



BYLAW NO 1898

LOAN GUARANTEE TO TOWN OF TROCHU

A BYLAW OF KNEEHILL COUNTY, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE THE GUARANTEE OF A LOAN BY THE TOWN OF TROCHU

WHEREAS, Section 266 of the Municipal Government Act, R.S.A. 2000, Chapter M-26 and amendments thereto, provides that a Council may issue a Bylaw that authorizes the County to guarantee a loan;

WHEREAS, the Council of Kneehill County has determined that supporting the development of the Trochu Seniors Supportive Living Facility Project in the Town of Trochu (the "Project") is beneficial to the municipality;

WHEREAS, to support the development of the Project, the Town of Trochu proposes to borrow up to \$20,000,000.00, and has asked Kneehill County to guarantee repayment of such loan;

WHEREAS, in compliance with Section 268 of the Municipal Government Act the amount of the proposed loan guarantee does not cause Kneehill County to exceed its debt limit, and the County is prepared to provide such guarantee, subject to the terms and conditions set out herein;

WHEREAS, a borrowing agreement between the Town and County will permit borrowing up to \$20 million for interim financing, with parameters to be updated to include a 5-year timeline and a maximum 5.5% interest rate;

NOW, THEREFORE, the Council of Kneehill County, duly assembled, enacts as follows:

1. The Municipal Council of Kneehill County is hereby empowered and authorized to provide a loan guarantee for the Town of Trochu in the amount not to exceed TWENTY MILLION (\$20,000,000.00) DOLLARS, based on a loan with an interest rate not to exceed 5.5%, to be repaid in full by The Town of Trochu within a 5-year timeline.
2. The County will utilize cash reserves or funds raised through taxation to honour the payments of the loan should the Town of Trochu become unable to meet the terms of the loan.
3. The provision of the guarantee authorized by this Bylaw shall be conditional upon the Town of Trochu entering into an agreement to the satisfaction of Kneehill County.

PART ONE DEFINITIONS

In this bylaw the following words and phrases mean:

“Council” means the Council of Kneehill County.

PART TWO TRANSITION

1. SEVERABILITY

(1) If a portion of this bylaw is found by a court of competent jurisdiction to be invalid, the invalid portion will be voided, and the rest of the bylaw remains valid and effective.

2. EFFECTIVE DATE

(1) This bylaw comes into effect upon third reading of this bylaw.

3. BYLAW REPEAL

(1) Bylaw No. 1833 are hereby repealed.

READ for the first time on this 28th day of May 2024.

READ a second time on this 23rd day of July, 2024.

READ a third time and final time on the 23rd day of July, 2024.



Reeve

Kenneth King



Date Bylaw Signed



Chief Administrative Officer

Mike Haugen

Date Bylaw Signed