

Borrowing Bylaw 40-2023 - Pointe-Aux-Pins Acres Agriculture Facility Building Construction – Second and Third Readings**Report Purpose**

To give second and third readings to a borrowing bylaw for the Pointe-Aux-Pins Acres Agriculture Facility Building construction.

Recommendations

THAT Bylaw 40-2023, a bylaw to approve the incurrence of debt for the Pointe-Aux-Pins Acres Agriculture Facility Building construction, be given second reading.

THAT Bylaw 40-2023 be given third reading

Our Strategic Goals

Goal 3 - Responsible Development

Goal 3 Priority - Investment in our infrastructure that supports development and complete communities

Report

The County is facing unprecedented challenges in maintaining and upgrading its infrastructure such as roads, bridges and buildings due to the impact of economic conditions. Increased inflation has placed pressure on County reserves used to support our annual capital programs and fund the maintenance and renewal of our existing assets. To address this situation, the County is speeding up its plan (which began last year) to increase its reserves and achieve a healthy balance between available funding and spending.

Refinancing the Pointe-Aux-Pins Acres Agriculture Facility Building construction project with debt allows the County the opportunity to reallocate \$18.3 million of reserve and grant funding to other projects. This will help the County make the most of its capital plan and safeguard reserves from excessive pressure. The other option would be to raise taxes and/or cut services in the near future to keep the reserves at a sustainable level.

Tax supported Borrowing Bylaw 40-2023 for up to \$18,321,000 will enable the completion of the Pointe-Aux-Pins Acres Agriculture Facility Building construction project as approved by Council. The *Municipal Government Act* (MGA) indicates that a municipality may only make a borrowing if the borrowing is authorized by a borrowing bylaw, and bylaws must be given three readings by Council in order to be passed.

This bylaw pertains to the Pointe-Aux-Pins Acres Agriculture Facility Building Construction Project only. Construction of the building has not started. This bylaw was advertised for the required petition period per the *Municipal Government Act*, and no petitions were received.

Council and Committee History

October 31, 2023	Council gave first reading to Bylaw 40-2023, a bylaw to approve the incurrence of debt, for the Pointe-Aux-Pins Acres Agriculture Facility Building.
October 31, 2023	Council approved amendments to the 2018, and 2020 Capital Budgets changing the funding amount and source for construction of Pointe-Aux-Pins Acres Agriculture Facility Building.

December 8, 2020	Council approved Bylaw 54-2020, A Bylaw to Amend Bylaw 70-2017, authorizing the Council of Strathcona County to issue debenture(s) in the amount of \$25,389,000.
February 25, 2020	Council approved Bylaw 21-2019 authorizing the Council of Strathcona County to issue debenture(s) in the amount of \$20,500,000 for the purpose of Phase 2 development of the Multi-Use Agricultural Facility.
December 5, 2019	Council approved the 2020 Capital and Operating Budget.
September 24, 2019	Council approved proceeding with a detailed design for a refined scope and design of the Multi-Use Agricultural Facility and that an updated budget be included in the 2020 Budget process.
April 10, 2018	Council approved Bylaw 70-2017 authorizing the Council of Strathcona County to issue debenture(s) in the amount of \$14,449,000 for the purpose of financing the outdoor amenities and servicing of a multi-use Agricultural Facility.
December 4, 2017	Council approved the 2018 Capital and Operating Budget.

Other Impacts:

Policy: FIN-001-025: Debt Management Policy, FIN-001-027: Tangible Capital Assets Financial Reporting.

Legislative/Legal: Sections 251 through 263 of the *Municipal Government Act* (MGA), R.S.A. 2000, c.M-26 govern municipal borrowing. Section 606 of the MGA sets out the requirements for advertising proposed bylaws.

Financial/Budget: Approval of first reading of this borrowing bylaw will allow Administration to proceed with advertising, and second and third readings, of the Tax Supported debt required for Pointe-Aux-Pins Acres Agriculture Building Construction Project.

Interdepartmental: Financial and Strategic Services; Facilities and Fleet Services; Legislative and Legal Services

Master Plan/Framework: n/a

Enclosure

- 1 Borrowing Bylaw 40-2023 Pointe-Aux-Pins Acres Agriculture Facility Building Construction
- 2 The Pointe Borrowing Bylaw presentation