

BYLAW NO. 390
OF THE CITY OF LACOMBE

(hereinafter referred to as “the Municipality”)

IN THE PROVINCE OF ALBERTA

This bylaw authorizes the Council of the Municipality to incur indebtedness by the issuance of debenture(s) or bank loan in the amount of \$4,724,000 (Four million, seven hundred, twenty-four thousand dollars) for the purpose of developing the Len Thompson Industrial Park Phase II.

WHEREAS:

The Council of the Municipality has decided to issue a by-law pursuant to Section 258 of the *Municipal Government Act* to authorize the financing, undertaking and completion of the land purchase, site preparation, servicing and construction of infrastructure related to the development of the Len Thompson Industrial Park Phase II.

The Council of the Municipality had previously passed City of Lacombe Bylaws 377 and 382 for the purposes of authorizing financing for the acquisition of land and the undertaking and completion site preparation and servicing of the development for Len Thompson Industrial Park Phase II.

The cost of the development has increased beyond the 15% maximum identified under section 258.1 of the *Municipal Government Act*.

The Council of the Municipality has decided to replace the financing approved under Bylaw 377 and 382 with the financing identified in this bylaw.

Plans and specifications have been prepared and the total cost of the project is estimated to be \$5,272,350 and the Municipality estimates the following grants and contributions will be applied to the project:

Donation	\$218,350
City of Lacombe Land Reserve	\$330,000
Debenture(s)	\$4,724,000
Total Cost	\$5,272,350

In order to complete the project it will be necessary for the Municipality to borrow the sum of \$4,724,000, for a period not to exceed 15 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 by-law is equal to, or in excess of 20 years.

The principal amount of the outstanding debt of the Municipality at December 31, 2012 is \$10,565,867 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 MUNICIPALITY DULY ASSEMBLED, ENACTS AS FOLLOWS:

1. That for the purpose of acquiring the land and constructing the Len Thompson Phase II Industrial Park the sum of four million, seven hundred twenty-four thousand DOLLARS (\$4,724,000) 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 \$4,724,000 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 land acquisition, site preparation, servicing and construction of infrastructure related to the development of the Len Thompson Industrial Park Phase II.
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 fifteen (15) 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 eight (8) 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.
6. The net amount borrowed under the by-law shall be applied only to the project specified by this by-law.
7. City of Lacombe Bylaws 377 and 382 are hereby repealed.

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

READ A FIRST TIME THIS 12th DAY OF November 2013.

READ A SECOND TIME THIS 9th DAY OF December 2013.

READ A THIRD TIME THIS 9th DAY OF December 2013.

_____(Original Signed)_____
(MAYOR)

_____(Original Signed)_____
(CHIEF ADMINISTRATIVE OFFICER)

SEAL

UNCERTIFIED COPY