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Approved as to Form
Corporate Services (Law Branch)

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Approved as to Content
Chief Financial Officer and Treasurer
Financial Services Department

CITY OF EDMONTON

BYLAW 15962

A Bylaw to authorize the City of Edmonton
to acquire arena land and to design a downtown arena

WHEREAS:

The Council of the City of Edmonton has decided to issue a bylaw pursuant to Sections 251 and 258 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 to authorize the City of Edmonton to acquire arena land and to design a downtown arena (Project);

The City of Edmonton has made plans, specifications and estimates for the said Project and confirms the total cost of the said Project is \$56,000,000.00;

There are no grants or contributions to be received or applied to the said Project;

In order to acquire arena land and design the said Project, it will be necessary for the City of Edmonton to borrow the sum of \$56,000,000.00 for the terms and conditions referred to in this bylaw, as detailed in Schedule "A";

The above expenditure was approved by the City of Edmonton in its estimate of capital expenditures through the 2009 – 2011 Capital Budget or approved by way of City Council resolution;

The City of Edmonton will repay the indebtedness over a period of up to thirty-five (35) years in semi-annual or annual instalments, with interest not exceeding nine per cent (9%) per annum;

The amount of the existing debenture debt of the City of Edmonton at December 31, 2010 is \$1,840,232,843.83, as calculated in accordance with the *Debt Limit Regulation, A.R. 255/2000*, as amended, no part of which is in arrears;

The probable lifetime of the said Project is a minimum of thirty-five (35) years;

All required approvals for the said Project will be obtained and the Project is in compliance with all Acts and Regulations of the Province of Alberta and Canada;

THEREFORE, THE COUNCIL OF THE CITY OF EDMONTON DULY ASSEMBLED
ENACTS AS FOLLOWS:

1. That for the purpose of said Project the sum of \$56,000,000.00 be borrowed by way of debenture on the credit and security of the City of Edmonton at large.

2. The debentures to be issued under this bylaw shall not exceed the sum of \$56,000,000.00, and may be in any denomination not exceeding the amount authorized by this bylaw and shall be dated having regard to the date of the borrowing.
3. The debentures shall be payable in lawful money of Canada and shall bear interest during the currency of the debentures, at a rate not exceeding nine per cent (9%) per annum payable semi-annually or annually.
4. The debentures shall be issued for a period of up to thirty-five (35) years and the City of Edmonton will repay the principal and the interest in semi-annual or annual instalments. In the alternative, a bullet payment arrangement, whereby the principal is paid out at the end of the debenture term, may be applied.
5. For the purpose of this bylaw, the Chief Elected Official (as defined by the *Municipal Government Act*) means the Mayor, and the Chief Administrative Officer (as defined by the *Municipal Government Act*) means the City Manager, of the City of Edmonton. The Mayor and the City Manager shall authorize such bank or financial institution to make payments to the holder of the debentures, on such date and in such amounts as specified in the repayment schedule forming part of each debenture.
6. The debentures shall be signed by the Mayor and the City Manager of the City of Edmonton and the City Manager shall affix thereto the corporate seal of the City of Edmonton to the debentures.

7. Lease payments, ticket surcharge revenue from the arena facility, community revitalization levy revenue and parking revenue may be used to repay the principal and interest in a given year. In the event of any revenue deficiency, the City of Edmonton shall levy and raise municipal taxes sufficient to pay the indebtedness.

8. The indebtedness is contracted on the credit and security of the City of Edmonton at large.

9. The net amount realized by the issue and sale of debentures authorized under this bylaw shall be applied only for the purposes for which the indebtedness was created.

10. This bylaw shall take effect on the day of the final passing thereof.

READ a first time this	day of	2011;
READ a second time this	day of	2011;
READ a third time this	day of	2011;
SIGNED AND PASSED this	day of	2011.

THE CITY OF EDMONTON

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MAYOR

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CITY CLERK

Schedule 'A'

Downtown Arena land and design

(in thousands of dollars)

	<u>Project Name</u>	Estimated Total Cost	Borrowing Request	<u>2012</u>
11-21-0099	Arena Design	\$ 30,000	\$ 30,000	\$ 30,000
	Arena Area Project – Land (October 14, 2011 City Council approval)	<u>26,000</u>	<u>26,000</u>	<u>26,000</u>
		<u>\$ 56,000</u>	<u>\$ 56,000</u>	<u>\$ 56,000</u>