

BYLAW NUMBER 14B2014

**BEING A BYLAW TO AUTHORIZE THE CITY OF
CALGARY TO INCUR INDEBTEDNESS IN THE
TOTAL AMOUNT OF \$10.5 MILLION BY
ENTERING INTO AN AGREEMENT TO FINANCE
THE CONSTRUCTION OF WEST 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 of utility infrastructure in order to complete the West 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 Front-ended Improvements will be described in the Agreement and are estimated to cost \$10.5 million;

AND WHEREAS until such time as The City permanently funds the Front-ended Improvements in alignment with The City Capital Plan, the Developers have agreed to cover the said costs that would normally be the responsibility of The City, at no interest cost to The City, in accordance with the terms of the Agreement;

AND WHEREAS Council has deemed it advisable to pass a borrowing bylaw pursuant to Sections 251 and 258 of the Municipal Government Act, R.S.A. 2000, c. M-26 ("the Act") to provide for the costs and payback of the Front-ended Improvements;

AND WHEREAS the estimated lifetime of the project financed under this Bylaw is in excess of nine (9) 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 Front-ended Improvements 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 incur indebtedness in the amount of \$10.5 million by entering into the Agreement with the Developers for the construction of the Front-ended Improvements.
2. The City shall commence the repayment of the indebtedness to the Developers in accordance with the Agreement and over a term not to exceed nine (9) years.
3. The City shall repay the principal amount in accordance with the Agreement and the original time line contemplated in The City Capital Plan.
4. No interest shall be payable on the said indebtedness.
5. The City shall repay the amount falling due on the indebtedness from revenue, reserves or debt. In the event of any repayment deficiency, The City shall levy and raise municipal taxes sufficient to pay the indebtedness.
6. The indebtedness shall be contracted on the credit and security of The City.
7. 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.