

CITY OF GRANDE PRAIRIE

BYLAW C-1179

**A Bylaw of the City of Grande Prairie, in the Province of Alberta
authorizing the Council to incur indebtedness by the
issuance of debenture(s) in the amount of \$1,920,000.00
for the purpose of the construction of Hearthstone Manor**

WHEREAS:

The Council of the City of Grande Prairie has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and construction of the Hearthstone Manor.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$8,881,000.00 and the City of Grande Prairie estimates the following grants and contributions will be applied to the project:

Capital Reserves	\$3,361,000.00
Provincial Grants	2,000,000.00
Housing Sales	1,600,000.00
Debenture(s)	<u>1,920,000.00</u>
Total Cost	\$8,881,000.00

In order to complete the project it will be necessary for the City of Grande Prairie to borrow the sum of \$1,920,000.00, 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.

The estimated lifetime of the project financed under this bylaw is equal to, or in excess of Forty (40) years.

The principal amount of the outstanding debt of the City of Grande Prairie at December 31, 2006 is \$39,623,183.79 and no part of the principal or interest is in arrears.

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 GRANDE PRAIRIE,
DULY ASSEMBLED, ENACTS AS FOLLOWS:**

1. That for the purpose of the construction of Hearthstone Manor, the sum of One Million, Nine Hundred, Twenty Thousand Dollars (\$1,920,000.00) be borrowed from the Alberta Capital Finance Authority or another authorized financial institution by way of debenture on the credit and security of the City of Grande Prairie at large, of which amount the full sum of \$1,920,000.00 is to be paid by the City of Grande Prairie at large.

- 2. The proper officers of the City of Grande Prairie are hereby authorized to issue debenture(s) on behalf of the City of Grande Prairie for the amount and purpose as authorized by this bylaw, namely the Mayor and City Manager.
- 3. The City of Grande Prairie shall repay the indebtedness according to the repayment structure in effect, namely semi-annual or annual equal payments of combined principal and interest installments 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 Ten (10) percent.
- 4. The City of Grande Prairie 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 City of Grande Prairie.
- 6. The net amount borrowed under the bylaw shall be applied only to the project specified by this bylaw.
- 7. This bylaw shall take effect on the date it is passed.

READ a first time this 9th day of April , 2007.

“W. Ayling” (signed)
 MAYOR

“J. Ferguson” (signed)
 CITY CLERK

READ a second time this 3rd day of July , 2007.

READ a third time and finally passed this 3rd day of July , 2007.

“W. Ayling” (signed)
 MAYOR

“J. Ferguson” (signed)
 CITY CLERK