



COUNCIL REQUEST FOR DECISION

MEETING DATE: March 8, 2021

SUBMITTED BY: M. Pieters, General Manager, Infrastructure and Planning, G. Klenke, City Solicitor, Legal Services & C. Dragan-Sima, A/Director, Finance

PREPARED BY: G. Damo, Manager, Revenue Services

REPORT TITLE: Bylaw No. 1087-2021 – Land Purchase Borrowing Bylaw (1st Reading).

EXECUTIVE SUMMARY

This report presents for 1st reading a borrowing bylaw that, if passed, would authorize financing to purchase land near the north east edge of Telford Lake for the amount of \$2,913,750. The land would be used in conjunction with the future development of public works, potentially in the form of a new cemetery site.

RECOMMENDATION

That Bylaw No. 1087-2021 receive First Reading

HISTORY

On February 8, 2021, Administration was directed to continue negotiating the purchase of the 27.75 acre “Alberta Venture Gardens (Phase 2)” property, subject to Council’s final approval.

On February 22, 2021, Administration presented a report to Council outlining the next steps and the role of Council with regard to the proposed purchase of the property.

RATIONALE

As of the date this report was prepared, Administration is in the final stages of negotiating an agreement to purchase the referenced property for the amount of \$2,913,750, with the borrowing approval and associated funding being a condition of sale. Bylaw No. 1087-2021, attached, is presented for 1st reading as the initial step in approving the borrowing to finance the proposed land purchase.

STRATEGIC / RELEVANT PLANS ALIGNMENT

A City with a plan for the future.

ORGANIZATIONAL IMPLICATIONS

ADMINISTRATION:

There are no administrative implications at this time.

RISK ANALYSIS

FINANCIAL:

Council will need to adjust the 2021 capital plan and 2021 operating budget at an upcoming meeting, as the purchase of land for future public works, in the amount of \$2,913,750, is currently not included in these approved budgets.

The City of Leduc (City) will enter into a promissory note agreement with the Province of Alberta or other similar financial institution. The City will have to abide to all the terms and conditions within the agreement.

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LEGAL:

There is no legal risk associated with the recommendation for 1st reading. As noted below, a borrowing bylaw must be advertised and cannot be given final approval until the close of the petition period, or the final resolution of a valid petition.

IMPLEMENTATION / COMMUNICATIONS:

1. Following 1st reading, the proposed bylaw will be advertised in accordance with the Advertising Bylaw. Council has expressed a desire to hold a non-statutory public hearing prior to 2nd reading, which will also be noted in the advertised notice.
2. The electors may, within 15 days from the date of the last publication of the notice, petition Council for a vote on the proposed bylaw and, if a valid petition is presented to Council, Council may abandon the project or submit the bylaw to a vote of the electors.
3. If no petition for a vote is presented, the municipality may pass the borrowing bylaw.

ALTERNATIVES:

That Council not give 1st reading at this time. Unless another funding source is directed, this decision would delay financing to enable the purchase by the proposed July closing date, which may affect further negotiations.

ATTACHMENTS

1. Bylaw No. 1087-2021.