

BYLAW NUMBER 11B2023

**BEING A BYLAW TO AUTHORIZE THE CITY OF CALGARY TO INCUR
INDEBTEDNESS IN THE TOTAL AMOUNT OF \$55.63 MILLION TO
FINANCE THE CONSTRUCTION OF THE COMPOSTING FACILITY
EXPANSION AND TO REPEAL BYLAW 11B2021**

WHEREAS Council of The City of Calgary ("**Council**") has reviewed report IP2022-0018 for the construction and financing of the expansion to the Calgary Composting Facility (the "**Project**") and directed Administration to take all steps necessary under the Composting Facility Project Agreement to exercise The City of Calgary's ("**The City**") right thereunder to expand the Calgary Composting Facility to accommodate an additional 60,000 tonnes per year of Single-Family Residential food and yard waste;

AND WHEREAS this bylaw repeals and replaces previously approved Bylaw 11B2021 which authorized borrowing in the amount of \$30 million for financing the Project;

AND WHEREAS the construction of the Project now has an estimated cost of \$89.59 million;

AND WHEREAS it is estimated that at least \$33.96 million of the cost of the Project will be funded through sources other than the Financing Options (as defined herein);

AND WHEREAS Council has determined it is advisable to pass a bylaw pursuant to Sections 251 and 258 of the *Municipal Government Act* (R.S.A. 2000 c. M-26) (the "**MGA**") to authorize borrowing the sum of \$55.63 million for the purpose of financing a portion of the Project through borrowing from the Province of Alberta or other lenders and/or by way of issuances of debt in the capital markets or private placements under The City's debt capital markets and private placement program (collectively, the "**Financing Options**");

AND WHEREAS the estimated probable lifetime of the Project financed under this Bylaw is equal to, or in excess of, twenty-five (25) years;

AND WHEREAS the amount of the long-term debt of The City as at 2022 December 31 is \$2,695 million with \$332 million being tax supported debt, \$247 million being self-sufficient tax supported debt and \$2,116 million being self-supported debt and no part of any principal or interest is in arrears, with the addition of the borrowing authorized hereby, The City is within its debt limit; and

AND WHEREAS all required approvals for the borrowing will be obtained to ensure The City is in compliance with all laws in force in the Province of Alberta.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF CALGARY ENACTS AS FOLLOWS:

1. Bylaw 11B2021 is repealed in its entirety.
2. The City is hereby authorized to borrow the maximum sum of \$55.63 million to finance a portion of the Project under any one or more of the Financing Options.
3. The Chief Financial Officer of The City is hereby authorized to execute and deliver such agreements, instruments, certificates, and other documents, and do such further acts and

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things as may be reasonably necessary or as may be reasonably requested for the purpose of carrying out the borrowing and performing The City's obligations under any associated agreements, instruments, certificates or other documents.

4. The City shall repay the indebtedness over a period not to exceed twenty-five (25) years, in full and in accordance with one or more of the following repayment structures:
 - a) in one installment of principal on the maturity date of the borrowing, and a series of installments of interest as and when due throughout the term of the borrowing (such installments being no less often than semi-annual);
 - b) in installments of principal and interest, as and when due, throughout the term of the borrowing (such installments being no less often than semi-annual); and
 - c) interest only installment payments followed by installments of principal and interest, as and when due under the terms of the borrowing (such installments being no less often than semi-annual).
5. The City will pay interest as and when required (but no less often than in semi-annual instalments), at an interest rate not exceeding 8.00% per annum.
6. The City shall charge user fees sufficient to pay the interest, principal, fees and deposits when due and as required on the indebtedness. In the event of any revenue deficiency, The City shall levy and raise municipal taxes sufficient to pay the indebtedness.
7. The indebtedness shall be contracted on the credit and security of The City.
8. The net amount borrowed under this Bylaw shall be applied only to the purposes specified by this Bylaw.
9. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS ___ DAY OF _____, 2023.

READ A SECOND TIME THIS ___ DAY OF _____, 2023.

READ A THIRD TIME THIS ___ DAY OF _____, 2023.

MAYOR
SIGNED THIS ___ DAY OF _____, 2023.

CITY CLERK
SIGNED THIS ___ DAY OF _____, 2023.