

THE CITY OF SPRUCE GROVE

BYLAW C-1316-24

MERIDIAN HOUSING FOUNDATION LOAN BYLAW

WHEREAS, pursuant to Section 264 and 265 of the *Municipal Government Act*, R.S.A. 2000 c M-26 and amendments thereto, the City of Spruce Grove may lend money to a non-profit organization and whereas the Council of the City of Spruce Grove considers the loan will be used for a purpose that will benefit the City of Spruce Grove;

AND WHEREAS, the Councils of the City of Spruce Grove, Parkland County, and the Town of Stony Plain have determined the construction and completion of the Meridian Housing Foundation Spruce Grove Lodge (the "Project") will be carried out on a cost share basis with the municipal portion of cost borne by the municipalities at-large as follows:

- City of Spruce Grove - \$2,871,850
- Parkland County - \$5,330,450
- Town of Stony Plain - \$1,297,700;

AND WHEREAS, the estimated lifetime of the Project is a minimum of 20 years;

AND WHEREAS in order to complete the construction of the Project, it will be necessary for the City of Spruce Grove to loan the sum of up to \$2,871,850 to the Meridian Housing Foundation on the terms and conditions referred to in this bylaw;

AND WHEREAS, the principal amount of the outstanding debt of the City of Spruce Grove on December 31, 2023, is \$39,263,000 and no part of the principal or interest is in arrears;

AND WHEREAS, all required approvals for the Project will be obtained and the Project is in compliance with all Acts and Regulations of the Province of Alberta;

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

1. BYLAW TITLE

1.1 This bylaw is called the "Meridian Housing Foundation Loan Bylaw".

2. **DEFINITIONS**

- 2.1 “City” means the municipal corporation of the City of Spruce Grove in the Province of Alberta.
- 2.2 “City Manager” means the administrative head of the City of Spruce Grove.
- 2.3 “Council” means the Council of the City of Spruce Grove elected pursuant to the *Local Authorities Election Act*, R.S.A. 2000, c L-21, amended.

3. **AUTHORIZATION**

- 3.1 This bylaw authorizes the Council to loan up to \$2,871,850 to Meridian Housing Foundation for the purpose of financing the construction and completion of the Project.

4. **LENDING**

- 4.1 That for the purpose of financing the construction and completion of the Project, the City may loan a sum not to exceed \$2,871,850 to Meridian Housing Foundation.
- 4.2 The source of the money to be loaned to Meridian Housing Foundation shall be the proceeds from the borrowing for the Project approved under Bylaw C-1291-24 Meridian Housing Foundation Borrowing Bylaw.
- 4.3 The sum loaned under this bylaw, including principal and interest, shall be repaid through annual payments by Meridian Housing Foundation to the City, funded through annual seniors housing requisitions, at the same annual rate of interest and term as the borrowing for the Project. That interest rate is not to exceed eight per cent, and the term is not to exceed 20 years.
- 4.4 The City and Meridian Housing Foundation shall enter into a loan agreement consistent with the terms of this bylaw. The City Manager is authorized to issue the loan to Meridian Housing Foundation on behalf of the City for the amount and purpose as authorized by the bylaw.

5. SEVERABILITY

5.1 Every provision of this bylaw is independent of all other provisions and if any provision is declared invalid by a Court, then the invalid provisions shall be severed and the remainder provisions shall remain valid and enforceable.

6. EFFECTIVE DATE

6.1 This bylaw shall come into force and effect when it receives third reading and is duly signed.

First Reading Carried	25 March 2024
Second Reading Carried	22 April 2024
Third Reading Carried	22 April 2024
Date Signed	22 April 2024

Mayor

City Clerk