

THE CITY OF CALGARY
TABULATION OF LOAN BYLAW
TO BE PRESENTED TO THE COUNCIL OF THE CITY OF CALGARY
ON MONDAY, 2019 MARCH 18

LOAN BYLAW INFORMATION

Bylaw No.	- 12M2019
Loan made to	- Calgary Municipal Land Corporation (" CMLC ")
Purpose of loan	- To loan to CMLC funds from The City's Council directed Reserve
Amount	- \$333,333,334.00
Repayment Terms	- CMLC shall pay to the principal amount of the Loan and all accrued interest then outstanding on or before December 31, 2047, with interest only or blended principal and interest payments determined and paid semi-annually using the prevailing interest rate applied to any amounts outstanding, plus a basic fee of 0.25% per annum on the principal amount of the outstanding loan
Statutory References	<i>Municipal Government Act ("MGA")</i>
Lending Authorization	- Sections 264(1)(b) and 265 of MGA
Advertising of Bylaw	- Section 265(3) of MGA
Reading of Bylaw	- Section 187 of MGA

Lending Authorization

Section 264(1)(b) of the MGA provides that a municipality may lend money to one of its controlled corporations.

Section 265 of the MGA stipulates that:

- a municipality may only lend money to one of its controlled corporations if the loan is authorized by bylaw; and
- a bylaw authorizing a loan must set out:
 - (a) the amount of money to be loaned and, in general terms, the purpose for which the money that is loaned is to be used;
 - (b) the minimum rate of interest, the term and the terms of repayment of the loan; and
 - (c) the source or sources of the money to be loaned.

Advertising of Bylaw

Section 265(3) of the MGA stipulates that a bylaw that authorizes a loan must be advertised.

Reading of Bylaw:

Section 187 of the MGA stipulates:

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- that every proposed bylaw must have 3 distinct and separate readings; and
- sets out the procedures for the readings of bylaws.

CAPITAL PROGRAM INFORMATION

Authorizing Document(s)	- C2019-0349 BMO Centre Expansion Funding
Council's Approval Date (as Shareholder)	- 2019 March 18

AFFIRMATIVE VOTES REQUIRED - Majority of members present

ADMINISTRATIVE COMMENTS

Loan Bylaw No. 12M2019 is to finance the BMO Centre Expansion in C2019-0349 BMO Centre Expansion Funding, which Council, as Shareholder, approved on 2019 March 18 by the allocation of up to \$333,333,334.00 from The City's Council directed Reserve funds to CMLC.

The term of the Loan shall not exceed a period of 28 years with interest only or blended principal and interest payments determined and paid semi-annually until the loan is paid in full.

The City and CMLC are parties to an existing credit agreement which will be amended to provide up to \$333,333,334.00 of additional loans from The City to CMLC.

CMLC shall pay to The City interest and principal installments when due and as required, plus a basic fee of 0.25% per annum based on the principal amount of the Loan outstanding from time to time, such fee to be calculated monthly.

Loan Bylaw No.12M2019 require public notice activities after first reading by Council. The bylaws will be scheduled for second and third readings on 2019 April 29 provided there are no valid petitions received.

RECOMMENDATION

That Council give Loan Bylaw 12M2019 first reading.

ATTACHMENTS

Loan Bylaw 12M2019