

**CITY OF SPRUCE GROVE**

**BYLAW C-793-11**

**TRI VILLAGE LOCAL IMPROVEMENT BORROWING BYLAW**

WHEREAS, pursuant to the Municipal Government Act, R.S.A., 2000, c.M-26, Section 263, the City of Spruce Grove authorizes the financing, undertaking and completion of Tri Village local improvement project as described in the local improvement plan authorized by Council;

AND WHEREAS, plans and specifications have been prepared and the total cost of the project is estimated to be \$3,700,000;

AND WHEREAS, in order to complete the project it will be necessary for the City to borrow a sum not to exceed \$2,800,000 for a period not to exceed 15 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures and on the terms and conditions referred to in this bylaw;

AND WHEREAS, the estimated lifetime of the project financed under this bylaw is equal to, or in excess of 15 years;

AND WHEREAS, the principal amount of the outstanding debt of the Municipality at December 31, 2010 is \$19,099,000 and no part of the principal or interest is in arrears;

AND WHEREAS, all required approvals for the project have been obtained and the project is in compliance with all Acts and Regulations of the Province of Alberta;

NOW THEREFORE, the Council of the City of Spruce Grove duly assembled, hereby enacts as follows:

**1. BYLAW TITLE**

1.1. This bylaw is called "Tri Village Local Improvement Borrowing Bylaw".

**2. DEFINITIONS**

2.1. "Act" means the Municipal Government Act, R.S.A., 2000, c.M-26 and amendments thereto.

2.2. "City" means the City of Spruce Grove.

2.3. "Council" means the Mayor and Aldermen duly elected pursuant to the provisions of the Local Authorities Election Act, R.S.A., 2000, c.L-21.

**3. APPLICATION**

- 3.1. This bylaw authorizes the Council to incur indebtedness by the issuance of debenture(s) in an amount not to exceed \$2,800,000 for the purpose of completing the Tri Village local improvement project.

**4. LOCAL IMPROVEMENT**

- 4.1. That for the purpose of completing the Tri Village local improvement project a sum not to exceed two million and eight hundred thousand dollars (\$2,800,000) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the Municipality at large.
- 4.2. Three million and seven hundred thousand dollars (\$3,700,000) is to be collected by way of local improvement tax imposed pursuant to the City's Bylaw No. C-792-11.
- 4.3. The Chief Administrative Officer is hereby authorized to issue debenture(s) on behalf of the City for the amount and purpose as authorized by this bylaw, namely the Tri Village local improvement project.
- 4.4. The City shall repay the indebtedness according to the repayment structure in effect, namely annual or semi-annual equal payments of combined principal and interest instalments not to exceed 15 years calculated at a rate not exceeding the interest rate fixed by the Alberta Capital Finance Authority or another authorized financial institution on the date of the borrowing, and not to exceed 10 percent.
- 4.5. The indebtedness shall be contracted on the credit and security of the City.
- 4.6. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw. A municipality must pass a local improvement tax bylaw to impose a local improvement tax against the lands that benefit from the local improvements to raise revenue to pay for the said local improvements;

**5. EFFECTIVE DATE**

- 5.1. This bylaw shall come into full force and effect upon being given third reading and duly signed.

First Reading Carried 11 October 2011

Second Reading Carried 28 November 2011

Third Reading Carried 28 November 2011

Date Signed 07 December 2011

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Mayor

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City Clerk

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