

**THE CITY OF CALGARY**

**TABULATION OF CAPITAL BORROWING AND BORROWING REPEAL BYLAW  
FOR THE COMPOSTING FACILITY EXPANSION  
TO BE PRESENTED TO COUNCIL OF THE CITY OF CALGARY ON TUESDAY,  
2024 JANUARY 30**

**BORROWING BYLAW INFORMATION**

Bylaw Number	-	11B2023
Purpose	-	To authorize The City of Calgary (“The City”) to borrow \$55.63 million to partially fund the construction of the Composting Facility Expansion (the “Project”) and to repeal Borrowing Bylaw 11B2021 which previously authorized The City to borrow \$30 million for the Project.
Borrowing authority	-	\$55.63 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
Amendment and Repeal	-	191
Passing a Bylaw	-	187

Borrowing Authorization and Advertising Requirement:

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.”

Section 258

“(1) This section 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.

Amendment and Repeal:

Section 191

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

(2) The amendment or repeal must be made in the same way as the original bylaw and is subject to the same consents or conditions or advertising requirements that apply to the passing of the original bylaw unless this or any other enactment provides otherwise.”

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Passing a Bylaw:

Section 187

“(1) 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** - C2023-1148

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

**ADMINISTRATIVE COMMENTS**

Administration is seeking Council approval of Borrowing Bylaw 11B2023 to authorize The City to borrow the amount of \$55.63 million to partially fund the construction of the Project, for a 25-year term. If approved by Council, Borrowing Bylaw 11B2023 repeals and replaces previously approved Borrowing Bylaw 11B2021 which authorized The City to borrow the amount of \$30 million for the Project.

In the 2023 November Adjustments to the 2023-2026 Service Plans and Budgets (C2023-1148) Council approved a capital budget increase for the Project to reflect the updated capital cost estimate in the amount of \$89.59 million. Waste and Recycling Services has proposed to fund the updated capital cost through borrowing the amount of \$55.63 million, with the balance of \$33.96 million to be funded from grants and reserves.

The City shall charge user fees sufficient to repay the indebtedness over the estimated useful life of the assets to be procured.

On 2023 November 22, Council gave first reading to Borrowing Bylaw 11B2023. Pursuant to Section 231 of the *Municipal Government Act*, Borrowing Bylaw 11B2023 was advertised in the Calgary Herald on 2023 December 7 and 2023 December 14. The 15-day statutory deadline for a petition asking for a vote on the Bylaw was 2023 December 29. 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 This debt will be included in the total debt calculations for purpose of calculating The City’s debt limit. The \$55.63 million of debt will not cause The City to exceed its debt limits.

**RECOMMENDATION**

That Council give:

1. Borrowing Bylaw 11B2023 second and third readings.

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**ATTACHMENTS**

1. Proposed Borrowing Bylaw 11B2023
2. Borrowing Bylaw 11B2021 (to be repealed)