

The Town of Rimbey Library Loan Authorization

Bylaw 880/13

A BYLAW OF THE TOWN OF RIMBEY, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE A LOAN TO THE RIMBEY MUNICIPAL LIBRARY.

WHEREAS, Section 265 of the Municipal Government Act authorizes a municipality to lend money to a non-profit organization, provided that the loan is for a purpose beneficial to the community and provided that the loan is authorized by Bylaw; and;

WHEREAS; the Rimbey Municipal Library Board wishes to apply to the Government of Canada for a grant to allow for the expansion of the Library. It is a requirement of that funding program that the applicant have obtained matching funds. Therefore, the Rimbey Municipal Library board has asked the Town of Rimbey to lend it the sum of \$180,000 to be applied to the expansion project; and

THEREFORE, Council considers that the proposed loan will be used for a purpose that will be beneficial to the public, namely the expansion of the municipal library.

COUNCIL OF THE TOWN OF RIMBEY, ALBERTA, ENACTS AS FOLLOWS:

1. Council hereby authorizes a loan to the Rimbey Municipal Library board to be used for the expansion of the library on the following terms:
 - (a) Purpose of loan: Expansion of Municipal Library
 - (b) Principal Amount: \$180,000
 - (c) Interest Rate: 5% per annum
 - (d) Term of Loan: 2 years
 - (e) Payments: semi-annual payments of \$47,847.22
 - (f) Security: Mortgage on land
2. The source of the funds to be loaned shall be from the Town of Rimbey municipal reserve.
3. The loan is to be advanced conditionally upon the approval of a matching grant from the Government of Canada.
4. Town administration is authorized to enter into a loan agreement with the Board on the terms set out in this Bylaw and in a form satisfactory to the Town's Solicitor.

AND FURTHER THAT this Bylaw shall take effect on the date of third and final reading.

READ a first time this ____ day of _____, 2013.

READ a second time this ____ day of _____, 2013.

READ a third and final time this ____ day of _____, 2013.

MAYOR

CHIEF ADMINISTRATIVE OFFICER