

BYLAW 17-23

A BYLAW OF THE TOWN OF OKOTOKS IN THE PROVINCE OF ALBERTA TO AUTHORIZE INCURRING INDEBTEDNESS

WHEREAS pursuant to the provisions of the *Municipal Government Act (Act)*, Revised Statutes of Alberta 2000, Chapter M-26 and amendments thereto, Council may pass a bylaw for the purpose of incurring indebtedness by the issuance of debentures to the Federation of Canadian Municipalities, or another authorized financial institution to finance the Town's Clean Energy Improvement Program (CEIP);

WHEREAS the Council of the Town of Okotoks (Town) has decided to issue a bylaw pursuant to Section 258 of the *Act* to authorize financing of the Town's CEIP;

WHEREAS plans and program details have been prepared and the total cost of the first four years of the program is estimated to be \$2,146,600;

WHEREAS the Council of Town estimates the following contributions will be applied to the program:

Debentures	\$1,144,880
Grant	\$ 572,400
Cash	\$ 429,320

WHEREAS in order to complete the program, it will be necessary for the Town to borrow the sum of \$1,144,880 for a period not to exceed twenty-five years, from the Federation of Canadian Municipalities, by the issuance of debentures and on the terms and conditions referred to in this Bylaw;

WHEREAS the principal amount of the outstanding debt of the Town at July 1, 2023 is \$22,201,347.00, and no party of the principal or interest is in arrears;

WHEREAS pursuant to section 252(2) of the *Act* the costs associated with clean energy improvements do not count against the debt limit or debt service limit of the municipality;

WHEREAS all required approvals for the program have been obtained and the program is in compliance with all acts and regulations of the Province of Alberta.

NOW THEREFORE the Council of the Town enacts as follows:

1. SHORT TITLE

- 1.1 This Bylaw shall be known as the "CEIP Borrowing Bylaw".

2. TERMS

- 2.1 Over the course of up to a four-year period, in the form of a loan instrument, the Town is hereby authorized to borrow funds totaling up to one million one hundred forty-four thousand, eight hundred eighty dollars (\$1,144,880) from the Green Municipal Fund, a program delivered by the Federation of Canadian Municipalities, and funded by the Government of Canada, in order to finance approved Eligible Clean Energy Improvements made by property owners within the Town.
- 2.2 The proper officers of the Town are hereby authorized to issue debenture(s) on behalf of the Town for the amount and purpose as authorized by this Bylaw, namely the CEIP.
- 2.3 The borrowed amount will have a maximum interest rate of 8%, a maximum term of 25 years, and repayment terms including principal and interest, plus other fees or charges applicable to the borrowing.
- 2.4 The principal and interest owing under the borrowing will be paid using the proceeds from the Clean Energy Improvement Tax and other payments that may be made by the property owners with respect to the applicable Eligible Clean Energy Improvements.
- 2.5 The net amount to be borrowed under the Bylaw shall be applied only to the program specified by this Bylaw, and both the amount and the term of the loan will not exceed any restrictions set forth in sections 251 and 390.3(1)(b) of the *Act*.
- 2.6 The indebtedness shall be contracted on the credit and security of the Town.

3. SEVERABILITY

- 3.1. It is the intention of Council that each separate provision of this Bylaw shall be deemed independent of all other provisions herein and it is the further intention of Council that if any provision of this Bylaw is declared invalid, all other provisions hereof shall remain valid and enforceable.

This Bylaw shall come into full force and effect upon third and final reading.

READ A FIRST TIME this day of 2023.

READ A SECOND TIME this day of 2023.

READ A THIRD TIME AND PASSED this day of 2023.

Mayor

Chief Administrative Officer