



Town of Rimbey Borrowing Bylaw For Local Improvement

Bylaw 979/21

This Bylaw authorizes the Council of the Town of Rimbey to borrow monies in the amount of \$755,000 for the purposes of financing the Evergreen Estates Street Improvements.

WHEREAS Section 251 of the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended ("*MGA*"), provides that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw;

WHEREAS Section 263 of the *MGA* provides for a borrowing made for the purpose of financing the cost of a local improvement to be funded in whole or in part by a local improvement tax;

WHEREAS plans and specifications have been prepared and the total cost of the Evergreen Estates Street Improvements (consisting of paving of the Evergreen Estates Subdivision), including all capital costs, professional service costs, and other miscellaneous costs, is estimated to be \$755,000, the entirety of which will be collected from the owners of benefitting properties by way of local improvement tax;

WHEREAS in order to complete the project it will be necessary for the Town of Rimbey to borrow the sum of 755,000, for a period not to exceed Twenty (20) 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;

WHEREAS the estimated lifetime of the project financed under this bylaw is equal to, or in excess of, Twenty (20) years;

WHEREAS the principal amount of the outstanding debt of the Municipality as at the date of borrowing is \$1,330,499, 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 Town of Rimbey, duly assembled, enacts as follows:

1. That for the purpose of completing the Evergreen Estates Street Improvements, the sum of Seven Hundred and Fifty Five Thousand Dollars (\$755,000) be borrowed from Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the municipality at large.
2. The full amount of Seven Hundred and Fifty Five Thousand Dollars (\$755,000) is to be collected by way of local improvement tax imposed pursuant to the Town of Rimbey's Bylaw No. 980/21
3. The proper officers of the Town of Rimbey are hereby authorized to issue debentures on behalf of the Town for the amount and purpose authorized by this bylaw, namely Evergreen Estates Street Improvements.



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4. The Town of Rimbey shall repay the indebtedness according to the repayment structure in effect, namely semi-annual equal payments of combined principal and interest, with instalments not to exceed twenty (20) 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 5.0%.
5. The Town of Rimbey shall levy and raise in each year local improvement taxes sufficient to pay the indebtedness.
6. The net amount borrowed under this by-law shall be applied only to the Evergreen Estates Street Improvements specified by this by-law.
7. In the event that the MGA permits extension of the term of the loan and in the event that the Council of the Town of Rimbey decides to extend the loan and the authorized financial institution is prepared to extend the loan, any renewal or extension, bill, debenture, promissory note, or other obligation executed by the officers designated in paragraph 3 hereof and delivered to the authorized financial institution will be valid and conclusive proof as against the Town of Rimbey of the decision of the Council to extend the loan in accordance with the terms of such renewal or extension, bill, debenture, promissory note, or other obligation and the authorized financial institution will not be bound to inquire into the authority of such officers to execute and deliver any such renewal, extension, document, or security.
8. This by-law comes into effect on the date of the third and final reading.

READ a first time this 13 day of April, 2021;

Mayor

Chief Administrative Officer

READ a second time this _____ day of _____, _____;

Mayor

Chief Administrative Officer



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READ a third time this _____ day of _____, _____.

Mayor

Chief Administrative Officer