

City of Lacombe  
Bylaw 492

**A Bylaw of the City of Lacombe, in the Province of Alberta (hereinafter referred to as “the Municipality”), to incur indebtedness by the issuance of debenture(s) or bank loan in the amount of \$5,000,000 (Five million) for the purpose of the new Public Works Building Project.**

WHEREAS, pursuant to the *Municipal Government Act*, R.S.A. 2000, c M-26, the Council of the Municipality has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and construction of a Public Works Building.

Plans and specifications have been updated and the total cost of the project is estimated to be \$10,650,000 which includes an estimate for construction as well as an additional estimate for engineering and project management. The Municipality estimates the following grants and contributions will be applied to the project:

Provincial Grants	\$5,650,000
Debenture(s)	<u>\$5,000,000</u>
Total Cost	\$10,650,000

To complete the project, it will be necessary for the Municipality to borrow the sum of \$5,000,000 for a period not to exceed 30 years, from the Alberta Capital Finance Authority or another authorized financial institution, by the issuance of debentures or bank loan and on the terms and conditions referred to in this bylaw.

The estimated lifetime of the project financed under this bylaw is equal to, or more than 50 years.

The principal amount of the outstanding debt of the Municipality on December 31, 2021, is \$23,602,876 and no part of the principal or interest is in arrears.

All required approvals for the project have been obtained and the project is following all *Acts* and *Regulations* of the Province of Alberta.

NOW, THEREFORE, THE COUNCIL OF THE MUNICIPALITY DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of constructing the Public Works building the sum of five million be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture or bank loan on the credit and security of the Municipality at large, of which amount the full sum of \$5,000,000 is to be paid by the Municipality at large.
2. The proper officers of the Municipality are hereby authorized to issue debenture(s) or sign loan documents on behalf of the Municipality for the amount and purpose as authorized by this by-law, namely the development and construction of the new Public Works Building.
3. The Municipality shall repay the indebtedness according to the repayment structure in effect, namely, monthly, semi-annual, or annual payments of combined principal and interest instalments not to exceed thirty (30) 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 six percent.
4. The Municipality shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
5. The indebtedness shall be contracted on the credit and security of the Municipality.

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6. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.

7. This by-law comes into force on the date it is passed.

INTRODUCED AND GIVEN FIRST READING THIS 24 day of May, 2022.

GIVEN SECOND READING THIS 11 day of July 2022.

GIVEN THIRD AND FINAL READING THIS 11 day of July 2022.

Original Signed

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Mayor

Original Signed

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Chief Administrative Officer