



Text File

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Bylaw 2017-07 Infrastructure Borrowing (Acheson)

Proposed Motion

That Bylaw No. 2017-07 receive second reading and;
That Bylaw No. 2017-07 receive third and final reading.

Administration Recommendation

Administration supports the proposed Bylaw as presented.

Purpose

To comply with Sections 251 and 258 of the Municipal Government Act (MGA) that require Council to pass a bylaw to facilitate long-term borrowing of funds.

Summary

As the Acheson Industrial Area continues to grow, additional infrastructure is required to support development. Parkland County has the ability to develop public infrastructure to allow for continued growth. Administration recommends that Parkland County develop infrastructure to service two quarter sections (NE-28-52-26-4 and NW-28-52-26-4) along with other future development in Acheson Zone 7. This will allow continued expansion of the existing industrial park. The cost of the infrastructure is not to exceed \$20,750,000 and will be accommodated by debt borrowing. The anticipated interest rate is to be determined but is not to exceed 7.0 percent over a 20 year term, as outlined in Bylaw 2017-07. The funds used for non-levy-able public infrastructure (\$3.75M) will be recovered through future taxation. The repayment of the indebtedness for the levy-able infrastructure (\$17M), plus any interest expenses, is to be managed through the collection of off-site levies as development within the Acheson Area Structure Plan progresses.

A credit facility has been negotiated with Servus Credit Union to provide infrastructure loans. The credit facility has a 20 year term and the option for complete early repayment. Administration will use the Servus Credit Facility and/or an Alberta Capital Finance Authority Debenture to facilitate the debt needs.

First reading was held on March 14, 2017. As per the requirement of section 606 of the MGA, advertising of Bylaw No. 2017-07 was placed in the Friday, March 17, 2017 and Friday March 24, 2017 edition of the local paper. No valid petitions or public input were received at the time this report was written.

This Bylaw, if approved, will fulfill the terms and conditions represented within the Municipal Government Act for long-term borrowing.

Strategic Plan/Policy/Legal/Staff Implications

Bylaw 2017-07 meets the eligibility requirements of the MGA - Section 258

Financial Impact:

Cost: \$20,750,000

Source of Funding: Debt