

PROPOSED

EC2025-0716
ATTACHMENT 3

BYLAW NUMBER 7B2025

BEING A BYLAW TO AUTHORIZE THE CITY OF CALGARY TO BORROW THE FUNDS REQUIRED SHOULD THE CITY OF CALGARY'S GUARANTEE AUTHORIZED BY BYLAW 39M2025 BE CALLED

WHEREAS the municipal Council of The City of Calgary (“**Council**”) duly passed Bylaw 41M2014 on 2014 July 22, authorizing The City of Calgary (“**The City**”) to guarantee the repayment of principal and interest (the “**Guarantee**”) on a \$10 million revolving credit facility (the “**Credit Facility**”) between a financial institution (the “**Lender**”) and Attainable Homes Calgary Corporation (“**AHCC**”);

AND WHEREAS Bylaw 41M2014 has been amended by Bylaws 17M2021 and 5M2023 to extend the term of the Guarantee;

AND WHEREAS AHCC is seeking to increase its existing Credit Facility from \$10 million to \$40 million to support AHCC’s 2025-2028 strategic plan, and as a condition of such increase, the Lender requires that The City extend the term and amount of the Guarantee;

AND WHEREAS Council considered report EC2025-0716 on 2025 July 29, recommending that The City increase the Guarantee from \$10 million to a maximum of \$40 million, and to extend the term of the Guarantee to align with AHCC’s increased Credit Facility;

AND WHEREAS Council wishes to pass this Bylaw Number 7B2025 (this “**Bylaw**”) pursuant to Section 251 of the MGA and Sections 1.4 and 6.2 of the Debt Policy to authorize borrowing up to the maximum amount of \$40 million for the purpose of enabling debt financing as a backup source of funding in the event The City has to act on its guarantee of AHCC’s Credit Facility, through borrowing from the Government of Alberta or other lenders (collectively, the “**Financing Options**”);

AND WHEREAS The City is subject to the *Municipal Government Act*, R.S.A. 2000 c. M-26, as may be amended from time to time (the “**MGA**”), which requires, among other matters, that The City may only make a borrowing if the borrowing is authorized by a borrowing bylaw;

AND WHEREAS The City has in place Debt Policy CP2020-05, which was adopted on November 2, 2020, and became effective on January 1, 2021, as may be amended or amended and restated from time to time (the “**Debt Policy**”), which requires, among other matters, that the issuance of any new debt by The City be approved by Council and authorized by adopting a borrowing bylaw;

AND WHEREAS the amount of the long-term debt of The City as at 2024 December 31 is \$2,963 million with (i) \$272 million thereof being tax supported debt; (ii) \$310 million thereof being self-sufficient tax supported debt; and (iii) \$2,381 million thereof being self-supported debt, and no part of the principal or interest of any of the foregoing debt is in arrears. With the addition of the borrowing authorized herein, The City is within its debt limit per its Debt Policy;

AND WHEREAS all required approvals for the increased Guarantee will be obtained to ensure they are in compliance with all laws in force in the Province of Alberta.

NOW, THEREFORE, COUNCIL, DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. The City is hereby authorized to incur indebtedness up to the maximum sum of \$40 million under any one or more of the Financing Options.
2. The Chief Financial Officer of The City, or delegate, is hereby authorized to execute and deliver such agreements, instruments, negotiable instruments, debentures, certificates, and other documents, and do such further acts and things as may be reasonably necessary or as may be reasonably requested for the purpose of carrying out the borrowing and performing The City's obligations under any associated agreements, instruments, certificates or other documents.
3. The indebtedness shall be repayable over a maximum term of thirty (30) years and shall bear interest at a maximum interest rate of 8% per annum.
4. The City shall repay the principal and interest, as and when due, throughout the term of the borrowing, as required and determined by the lender under the Financing Options on the date of the borrowing.
5. The source of repayment of principal, interest, fees and deposits due and as required on the indebtedness shall be through The City's general revenue. In the event of any revenue deficiency, The City shall levy and raise municipal taxes sufficient to repay such indebtedness.
6. The net amount borrowed under this Bylaw shall be applied only to the purposes specified in this Bylaw (which, for the avoidance of doubt, may include: (i) repaying, redeeming or refinancing any indebtedness incurred by The City in respect of the Guarantee; or (ii) replenishing cash assets or financial resources of The City that have previously been used, expended or advanced for the purpose of financing the Guarantee, including any fees or other cost of funds associated with the use of such cash assets or financial resources).

7. This Bylaw comes into force on the date it is passed.

READ A FIRST TIME ON _____

READ A SECOND TIME ON _____

READ A THIRD TIME ON _____

MAYOR

SIGNED ON _____

CITY CLERK

SIGNED ON _____