

BYLAW NUMBER 9B2014

**BEING A BYLAW TO AUTHORIZE THE CITY OF CALGARY TO
INCUR INDEBTEDNESS IN THE TOTAL AMOUNT OF \$18.6
MILLION BY ENTERING INTO A FRONT-ENDING AGREEMENT TO
FINANCE THE CONSTRUCTION OF NORTHPOINT FRONT-ENDED
IMPROVEMENTS**

WHEREAS Walton Development Group Inc. (the “Developer”) has submitted a funding and financing proposal to The City of Calgary (“The City”) for the construction of utility infrastructure to extend the existing storm and sanitary trunk infrastructure (the “Front-ended Improvements”) to provide service to the communities of Redstone, Cityscape, Skyview Ranch and Cornerstone (collectively known as “Northpoint”);

AND WHEREAS in order to advance the construction of the Front-ended Improvements, Council for The City (“Council”) requires that the Developer 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 are estimated to cost \$18.6 million as described in the attached Schedule “A”;

AND WHEREAS the Front-ended Improvements will be constructed ahead of The City’s original time line contemplated in the Water Resources Business Plans and Budget and the Developer has agreed to cover the costs of constructing the Front-ended Improvements at no interest 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 257 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 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 five (5) 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 non tax 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 \$18.6 million by entering into a front-ending and payback arrangement with the Developer for the construction of the Front-ended Improvements as described in the attached Schedule "A".
2. The City shall commence the repayment of the indebtedness to the Developer according to the Agreement and over a term not to exceed five (5) years.
3. The City shall repay the principal amount in accordance with the Agreement.
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. The attached Schedule "A" is hereby declared to form part of this Bylaw.
8. 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

DATED THIS ____ DAY OF _____, 2014.

CITY CLERK

DATED THIS ____ DAY OF _____, 2014.

Business	Program		Amount to be
Unit	No.	Purpose of Borrowing	Borrowed
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Water Resources	895-329	Wastewater Trunks Lift Station	9,100
Water Resources	897-364	Stormwater Infrastructure for new development	9,500
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			18,600
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