

**BYLAW 2688/DEB/24**

**BEING A BYLAW OF THE TOWN OF STONY PLAIN IN THE PROVINCE OF ALBERTA TO AUTHORIZE A BORROWING AND LENDING FOR THE PURPOSE OF FINANCING THE TOWN OF STONY PLAIN'S SHARE OF THE MERIDIAN HOUSING FOUNDATION SPRUCE GROVE LODGE**

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WHEREAS, The Council of the Municipality has decided to issue a bylaw pursuant to Section 258 of the *Municipal Government Act*, RSA 2000, c. M-26, and amendments thereto, to authorize the financing of its share of the construction and completion of the Meridian Housing Foundation Spruce Grove Lodge (the "Project").

AND WHEREAS the Councils of the Town of Stony Plain, Parkland County, the City of Spruce Grove have determined that the construction and completion of the Project will be carried out on a cost share basis with the costs borne by the municipalities at-large as follows:

- Parkland County- \$5,330,450
- City of Spruce Grove - \$2,871,850; and
- Town of Stony Plain - \$1,297,700

AND WHEREAS in order to fund its share of the Project; it will be necessary for the Town of Stony Plain to borrow up to \$1,297,700 on terms and conditions referred to in this Bylaw and whereas the estimated total contribution of the Town to the Project will not exceed \$1,297,700;

AND WHEREAS the Town of Stony Plain deems it advisable to make a borrowing for a period not exceeding 20 years for the purpose of financing the construction and completion of the Project;

AND WHEREAS the estimated lifetime of the Project financed under this Bylaw is equal to, or in excess of 20 years;

AND WHEREAS the principal amount of the outstanding debt of the Town of Stony Plain on December 31, 2023 is \$29,887,587.31, no part of which is in arrears, and the borrowing of the amount authorized to be borrowed by this Bylaw will not cause the Town of Stony Plain to exceed its debt limit;

AND WHEREAS Sections 264 and 265 of the Act provide the Town of Stony Plain may lend money to a non- profit organization and whereas the Council of the Town of Stony Plain considers that the loan will be used for a purpose that will benefit the Town of Stony Plain;

AND WHEREAS in order to complete the construction of the Project, it will be necessary for the Council of the Town of Stony Plain to loan the sum of up to \$1,297,700 to the Meridian Housing Foundation on the terms and conditions referred to in this Bylaw;

NOW THEREFORE, the Council of the Town of Stony Plain in the Province of Alberta, duly assembled, hereby enacts as follows:

**1.0.0 Title**

- 1.1.0 This bylaw may be cited as the "Meridian Housing Foundation Spruce Grove Lodge Borrowing and Lending Bylaw".

**2.0.0 Definitions & Interpretations**

- 2.1.0 "Act" means the *Municipal Government Act*, RSA 2000, c M-26;
- 2.2.0 "Chief Administrative Officer" means the chief administrative officer of the Town of Stony Plain;
- 2.3.0 "General Manager, Corporate Services" means the General Manager, Corporate Services of the Town of Stony Plain;
- 2.4.0 "Project" means the Meridian Housing Foundation Spruce Grove Lodge;
- 2.5.0 "Project Loan" means the amount borrowed by the Town of Stony Plain from the Province of Alberta, or another financial institution, for an amount up to but not exceeding \$1,297,700 for the construction and completion of the Project.

**3.0.0 General**

**Borrowing:**

- 3.1.0 The Town of Stony Plain may borrow from the Province of Alberta, or another authorized financial institution, a sum up to but not exceeding \$1,297,700 (the "Project Loan").
- 3.1.1 The funds borrowed under this Bylaw shall be borrowed on the general credit and security of the Town of Stony Plain.
- 3.1.2 The Chief Administrative Officer and General Manager, Corporate Services are authorized to execute on behalf of the Town of Stony Plain promissory notes and other negotiable instruments or other evidence of indebtedness for the Project Loan as the lender may require as evidence of and security for the sum borrowed.
- 3.1.3 The Project Loan shall bear an annual rate of interest not to exceed 10%.
- 3.1.4 The sum borrowed under this Bylaw, including principal and interest, shall be repaid according to the repayment structure negotiated with the lender, but in any event, over a term not to exceed 20 years.
- 3.1.5 The principal borrowed and interest owing under this Bylaw will be repaid by the Town of Stony Plain through payments received by the Town of Stony Plain from Meridian Housing Foundation, funded through annual seniors housing requisitions, requisition by the Meridian Housing Authority, and levied and collected by the Town of Stony Plain and paid to the Meridian Housing Authority pursuant to section 7 of the Alberta Housing Act, RSA 2000, c A-25.

**Lending, Interest, Term and Repayment:**

- 3.1.6 The Town of Stony Plain may loan up to \$1,297,700 to Meridian Housing Foundation for the purpose of financing the construction and completion of the Project.
- 3.1.7 The source of the money to be loaned to Meridian Housing Foundation shall be the proceeds from the Project Loan.
- 3.1.8 The sum loaned under this bylaw, including principal and interest, shall be repaid through annual payments by Meridian Housing Foundation to the Town of Stony Plain, funded through annual seniors housing requisitions, at the same annual rate of interest and term as the Project Loan.
- 3.1.9 The Town of Stony Plain and Meridian Housing Foundation shall enter into a loan agreement consistent with the terms of this Bylaw. The Chief Administrative Officer and General Manager, Finance are authorized to issue the loan to Meridian Housing Foundation on behalf the Town of Stony Plain for the amount and purpose as authorized by this Bylaw.

**4.0.0 Severability**

- 4.1.0 If any portion of this bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of the bylaw is deemed valid.

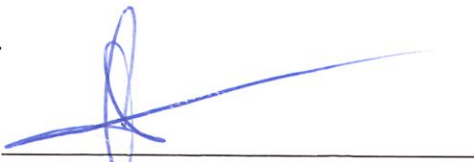
**5.0.0 Effective Date**

- 5.1.0 This bylaw shall take full force and effect on the date it is passed.

Read a first time this 8<sup>th</sup> day of April, AD 2024.

Read a second time this 13<sup>th</sup> day of May, AD 2024.

Read a third time this 13<sup>th</sup> day of May, AD 2024.



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Mayor William Choy



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Teresa Olsen  
Acting General Manager, Corporate Services