

CITY OF EDMONTON

BYLAW 15522

A Bylaw to authorize the City of Edmonton to construct, and finance on an a short-term basis for up to five years various capital projects approved to be funded by Provincial grants or fuel rebates

WHEREAS:

The Council of the City of Edmonton has decided to issue a bylaw pursuant to Sections 251 and 257 of the *Municipal Government Act*, R.S.A. 2000, c. M-26 to authorize the City of Edmonton to construct and finance on a short-term basis for up to five years various capital projects approved to be funded by Provincial grants or fuel rebate;

The City of Edmonton has made plans, specifications and estimates for the said Projects and confirms the total cost of the said Projects is \$200,000,000.00;

The Province of Alberta has announced the delay of payment of grant funding under the approved Municipal Sustainability Initiative;

The City of Edmonton has estimated the grant contributions to be received or applied to the said Projects;

In order to construct and complete the said Projects, it will be necessary for the City of Edmonton to borrow the sum of up to \$200,000,000.00 for the terms and conditions referred to in this bylaw;

The above expenditure was approved by the City of Edmonton in its estimate of capital expenditures through the 2009 - 2011 Capital Budget;

The City of Edmonton will repay the indebtedness over a period of up to five (5) 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, 2009 is \$1,492,565,983.59, no part of which is in arrears;

The probable lifetime of the said Projects is a minimum of five (5) years;

All required permits, approvals or notifications for the said Projects will be obtained and the Projects are 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 Projects the sum of \$200,000,000.00 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 \$200,000,000.00, 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 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 (5) years and the City of Edmonton will repay the principal and interest in semi-annual or annual installments. In the alternative, a bullet payment arrangement, whereby the principal is paid out at the end of the debenture term, may be applied.
5. The debentures shall be payable in lawful money of Canada at the principal office of the Toronto-Dominion Bank either in the City of Edmonton, in the Province of Alberta, or at its principal office in the City of Toronto, in the Province of Ontario.
6. 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.

7. 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.

8. Provincial grant revenues will be used to repay the principal and, where authorized, the interest in a given year. In the event of any grant revenue deficiency, or ineligibility in the case of interest, the City of Edmonton shall levy and raise in each year of the currency of the debentures a rate or rates sufficient to pay the principal and interest falling due in such year on such debentures, on all the taxable property in the City and collectible at the same time and in the same manner as other rates, or in part through investments.

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

10. 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.

