

BYLAW NUMBER 8B2021

**BEING A BYLAW TO AUTHORIZE THE CITY OF CALGARY TO
INCUR INDEBTEDNESS IN THE TOTAL AMOUNT OF UP TO
\$5.5 MILLION TO FINANCE THE CONSTRUCTION OF THE
RUNDLE PROJECT OF NEW AFFORDABLE RENTAL
HOUSING**

WHEREAS Council of The City of Calgary ("**Council**") has reviewed report PFC2021-0445 for the construction of the Rundle housing project which includes an estimated 135 affordable housing units (the "**Project**");

AND WHEREAS the construction of the Project has an estimated cost of \$36.9 million;

AND WHEREAS it is estimated that at least \$31.4 million of the cost of the Project will be funded through sources other than debenture borrowing;

AND WHEREAS Council has deemed it advisable to pass a bylaw pursuant to Sections 251 and 258 of the *Municipal Government Act* (R.S.A. 2000 c. M-26) to borrow an amount not exceeding \$5.5 million from Canada Mortgage and Housing Corporation ("**CMHC**"), or the Province of Alberta (the "**Province**"), or other federal crown corporations to finance the Project;

AND WHEREAS the estimated lifetime of the Project financed under this Bylaw is equal to, or in excess of, thirty (30) years;

AND WHEREAS all required approvals for the Project will be obtained to ensure the Project is in compliance with all acts of the Province of Alberta and all regulations thereunder;

AND WHEREAS the amount of the long term debt of The City of Calgary ("**The City**") as at 2020 December 31 is \$2,845 million with \$401 million being tax supported debt, \$214 million being self-sufficient tax supported debt and \$2,229 million being self-supported debt and no part of the principal or interest is in arrears.

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

1. The proper officers of The City are hereby authorized to borrow a maximum sum of \$5.5 million to finance the Project.
2. The City will pay interest as and when required (but no less often than in semi-annual instalments), at an interest rate up to a maximum rate of 8.00% per annum.
3. The City shall repay the indebtedness not exceeding a period of thirty (30) 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).
- 4) The City shall obtain funds from Calhome Properties Ltd., operating as Calgary Housing Company (“CHC”) to repay the said indebtedness under the terms of the loan agreement between The City and CHC dated February 17, 2005, as amended and restated from time to time. In the event of any revenue deficiency, The City shall levy and raise municipal taxes sufficient to pay the indebtedness.
- 5) The net amount borrowed under this Bylaw shall be applied only to the purposes specified in this Bylaw.
- 6) The indebtedness shall be contracted on the credit and security of The City.
- 7) The Bylaw comes into force on the date it is passed.

READ A FIRST TIME ON THE _____ DAY OF _____, 2021.

READ A SECOND TIME ON THIS _____ DAY OF _____, 2021.

READ A THIRD TIME ON THIS _____ DAY OF _____, 2021.

MAYOR

SIGNED THIS ___ DAY OF _____, 2021.

CITY CLERK

SIGNED THIS ___ DAY OF _____, 2021.