

THE CITY OF CALGARY

TABULATION OF BORROWING BYLAWS TO BE PRESENTED TO THE COUNCIL OF THE CITY OF CALGARY ON MONDAY, 2015 SEPTEMBER 14

BORROWING BYLAW INFORMATION

Borrowing Bylaw	- 6B2015
Purpose	- To repeal Bylaws 16B2014 and 17B2014
Borrowing Authority	- \$6.7 million for each Bylaw
Term	- 9 & 25 years
Type of Debenture	- Self supported
Capital Program	- Water Resources, Programs 895 & 897
Council document	- C2015-0526 Advancing Growth in Keystone Hills ASP: Borrowing Bylaw & Area Structure Plan Amendment, 2015 June 29
Statutory References	- Municipal Government Act (MGA) – sections:
Borrowing Authorization	- 251 & 258
Passing a bylaw	- 187
Amendment & Repeal	191

Borrowing Bylaws	- 7B2015 and 8B2015
Purpose	- To finance construction of The Stoney Compressed Natural Gas Bus Storage & Transit Facility Public Private Partnership (P3)
Borrowing Authority	- \$97 million & \$49 million respectively
Term	- 30 years
Type of Debenture	- Tax supported
Capital Program	- Transportation, Program 659
Council document	- C2015-0502 Stoney Compressed Natural Gas Bus Storage & Transit Facility P3, 2015 July 27
Statutory References	- Municipal Government Act (MGA) – sections:
Borrowing Authorization	- 251 & 258
Passing a bylaw	- 187

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MGA STATUTORY REFERENCES

Enabling a borrowing

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.

Section 258(1) 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 MGA.

Amendment and repeal:

191(1) The power to pass a bylaw under this or any other enactment includes a power to amend or repeal the bylaw.

AFFIRMATIVE VOTES REQUIRED

Majority of members present

ADMINISTRATIVE COMMENTS

Bylaw 6B2015 is required to repeal Bylaws 16B2014 and 17B2014 for the water feedermain in east and west Keystone.

Bylaw 7B2015 and 8B2015 are required for financing the P3 construction of the stoney compressed natural gas bus storage and transit facility.

On 2015 July 27 Council gave first reading to Bylaws 6B2015, 7B2015 and 8B2015. Pursuant to Section 231 of the Municipal Government Act, Bylaws 6B2015, 7B2015 and 8B2015 were advertised in the Calgary Herald on 2015 July 30 and August 6. The 15-day statutory deadline for a petition asking for a vote on the bylaws was 2015 August 21 and no valid petition for the bylaws have been received.

OTHER LEGISLATIVE REQUIREMENTS

MGA 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.

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FINANCIAL CAPACITY

Pursuant to MGA section 252 and the associated regulations, The City cannot make a borrowing if the borrowing will cause the municipality to exceed its debt limit.

The MGA debt limit and debt service limit reported in the audited consolidated financial statements for the year ended December 31, 2014 are 52.37% and 62.58% respectively. Most recent forecasts reflecting approved capital budgets and associated debt financing indicate that The City debt limit and debt service will remain below 80% of the Municipal Government allowable limits for the years 2015 to 2020.

RECOMMENDATION

That Council give Bylaws 6B2015, 7B2015 and 8B2015 second and third readings.

ATTACHMENTS

Bylaws 6B2015, 7B2015 and 8B2015