

Mr. Lewis.

CHRISTCHURCH CITY BORROWING.

[LOCAL BILL.]

ANALYSIS.

<p>Title. Preamble. 1. Short Title. 2. Interpretation. 3. Power to Corporation to borrow £35,000. 4. Purposes for which loan raised. 5. Provisions of loan. Currency of debentures. Form of debentures. Council may re-borrow at maturity of debentures. Sections of 1886 Act <i>re</i> sinking fund not to apply. Part IX. of 1886 Act <i>re</i> loans subject to provisions of this Act. Copy of resolution to be evidence of authorisation of loan.</p>	<p>6. Special rate may be levied as security for loan. 7. Power to Council to amend any special rate. 8. Provisions in case default made in payment of interest or principal. 9. Moneys received by Receiver, how applied. 10. When sums overdue are paid, rate to revert to Corporation. 11. Judge not deemed interested on account of liability for rates. 12. Objection to rate struck not allowed as a defence. Schedule.</p>
--	---

A BILL INTITULED

AN ACT to empower the City of Christchurch to Borrow Thirty-five Thousand Pounds. Title.

WHEREAS it is desirable that the indebtedness of the City of Preamble.
5 Christchurch, represented by its bank overdraft, should be paid off by means of a loan at a lower rate of interest, and further to provide funds for the Council to carry out the following necessary works :
The purchase of a central yard and erection of necessary buildings thereon (including a morgue) ; erection of three bridges at Antigua
10 Street, Colombo Street, and East Belt ; and payment for the purchase of a site for a fire-brigade station and erection of necessary buildings thereon for housing of the firemen, horses, and engines :

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same,
15 as follows :—

1. The Short Title of this Act is "The Christchurch City Short Title.
Borrowing Act, 1899."

2. In the interpretation of this Act the following expressions Interpretation.
shall have the meanings hereby assigned to them :—

20 "The Corporation" shall mean the Corporation by the name of "the Mayor, Councillors, and Citizens of the City of Christchurch" :

"The Council" shall mean the Council of the said city, and, for carrying out the provisions of this Act, it shall have
25 and exercise all the powers of the Corporation :

“The Agents” shall mean the agents appointed or acting under the provisions of this Act, and such agents may be any bank, company, or person or persons :

“The Court” shall mean the Supreme Court of New Zealand. The debentures authorised by this Act to be issued shall be termed “Christchurch City Debentures, 1899”; and the security and remedies therefor shall extend to the coupons thereto attached :

“Public notice” and “publicly notify” and similar expressions shall mean and have reference to a publication in some newspaper in general circulation in the City of Christchurch :

“The said Act” shall mean “The Municipal Corporations Act, 1886.”

5

15

BORROWING.

Power to Corporation to borrow £35,000.

3. The Corporation is hereby empowered to borrow, at such rate of interest not exceeding four per centum per annum as it shall think fit, such sums of money not exceeding in the whole the sum of thirty-five thousand pounds, as may from time to time be authorised by resolution of the Council. 20

Purposes for which loan raised.

4. Such loan shall be raised and expended exclusively for the purpose herein specified, that is to say,—

(1.) In payment of such commissions, charges, and expenses, including the cost of obtaining this Act, as the Council shall determine to have been actually incurred in connection with such loan ; 25

(2.) Repayment of the existing overdraft at the Bank of New Zealand of about ten thousand pounds, and for the construction of the following works, namely: The purchase of a central yard, which includes the necessary buildings and a public morgue ; the erection of three bridges over the River Avon at Antigua Street, Colombo Street, and East Belt ; and for purchase of land and the erection of necessary buildings for a fire-brigade station. 30

Provisions of loan.

5. The following provisions shall apply to the loan to be raised under the powers herein contained :— 35

Currency of debentures.

(1.) The debentures issued under the provisions of this Act shall have a currency not exceeding *thirty* years from the date of issue.

Form of debenture.

(2.) Such debentures and the coupons attached thereto shall be in the form or to the effect set forth in the Schedule hereto, with such modifications as to the Council seems desirable ; and the same need not have the corporate seal attached thereto, and may be signed either by the Mayor and Treasurer or by the Agents, and they shall be numbered consecutively, and the signatures to any coupon may be made by lithography or any other process ; and the sum secured by any such debenture shall, both as to principal and interest, be payable at a place or places to be determined by the Council, and stated in such debenture and coupon ; and the place for the payment of 40 45 50

coupons need not be the same as for the payment of the principal sum of the debenture.

(3.) At the maturity of the said debenture the Corporation may reborrow such sum or sums as may be required for the repayment of the loan represented hereby, and the provisions of this Act shall apply to such reborrowing and all successive reborrowings.

Council may re-borrow at maturity of debentures.

(4.) Sections numbered from two hundred and four to two hundred and seventeen, both inclusive, of "The Municipal Corporations Act, 1886," shall not apply to the loan raised under the provisions hereof.

Sections of 1886 Act re sinking fund not to apply.

(5.) The provisions of this Act shall, so far as this loan is concerned, be paramount to prevail over the provisions of the said Act, and all Acts amending the same or passed in substitution therefor, and all other general Acts.

Part IX. of 1886 Act re loans subject to provisions of this Act.

(6.) The production of a copy of the resolution of the Council authorising the raising of a loan under the authority hereof, purporting to be authenticated by the seal of the Corporation, shall be conclusive evidence that such loan has been duly authorised, and may be raised, and a certificate of the Council similarly authenticated shall be conclusive evidence of the appointment of any agent or agents.

