100 million Inaugural Sustainability Bond

On July 20, 2021, Council authorized the Director of Finance to proceed with the issuance of up to \$100 million of City of Vancouver’s inaugural Sustainability Bond (RTS#14199).

Staff has been working with BMO Capital Markets, CIBC World Markets Inc., and TD Securities (the lead-banks) to seek an opportunity to launch the debenture for \$100 million on the best possible terms to the City. That opportunity came on October 25, 2021 and the City issued a new \$100 million, 10-year sinking fund debenture in the Canadian market around 10:15 a.m. (PST). This is the first sustainability bond issued by any Canadian government entity and was very well received by the investment community with demand of approximately four times the issuance size.

Amount:	\$100 million
Coupon:	2.30% per annum
Coupon Dates:	May 5 and November 5
Maturity Date:	November 5, 2031
Settlement Date:	November 5, 2021
Issue Price:	\$99.956
Re-Offer Yield:	2.305%
Re-Offer Spread over Canada	0.66%
Re-Offer Spread over Ontario	0.02%

Including bank syndicate fees and discount on pricing, the issue was priced at an all-in cost of 2.373%. Staff is currently preparing the required closing documentation and will bring forward a bylaw authorizing the borrowing to Council on November 2, 2021 for enactment. If you have any questions, please do not hesitate to contact us.

Regards,

Patrice Impey
Director of Finance
tel: 604-873-7610
patrice.impey@vancouver.ca

Tim
Leung City Treasurer
tel: 604-873-7250
tim.leung@vancouver.ca

Patrice Impey (she/her)
Chief Financial Officer/General Manager Finance, Risk and Supply Chain Management
City of Vancouver
patrice.impey@vancouver.ca
work: 604.873.7610
cell: 604.603.5314



The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Sḵwx̱w̱ú7mesh (Squamish), and səlilwətaʔ (Tsleil-Waututh) Nations.

< CONFIDENTIAL >

MEMORANDUM

October 25, 2021

TO: Mayor Kennedy Stewart
Councillor Rebecca Bligh – Chair of City Finance and Services
Paul Mochrie – City Manager

CC: Grace Cheng – Deputy City Treasurer
Anthony Tia – Treasury Senior Analyst

FROM: Patrice Impey – Director of Finance
Tim Leung – City Treasurer

SUBJECT: 2021 City of Vancouver \$100 million Inaugural Sustainability Bond

On July 20, 2021, Council authorized the Director of Finance to proceed with the issuance of up to \$100 million of City of Vancouver's inaugural Sustainability Bond (RTS#14199).

Staff has been working with BMO Capital Markets, CIBC World Markets Inc., and TD Securities (the lead-banks) to seek an opportunity to launch the debenture for \$100 million on the best possible terms to the City.

That opportunity came on October 25, 2021 and the City issued a new \$100 million, 10-year sinking fund debenture in the Canadian market around 10:15 a.m. (PST). This is the first sustainability bond issued by any Canadian government entity and was very well received by the investment community with demand of approximately four times the issuance size.

Amount:	\$100 million
Coupon:	2.30% per annum
Coupon Dates:	May 5 and November 5
Maturity Date:	November 5, 2031
Settlement Date:	November 5, 2021
Issue Price:	\$99.956
Re-Offer Yield:	2.305%
Re-Offer Spread over Canada	0.66%
Re-Offer Spread over Ontario	0.02%

Including bank syndicate fees and discount on pricing, the issue was priced at an all-in cost of 2.373%. Staff is currently preparing the required closing documentation and will bring forward a by-law authorizing the borrowing to Council on November 2, 2021 for enactment.

If you have any questions, please do not hesitate to contact us.

Regards,



Patrice Impey
Director of Finance
tel: 604-873-7610
patrice.impey@vancouver.ca



Tim Leung
City Treasurer
tel: 604-873-7250
tim.leung@vancouver.ca