

BYLAW NUMBER 10B2014

**BEING A BYLAW TO AUTHORIZE THE CITY OF CALGARY TO
INCUR INDEBTEDNESS BY THE ISSUANCE OF DEBENTURES IN
THE TOTAL AMOUNT OF \$18.6 MILLION TO FINANCE THE
REPAYMENT TO THE DEVELOPER FOR CONSTRUCTION OF
NORTHPOINT FRONT-ENDED IMPROVEMENTS**

WHEREAS Walton Development Group Inc. (the "Developer") 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 Water Resources of The City has estimated the repayment to the Developer for construction of the Front-ended Improvements to be \$18.6 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 \$18.6 million from Alberta Capital Finance Authority ("ACFA") or other financial institutions or capital markets by the issuance of debentures to finance repayment to the Developer 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 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 proper officers of The City are hereby authorized to issue debentures on behalf of The City in the amount of \$18.6 million to finance the repayment to the Developer for the Front-ended Improvements.

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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 interest rate fixed by the lender on the date of the borrowing.
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 Front-ended Improvements 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.