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THE CITY OF CALGARY
CITY CLERK'S

NOTICE OF MOTION
CC 661 (R2009-05)

NM2017, May 8

RE: DEBT CAPACITY SUPPLEMENTARY REPORT TO NM2015-33
COUNCILLOR DRUH FARRELL

WHEREAS a Motion Arising from NM2015-33, which directed Administration to prepare a report on the impact of the 30-year commitment to the Green Line on The City's overall debt and debt servicing capacity, is returning to the Priorities and Finance Committee during Q2 2017;

AND WHEREAS The City is also exploring other major capital investments that may require taking on further debt;

AND WHEREAS The City of Calgary's self-imposed debt ceiling is 80 per cent of the provincially mandated debt ceiling and has served The City well for 30 years;

AND WHEREAS adhering to 80 per cent of the debt ceiling provides a level of financial flexibility to ensure The City has capacity to deal with changing and unexpected fiscal and economic conditions;

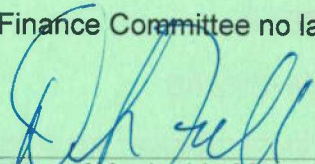
AND WHEREAS the Green Line is a priority project that will require significant debt financing, limiting our ability to bring on other new large-scale projects;

AND WHEREAS debt levels and servicing costs of the Green Line, in addition to other major capital projects, may put The City's AA+ credit rating at risk;

AND WHEREAS debt must be managed in a fiscally responsible manner to ensure we do not overburden future generations of Calgarians;

NOW THEREFORE BE IT RESOLVED THAT City Council directs Administration to:

1. Identify a list of capital projects, both approved and considered, to the fullest extent possible, that may require debt and debt servicing;
2. Develop a plan to manage debt levels and bring forward recommendations on project priorities based on what Calgarians can afford;
3. Report back to City Council through the Priorities and Finance Committee no later than the fourth quarter of 2017.


Signature of Member(s) of Council