

BYLAW NUMBER 13B2014

**BEING A BYLAW TO AUTHORIZE THE CITY OF
CALGARY TO INCUR INDEBTEDNESS BY THE
ISSUANCE OF DEBENTURES IN THE TOTAL
AMOUNT OF \$25.8 MILLION TO FINANCE THE
REPAYMENT FOR THE EAST KEYSTONE
UTILITY INFRASTRUCTURE**

WHEREAS The Council of The City of Calgary ("Council") is to approve Report PFC2014-0844 Advancing Growth: East and West Keystone financing and funding proposals;

AND WHEREAS various developers (the "Developers") have applied to The City of Calgary ("The City") to front end the cost of construction for utility infrastructure in order to complete the East Keystone Utility Infrastructure ("the Front-ended Improvements");

AND WHEREAS the Council of The City requires that the Developers execute a construction financing agreement (the "Agreement") to cover front-ending financing and payback for the Front-ended Improvements;

AND WHEREAS The City has estimated the repayment to the Developers for construction of the Front-ended Improvements to be \$25.8 million;

AND WHEREAS Council has decided to pass a bylaw pursuant to Sections 251 and 258 of the Municipal Government Act (R.S.A. 2000 c. M-26) to borrow the sum of \$25.8 million from Alberta Capital Finance Authority or other financial institutions or capital markets by the issuance of debentures to finance repayment of the Front-ended Improvements;

AND WHEREAS the estimated lifetime of the project financed under this Bylaw is equal to, or in excess of twenty five (25) years;

AND WHEREAS the amount of the long term debt of The City as at 2013 December 31 is \$3,661 million with \$571 million being tax supported debt, \$1,174 million being self-sufficient tax supported debt and \$1,916 million being self supported debt and no part of the principal or interest is in arrears;

AND WHEREAS all required approvals for the project financed under this Bylaw will be obtained prior to construction to ensure the project is in compliance with all laws in force in the Province of Alberta.

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

1. The City is hereby authorized to issue debentures up to \$25.8 million to finance the repayment to the Developers for the costs of the Front-ended Improvements.
2. The City shall pay interest, principal, fees and deposits when due and as required on the indebtedness over a period not exceeding twenty five (25) years at a rate not exceeding the rate fixed by the lender on the date of the borrowing, up to a maximum rate of 8%.

BYLAW NUMBER 13B2014

3. The City shall charge user fees sufficient to pay the interest, principal, fees and deposits when due and as required on the indebtedness. In the event of any revenue deficiency, The City shall levy and raise municipal taxes sufficient to pay the indebtedness.
4. The indebtedness shall be contracted on the credit and security of The City.
5. The net amount borrowed under this Bylaw shall be applied only to the project specified by this Bylaw.
6. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME THIS ____ DAY OF _____, 2014.

READ A SECOND TIME THIS ____ DAY OF _____, 2014.

READ A THIRD TIME THIS ____ DAY OF _____, 2014.

MAYOR
SIGNED THIS ____ DAY OF _____, 2014.

CITY CLERK
SIGNED THIS ____ DAY OF _____, 2014.