

DEC 15 2025

ITEM: 11.6 EC2025-0912
Distrib-Attach 4
CITY CLERK'S DEPARTMENT

PROPOSED

EC2025-0912
Attachment 4

BYLAW NUMBER 53M2025

**AUTHORIZATION OF THE CITY OF CALGARY
TO LEND UP TO THE MAXIMUM PRINCIPAL AMOUNT OF
\$87,525,000 TO CALHOME PROPERTIES LTD. AS FINANCING
FOR AFFORDABLE HOUSING PROJECTS**

WHEREAS The City, through its wholly owned subsidiary, Calgary Housing ("CH"), has adopted a Strategic Plan which contemplates, among other things, future acquisitions of financially viable housing and land assets to grow CH's portfolio and offer more affordable mixed-income housing choices, as well as the development and redevelopment of perpetually affordable rental housing (1,500-3,000 homes) over 10 years;

AND WHEREAS The City obtained authorization to borrow an amount not to exceed \$87,525,000 to finance costs associated with the Projects, which authorization contemplated on-lending the net proceeds from such borrowing to CH to carry out the Projects in furtherance of the Strategic Plan;

AND WHEREAS The City is subject to the MGA, which provides in Section 264 that The City may lend to one of its controlled corporations, and in Section 265(1) that The City may only lend money if it is authorized by a lending bylaw;

AND WHEREAS Council wishes to pass this Bylaw pursuant to Section 265(1) of the MGA to authorize lending to CH, all at once or from time to time, up to the Principal Amount for the purpose of financing the Projects, as contemplated by the On-Lending Arrangement.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF CALGARY ENACTS AS FOLLOWS:

1. DEFINITIONS

In this Bylaw, including in the preamble, the following capitalized terms have the following meanings, respectively:

- (a) "Bylaw" means this lending bylaw number 53M2025;
- (b) "Charter" means the *City of Calgary Charter, 2018 Regulation*, Alta Reg 40/2018;
- (c) "CH" means Calhome Properties Ltd., operating as Calgary Housing, a controlled corporation of The City, continued under the *Business Corporations Act*, R.S.A. 2000, c. B-9 on 1985 May 29;
- (d) "Council" means the municipal Council of The City of Calgary;
- (e) "Debt Capital Markets Program" means The City's debt capital markets and private placement program established pursuant to Bylaw 10B2023;
- (f) "Financing" means the estimated \$87,525,000 borrowed, or anticipated to be borrowed, all at once or from time to time, by the City in accordance with Bylaw 11B2025 to finance the Projects, via the On-Lending Arrangement;

- (g) “MGA” means the *Municipal Government Act*, R.S.A. 2000 c. M-26, as amended by the Charter;
- (h) “*On-Lending Arrangement*” means the arrangement whereby net proceeds borrowed by The City pursuant to the Financing are loaned to CH, all at once or from time to time, for purposes of financing the Project;
- (i) “*Principal Amount*” means the maximum principal amount of \$87,525,000 to be borrowed pursuant to this Bylaw;
- (j) “*Projects*” means Southview Phase 1, the Real Estate Development Holding, and the Real Estate Acquisition, which collectively include the development or redevelopment of approximately 250 to 400 affordable housing units, and/or to the extent of any re-allocation of the Principal Amount which may be made from time to time, it also includes any one or more Strategic Project Opportunities;
- (k) “*Real Estate Acquisition*” means an identified real property acquisition and anticipated housing development in respect thereof which is anticipated to be carried out by CH in furtherance of the Strategic Plan;
- (l) “*Real Estate Development Holding*” means the parcel of real property held by The City, which is anticipated to be transferred to CH to carry out an affordable housing development project within a Calgary community;
- (m) “*Southview Phase 1*” means the first phase of the affordable housing development project carried out by CH in the Southview neighbourhood of Calgary;
- (n) “*Strategic Plan*” means CH’s 2023 – 2030 Strategic Plan, approved 2025 June 20 by Council, as representatives of The City, in its capacity as sole shareholder of CH;
- (o) “*Strategic Project Opportunities*” means any one or more strategic real property acquisitions and related development or redevelopment housing projects which furthers the Strategic Plan and which may be made from time to time as and when opportunities arise, utilizing all or any portion of the Principal Amount re-allocated for such purpose; and
- (p) “*The City*” means the municipal corporation of The City of Calgary.

2. INTERPRETATION

In this Bylaw, any reference to a statute, rule, regulation, bylaw, policy or program means and includes that statute, rule, regulation, bylaw, policy, plan or program, as may be amended, amended and restated, supplemented or replaced from time to time, and in the case of a statute, it includes any rules and regulations passed thereunder.

3. LENDING

- (a) The City is hereby authorized to lend to CH, all at once or from time to time, up to the Principal Amount to finance the Projects carried out through CH, as contemplated by the On-Lending Arrangement.

- (b) The Chief Financial Officer of The City, or any delegate of the Chief Financial Officer, is hereby authorized to negotiate, approve, execute and deliver any such agreements, instruments (including negotiable instruments), certificates, notes 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 intent of this Bylaw, and the loan contemplated by the On-Lending Arrangement, and performing The City's obligations under any associated agreements, instruments, certificates, notes or other documents.
- (c) Any loan contemplated by this Bylaw shall be repayable over a term that will not exceed the probable (useful) lifetime of the completed Project to which it relates, which term shall not exceed a maximum of thirty (30) years from the date of initial advance under such loan.
- (d) Any loan contemplated in this Bylaw shall be repayable in a manner consistent with The City's repayment obligations under the Financing, which may be one or more of the following repayment structures:
 - (i) installments of principal and interest, as and when due, throughout its term;
 - (ii) interest only installments, as and when due, followed by payment of outstanding principal at maturity;
 - (iii) as required by the lender or lenders that loaned the related amount to The City; or
 - (iv) as established in accordance with the Debt Capital Markets Program,with interest on outstanding amounts due from time to time, not exceeding 8% per annum.
- (e) The source or sources of money to be loaned shall be the net proceeds of the Financing.
- (f) The net amount lent under this Bylaw shall be applied by CH to the purposes specified in this Bylaw, which may also include: (i) repaying, refinancing or restructuring any such amounts; or (ii) replenishing cash assets or financial resources of CH that it previously used, expended or advanced for any of the Projects, including any fees or other costs of funds associated with the use of such cash assets or financial resources.

4. COMING INTO FORCE

This Bylaw comes into force on the day it is passed.

READ A FIRST TIME THIS ____ DAY OF _____, 2025.

READ A SECOND TIME THIS ____ DAY OF _____, 2025.

READ A THIRD TIME THIS ____ DAY OF _____, 2025.

MAYOR
SIGNED ON _____

CITY CLERK
SIGNED ON _____