

PROPOSED

PFC2021-0445
ATTACHMENT 3

BYLAW NUMBER 39M2021

BEING A BYLAW OF THE CITY OF CALGARY AUTHORIZING MUNICIPAL LOAN OF UP TO \$5.5 MILLION TO CALHOME PROPERTIES LTD. *****

THE MUNICIPAL COUNCIL OF THE CITY OF CALGARY DULY ASSEMBLED
ENACTS THE FOLLOWING:

Purpose

1. The purpose of this Bylaw is to authorize the Loan from The City of Calgary to its controlled corporation, Calhome Properties Ltd. ("CHC"), pursuant to section 265 of the MGA and in accordance with subsection 264(1)(b) of the MGA, as modified by subsection 4(11)(a)(i) of the *City of Calgary Charter, 2018 Regulation, Alta Reg 40/2018*.
2. The purpose of the Loan is to fund a new affordable rental housing project.

Interpretation

3. In this Bylaw:
 - (a) "CHC" means Calhome Properties Ltd., operating as Calgary Housing Company, a controlled corporation of The City, incorporated under the *Business Corporations Act*, R.S.A. 2000, c. B-9 on June 16, 1978 as a non-profit organization;
 - (b) "Council" means the municipal council of The City;
 - (c) "Lender" means the Canada Mortgage and Housing Corporation, or the Province of Alberta, or other federal crown corporation;
 - (d) "Loan" means the lending of funds from The City to CHC in accordance with the terms of the Loan Agreement and as authorized by this Bylaw;
 - (e) "Loan Agreement" means the loan agreement entered into between The City, as lender, and CHC, as borrower, dated the 17th day of February, 2005, as may be amended from time to time;
 - (f) "MGA" means *Municipal Government Act*, RSA 2000, c. M-26; and
 - (g) "The City" means The City of Calgary, a municipal corporation of the Province of Alberta.

The Loans

4. (1) The City is authorized to lend to CHC the funds that The City has borrowed from the Lender pursuant to Borrowing Bylaw 8B2021, up to a maximum sum of \$5.5

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million. Such loan authorization is made on the condition that the Loan is advanced in accordance with the terms and conditions outlined in the Loan Agreement.

- (2) The Loan shall be advanced by The City to CHC after:
 - (a) Council has given three readings to Borrowing Bylaw 8B2021;
 - (b) Council has given three readings to this Bylaw;
 - (c) the existing Loan Agreement between The City and CHC has been amended to reflect additional loans contemplated under this Bylaw, in accordance with The City's Credit Documentation – Loans and Loan Guarantees Policy and Procedures; and
 - (d) CHC has provided to The City a Notice of Drawdown in accordance with the terms of the Loan Agreement and satisfied the applicable conditions of advance set out in the Loan Agreement.
- (3) CHC shall repay to The City the Loan over a period not exceeding thirty (30) years in accordance with the terms set out in the Loan Agreement. The interest rate applicable to the Loan will align with The City's cost of borrowing from the Lender.
- (4) CHC shall pay to The City an administration fee of 0.25% per annum on the outstanding Loan, which amount shall accrue daily and be paid monthly.

General Matters

5. This Bylaw comes into force on the day it is passed.

READ A FIRST TIME ON _____

READ A SECOND TIME ON _____

READ A THIRD TIME ON _____

MAYOR

SIGNED ON _____

CITY CLERK

SIGNED ON _____