

BYLAW NO. 16/001

A BYLAW OF THE REGIONAL MUNICIPALITY OF WOOD BUFFALO TO AUTHORIZE AN OPERATING LINE OF CREDIT GUARANTEE FOR THE REGIONAL RECREATION CORPORATION OF WOOD BUFFALO

WHEREAS pursuant to the provisions of the *Municipal Government Act*, Revised Statutes of Alberta 2000, the c.M-26 and amendments thereto a municipality may guarantee the repayment of a loan between a lender and one of its controlled corporations;

AND WHEREAS the Regional Recreation Corporation of Wood Buffalo is a controlled corporation established by the Municipality to advance recreational, cultural and social activities and operate recreational facilities;

AND WHEREAS the Regional Recreation Corporation of Wood Buffalo requires an operating line of credit;

AND WHEREAS a Lender has committed to arrange a \$3M line of credit providing that the Regional Municipality of Wood Buffalo guarantees repayment;

AND WHEREAS Council considers that the money obtained under the line of credit will be used for a purpose that will benefit the Municipality;

NOW THEREFORE, the Council of the Regional Municipality of Wood Buffalo in the Province of Alberta, duly assembled, enacts:

TITLE

1. This bylaw may be referred to as the “RRC Operating Line of Credit Guarantee Bylaw”.

INTERPRETATION

2. In this bylaw:
 - (a) “Lender” means the Royal Bank of Canada.
 - (b) “Operating Line of Credit” means the loan provided to the Regional Recreation Corporation of Wood Buffalo by the Lender.

LOAN GUARANTEE

3. This bylaw authorizes the Municipality to guarantee the repayment of the principal and interest of an Operating Line of Credit provided by the Lender to the Regional Recreation Corporation of Wood Buffalo to a maximum amount of \$3M.
4. The purpose of the Operating Line of Credit is to support the efficient, ongoing, day-to-day operations of the Regional Recreation Corporation of Wood Buffalo.

5. The rate of interest under the Operating Line of Credit is Lender's Prime Rate minus 0.5%.
6. The term of the Operating Line of Credit is indeterminate.
7. The Operating Line of Credit is to be repaid on demand.
8. In the event the Municipality is required to pay the outstanding principal and interest the funding source to be used would be the Emerging Issues Reserve.

LOAN GUARANTEE DOCUMENTATION

9. The Chief Administrative Officer or his delegate is authorized to execute such documentation as may be necessary to bring effect to the guarantee.
10. This Bylaw is hereby deemed to be an "Ordinary resolution of the Regional Municipality of Wood Buffalo", pursuant to section 8 of the corporate bylaws of the Regional Recreation Corporation of Wood Buffalo, authorizing the Regional Recreation Corporation of Wood Buffalo to obtain the Operating Line of Credit.

SEVERABILITY

11. If any provision of this Bylaw herein is found to be contrary to law adjudged by a Court of competent jurisdiction then that provision shall be severed and the remainder of the Bylaw shall be of full force and effect.

ENACTMENT

12. This bylaw comes into effect when it is passed.

READ a first time this 23rd day of February, 2016.

READ a second time this 22nd day of March, 2016.

READ a third time this 22nd day of March, 2016.

SIGNED and PASSED this 22nd day of March, 2016.

Mayor

Chief Legislative Officer