Copy of resolution to be evidence of authorisation of loan.

SECURITY.

6. The Council shall, by special order, make and levy, as security for any such loan, such special rate as it may deem necessary, and may pledge the same as security for any such loan, and in so doing its authority shall not be limited to the making and pledging of a special rate estimated as sufficient to cover the interest of such loan, but it may make and pledge a rate of a greater amount: Provided that it shall not be required to levy more in any year during the currency of such loan than shall be sufficient to provide such interest, so long as such interest shall be punctually paid.

Special rate may be levied as security for loan.

7. The Council shall have power from time to time to amend any special rate made by it under the provisions hereof by increasing or diminishing the same; but no special rate shall be diminished by the Council under the powers herein contained unless the Controller and Auditor-General shall, previously to such reduction, in writing approve thereof, and such reduction shall only continue for so long a period as he shall approve.

Power to Council to amend any special rate.

DEFAULT.

8. In every case in which default shall be made in the payment of any interest on any of the debentures issued under the provisions hereof, and in every case in which default shall be made in the payment of any principal secured by any of such debentures, the following provisions shall have effect:—

Provisions in case default made in payment of interest or principal.

(1.) The Court or any Judge thereof shall have power, by order, to direct the Council to make and levy a special rate or special rates upon all lands, buildings, and other rateable property within the said city, according to the annual rateable value thereof, for the purpose of meeting such

interest or repaying such principal, as the case may be, and in so doing to determine the amount required to be levied to produce such interest, and the amount which shall annually be levied for the purpose of repaying such principal :

5

Provided that, if there shall happen to be no valuation of such rateable property applicable to the power hereby given, the Court or Judge may order one to be made.

(2.) Every such order for the making of a rate shall take the place and have the effect of a special order under section *six* hereof. 10

(3.) The Court or any Judge thereof shall have power, by order, to vest such rate in any Receiver who may be appointed under the powers hereof. 15

(4.) Any person to whom such principal or interest is overdue may apply, *ex parte*, by petition, or similarly by motion or summons in any action, or by originating summons, to the Court or any Judge thereof for relief under this Act ; and any Court or Judge may, if satisfied of the truth of any of the matters alleged in support of such application, appoint, upon such terms as to security and remuneration as it or he thinks fit, a Receiver of any rate liable for the payment of such principal or interest, and the said Court or Judge shall have full power and jurisdiction to make such orders from time to time that complete justice shall be done to all parties interested, and to determine and direct in what manner and to what extent such rate shall be collected and received and applied in payment of the principal and interest secured by the debentures issued hereunder ; 20 25 30

(5.) All powers and remedies for the recovery of any such rate shall, after the same shall have been so vested in the Receiver, and upon the order so vesting the same being publicly notified, cease to be exercised by the Council, and shall be exercisable by the Receiver. 35

Moneys received by Receiver, how applied.

9. Moneys received by the Receiver in respect of rates under the powers hereof shall be applied,—

(1.) In payment of the expenses of the application and order ;

(2.) In payment of the Receiver's remuneration, fixed as aforesaid, and his reasonable and necessary expenses ; 40

(3.) In payment of the sums then overdue which are secured by such rate ;

(4.) The residue, after payment of the above, to the Corporation. 45

When sums overdue are paid, rate to revert to Corporation.

10. When all sums overdue in respect to the said debentures and interest are paid, it shall be lawful for the Court or Judge to make an order declaring that the office of the Receiver with reference to the said loan is at an end ; and thereupon the said rate shall revert to the Corporation.

MISCELLANEOUS.

Judge not deemed interested on account of liability for rates.

11. No Judge shall, solely on account of his liability to pay rates, be deemed to be interested in any proceedings in which he is judicially concerned. 50

12. No objection shall be allowed in any Court to any rate which the Council or Receiver shall purport to strike, make, or levy under the provisions of this Act, or which shall or may form the security for the debentures or coupons issued hereunder; and no informality or irregularity, whether in form or substance, or in the making, striking, or levying of such rate, or in the election or appointment of any body or person acting in connection therewith, shall be allowed by any Court as a defence to any action or proceeding for the recovery of such rate, or be entertained as a ground for questioning such rate or restraining the recovery thereof.

Objection to rate struck not allowed as a defence.

SCHEDULE.

Schedule.

FORM OF DEBENTURE.

Loan of £35,000, City of Christchurch.

Christchurch City Debentures (1899) Loan; secured by special rate.

DEBENTURE for £ , payable at Christchurch on the day of 19 , issued by Council of the City of Christchurch, New Zealand, under "The Christchurch City Borrowing Act, 1899."

ON presentation of this debenture at the Christchurch City Council Office on or after the day of , 19 , the bearer thereof will be entitled to receive £ . Interest on this debenture will cease after the day when the payment falls due, unless default is made in payment.

N.B.—The holder of this debenture has no claim in respect thereof upon the Government of the Colony of New Zealand, or the revenues of such colony.

Issued under the Corporate Seal of the City of Christchurch, the day of

, 19
C.D., City Treasurer.

A.B., Mayor.

FORM OF COUPON.

DEBENTURE No. of the City of Christchurch, New Zealand, issued under "The Christchurch City Borrowing Act, 1899," secured by special rate.

ON presentation of this coupon at the City Council Office, Christchurch, on or after the day of , 19 , the bearer thereof will be entitled to receive £

C.D., Treasurer.

A.B., Mayor.