

## THE CITY OF CALGARY

### TABULATION OF CAPITAL BORROWING BYLAW FOR THE CITY OF CALGARY'S COMPOSTING FACILITY EXPANSION TO BE PRESENTED TO THE COUNCIL OF THE CITY OF CALGARY ON TUESDAY 2022 March 29

#### BORROWING BYLAW INFORMATION

Bylaw	-	11B2021
Purpose	-	To finance the construction of the expansion to the Calgary Composting Facility
Borrowing authority	-	\$30 million
Term	-	25 years
Type of debt	-	Self-supported
Statutory references	-	<i>Municipal Government Act</i> - Section numbers
Borrowing authorization		
and advertising requirement	-	251 and 258
Passing a bylaw	-	187

#### Enabling a borrowing:

Section 251(1) A municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw.

(2) A borrowing bylaw must set out

- (a) the amount of money to be borrowed and, in general terms, the purpose for which the money is borrowed;
- (b) the maximum rate of interest, the term and the terms of repayment of the borrowing;
- (c) the source or sources of money to be used to pay the principal and interest owing under the borrowing.

(3) A borrowing bylaw must be advertised.

#### Purpose of a borrowing

Section 258 applies to a borrowing made for the purpose of financing a capital property when the term of the borrowing exceeds 5 years. Borrowing bylaws authorized under this section require advertising.

#### Passing a bylaw:

Section 187 stipulates every proposed bylaw must have 3 distinct and separate readings. The readings of a bylaw must follow the legislated procedures set out in the *Municipal Government Act*.

Council's Authorizing Document - IP2022-0018

**AFFIRMATIVE VOTES REQUIRED FOR PASSING OF A BYLAW** - Majority of members present

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#### ADMINISTRATIVE COMMENTS

Council of The City of Calgary ("Council") has reviewed report IP2022-0018 for the construction and financing of the expansion to the City of Calgary ("The City") Composting Facility and directed Administration to negotiate and execute all amendments to the Composting Facility Project Agreement to expand the Calgary Composting Facility to accommodate an additional 60,000 tonnes per year of Single-Family Residential food and yard waste (the "Project").

Pursuant to report IP2022-0018 Council also directed Administration to approve a capital budget appropriation of \$50 million to Program 258 – Facilities and Equipment funded from a combination of sources, including self-supported debt, for the expansion of the Calgary Composting Facility.

Borrowing Bylaw 11B2021 is for authorizing The City to borrow up to \$30 million to partially fund the design and construction of the Calgary Composting Facility expansion project between 2022 and 2025. The total project cost is estimated to be \$50 million.

On 2022 February 15, Council gave first reading to Borrowing Bylaw 11B2021. Pursuant to Section 231 of the *Municipal Government Act*, Borrowing Bylaw 11B2021 was advertised in the Calgary Herald on 2022 February 24 and 2022 March 3. The 15-day statutory deadline for a petition asking for a vote on the bylaws was 2022 March 18. There were no valid petitions received.

#### FINANCIAL CAPACITY

Pursuant to The City's debt policy, total debt will not exceed 1.6 times revenue. The total debt service will not exceed 0.28 times revenue.

#### OTHER LEGISLATIVE REQUIREMENTS

Pursuant to *Municipal Government Act* section 254, no municipality may acquire, remove or start the construction or improvement of a capital property that is to be financed in whole or in part through a borrowing unless the borrowing bylaw that authorizes the borrowing is passed.

#### RECOMMENDATION

That Council give:

1. Borrowing Bylaw 11B2021 second and third readings

#### ATTACHMENTS

1. Borrowing Bylaw 11B2021