

BYLAW 20639

To amend Revised Bylaw 19365, City of Edmonton Integrated Infrastructure Services Project, Downtown District Energy Initiative, Amendment #3

Recommendation

That Bylaw 20639 be read a first time.

Purpose

To amend Revised Bylaw 19365, as amended by Bylaws 19585 and 20107, to increase the borrowing authority by \$7.67 million from \$13.77 million to \$21.44 million.

Readings

Bylaw 20639 is ready for first reading only.

Advertising and Signing

In accordance with section 258 of the *Municipal Government Act*, RSA 2000, c. M-26, where an increase to the cost of capital property exceeds 15 per cent of the original cost of the capital property then the borrowing bylaw must be advertised.

This bylaw will be advertised in the Edmonton Journal on Friday, October 27, 2023, and Friday, November 3, 2023. The petition period will expire November 20, 2023. If there is no sufficient petition, the bylaw will be ready for second and third readings on or after November 21, 2023. The bylaw cannot be passed prior to the expiration of the petition period.

REPORT

The history of the borrowing bylaw is as follows:

- At the August 17, 2020, City Council meeting, Revised Bylaw 19365 was passed;
- At the February 22, 2021, City Council meeting, Bylaw 19585, amending Revised Bylaw 19365, was passed; and

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- At the May 24, 2022, City Council meeting, Bylaw 20107, amending Revised Bylaw 19365 was passed.

On July 4, 2023, Council approved the following budget adjustments to capital profile 20-83-9001 Downtown District Energy Initiative, as outlined in the Integrated Infrastructure Services Report IIS01386:

- Increase to total budget of \$7.67 million from \$28.23 million to \$35.90 million with financing from tax-supported debt to cover advanced design considerations, scope adjustments and inflationary pressures. This increase in budget was transferred from previously approved tax-supported debt financing in capital profile CM-83-0001 District Energy Network Strategy and District Energy Nodes.
- Funding source adjustment to swap \$13.77 million of previously approved self-liquidating debentures to \$13.77 million of tax-supported debt. This adjustment was recommended based on the changes to the project scope and the uncertainty related to the future expansion of the district energy systems and related financial sustainability.

As a result of the above adjustments, the borrowing authority will increase by \$7.67 million from \$13.77 million to \$21.44 million.

A corresponding amendment under Bylaw 20640 to amend Bylaw 20390, City of Edmonton Integrated Infrastructure Services Project, District Energy Network Strategy and District Energy Nodes, Amendment #1, to decrease the borrowing authority, will be presented to City Council for three readings on December 12, 2023 along with the second and third readings of Bylaw 20639.

Bylaw 20639 will be resubmitted for second and third readings after advertising and the expiration of the associated petition period.

Community Insight

Borrowing bylaws reflect a legislative requirement of the borrowing process. Where required by the *Municipal Government Act*, borrowing bylaws are advertised.

Attachments

1. Bylaw 20639
2. Revised Bylaw 19365 Redline Version
3. Capital Profile 20-83-9001

Others Reviewing the Report

- M. Plouffe, Chief People Officer and City Solicitor