

CITY OF GRANDE PRAIRIE

BYLAW C-1440

**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
\$15,500,000.00 for the purchase and renovations of
the Stonebridge Hotel (12102 - 100 Street)**

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 and undertaking the purchase and renovations (“Project”) of the Stonebridge Hotel.

A conditional offer to purchase, as well as plans and specifications have been prepared and the total cost of the Project is estimated to be \$15,500,000.00.

In order to complete the Project it will be necessary for the City of Grande Prairie (“City”) to borrow the sum of \$15,500,000.00, for a period not to exceed Thirty (30) years, from the Alberta Capital Finance Authority (“ACFA”), Canadian Mortgage and Housing Corporation (“CMHC”) 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 building and renovations financed under this Bylaw is equal to, or in excess of Thirty (30) years.

The principal amount of the outstanding debt of the City at December 31, 2020 is \$124,749,452.00 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 purchase and renovations of the Stonebridge Hotel, the sum of Fifteen Million, Five Hundred Thousand (\$15,500,000.00) Dollars be borrowed from the ACFA, CMHC or another authorized financial institution by way of debenture on the credit and security of the City at large, of which amount the full sum of \$15,500,000.00 is to be paid by the City at large.
2. The proper officers of the City, namely the Mayor and Chief Financial Officer are hereby authorized to execute and deliver to the lender on behalf of the City such documents, instruments and agreements, including credit agreements and commitment letters as may be required by the lender for the City to avail and evidence the City’s loans and credit in the amount and for purpose as authorized by this Bylaw and any such document, instrument or agreement shall be conclusively deemed to be authorized by this Bylaw and binding on the City.

- 3. The City shall repay the indebtedness according to the repayment structure in effect, namely monthly, quarterly, semi-annual or annual equal payments of combined principal and interest installments not to exceed Thirty (30) years calculated at a rate not exceeding the interest rate fixed by the ACFA, CMHC or another authorized financial institution on the date of the borrowing, and not to exceed Six (6) percent.
- 4. After the borrowing of the amount hereby authorized, the City will not have exceeded its debt limit established pursuant to the Municipal Government Act and Regulations thereto.
- 5. The City shall levy and raise in each year municipal taxes sufficient to pay the indebtedness.
- 6. The indebtedness shall be contracted on the credit and security of the City.
- 7. The net amount borrowed under this Bylaw shall be applied only to the project specified by this Bylaw.
- 8. This Bylaw shall take effect on the date it is passed.

READ a first time this 12 day of July , 2021.

“W. Pilat” (signed)
Deputy Mayor

“A. Karbasheski” (signed)
City Clerk

READ a second time this _____ day of _____, 2021.

READ a third time and finally passed this _____ day of _____, 2021.

Mayor

City Clerk