Bylaw 17971

To authorize the City of Edmonton to construct, finance and assess Residential Alley Lighting Improvement

Purpose

To authorize the City of Edmonton to borrow the sum of $26,051 to construct, finance and assess Residential Alley Lighting Local Improvement.

Readings

Bylaw 17971 is ready for three readings.

If Council wishes to give three readings during a single meeting, then prior to moving third reading, Council must unanimously agree “That Bylaw 17971 be considered for third reading".

Advertising and Signing

This Bylaw does not require advertising.

Position of Administration

Administration supports this Bylaw.

Report Summary

This Bylaw provides for borrowing for local improvements to finance 2017 residential alley lighting.

Report

Council has given proper notice of its intention to undertake and complete this project. The required approvals for the project have been obtained and the project is in compliance with all *Acts* and Regulations of the Province of Alberta.

The petition period expired on March 23, 2017. There were no valid petitions on the project as outlined in Attachment 2 to this report, which is less than the two-thirds petition requirement under the *Municipal Government Act* and the one-half petition requirement as outlined in City Policy *C433D Determination of Assessable Roadway-Related Local Improvements*. As a result, this Bylaw may proceed.

Policy

This Bylaw is consistent with the City of Edmonton’s *Debt Management Fiscal Policy* (C203C), *Financing of Local Improvements Policy* (C200B), *Determination of Assessable Roadway-Related Local Improvements* (C433D), Master Loan

Agreement between the City of Edmonton and Alberta Capital Finance Authority and applicable sections of the *Municipal Government Act*.

Corporate Outcomes

This report contributes to the corporate outcome "The City of Edmonton has sustainable and accessible infrastructure" by facilitating local improvement projects.

Risk Assessment

Risk Element	Risk Description	Likeli-hood	Impact	Risk Score	Current Mitigations	Potential Future Mitigations
Exceeding regulated debt and debt servicing limits	The internal City policy *Financing of Local Improvements (C200B)* directs the City to obtain debt financing for Local Improvements in accordance with the *Debt Management Fiscal Policy (C203C).* The description of risk includes exceeding debt and debt servicing limits regulated by the *Municipal Government Act* and the internal *Debt Management Fiscal Policy (C203C).* Exceeding the Debt Limit Regulations requires approval from the minister. Failure by a municipality to fall within the Debt Limit Regulations may result in the refusal of an application to the Alberta Capital Finance Authority to purchase the City's debentures in order to finance a capital project.	1-Rare	4-Severe	4-Low	Quarterly monitoring of the City's debt borrowings, debt positions and debt servicing to ensure compliance with the debt and debt servicing limits regulated by the *Municipal Government Act* and the internal *Debt Management Fiscal Policy (C203C).* The City considers and models the impact to the debt position and debt servicing limits due to future unapproved borrowings and potential changes to interest rates.	

Metrics, Targets and Outcomes

Metrics	Targets	Outcomes
● The City of Edmonton is subject to limits both for total debt and debt servicing by the *Municipal Government Act* and by the City's internal *Debt Management Fiscal Policy (C203C)* ● The *Municipal Government Act* debt limit is 2 times the revenue of the City and the debt servicing limit is 35% of consolidated revenues. For this calculation, revenues are net of capital government transfers and contributed tangible capital assets. As of December 31, 2016, the City had used 59.3% of its debt limit and 34.6% of its debt servicing limit. ● The internal *Debt Management Fiscal Policy (C203C)* sets more conservative debt service limits at 22% (total debt) of City revenues and 15% (tax-supported debt) of Tax Levy Revenues. As of December 31, 2016, the City had used 49.0% of its tax-supported debt servicing limit and 42.3% of its total debt servicing limit. ● Debt financing preparation for Local Improvements is performed in accordance with internal *policy Financing of Local Improvements (C200B).*	● Total debt and debt servicing are in line with the limits set by the *Municipal Government Act* and by the internal *Debt Management Fiscal Policy (C203C)* ● Debt financing preparation for Local Improvements is performed in accordance with internal policy *Financing of Local Improvements (C200B)*	● Ensure transparent, conservative and reasonable debt financing as a source of funding to support the City's long-term capital plans and strategies while maintaining long-term financial affordability, flexibility and sustainability

Attachments

1. Bylaw 17971
2. Petitions Received
3. Declaration Re: Local Improvement
4. Location of Proposed Local Improvement