



Legislation Text

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10.1

Bylaw 19/2022 - to amend Guarantee Bylaw 39/2021 - Edmonton Metropolitan Transit Services Commission (2nd & 3rd reading)

Presented by: Trevor Duley

RECOMMENDED COUNCIL MOTIONS

1. That Bylaw 19/2022, to amend Bylaw 39/2021 the Edmonton Metropolitan Transit Services Commission Loan Guarantee Bylaw, be read a second time.
2. That Bylaw 19/2022 be read a third time.

PURPOSE OF REPORT

The purpose of this report is to recommend second and third readings of Bylaw 19/2022 to amend Bylaw 39/2021, to increase the loan guarantee amount of the Edmonton Metropolitan Region Transit Services Commission (EMTSC), which together with the City of Edmonton's increase to Edmonton's loan guarantee amount, would allow the EMTSC to raise its borrowing capacity.

ALIGNMENT TO PRIORITIES IN COUNCIL'S STRATEGIC PLAN

In the 2019-21 Corporate Business Plan

Strategic Priority #3: Building a Transportation Network: Integrated transportation systems.

Continue to pursue an Integrated Regional Transit Commission through the transition phase

ALIGNMENT TO LEVELS OF SERVICE DELIVERY

N/A

ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION

On April 19, 2022, Council passed the following motion:

That Bylaw 19/2022, to amend Bylaw 39/2021 the Edmonton Metropolitan Transit Services Commission Loan Guarantee Bylaw, be read a first time.

BACKGROUND AND DISCUSSION

Passing of Bylaw 19/2022 will support the EMTSC in enhancing a line of credit which will support their continued operations during the transition period until such time as transit services and the associated revenue and assets are transferred to the Commission. See the attached previously distributed materials for further information.

STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT

As per requirements of the *Municipal Government Act*, the proposed bylaw was advertised in the St. Albert Gazette on April 27, 2022 and May 4, 2022. No petition was received during the petition period (which ended on May 19, 2022), or otherwise, so Council may pass the bylaw.

The City of Edmonton completed second and third readings of their bylaw as part of their May 24, 2022 Council Meeting, to cover their increased portion of the loan guarantee.

IMPLICATIONS OF RECOMMENDED MOTIONS

Financial:

If the EMTSC were to default on its obligations under this borrowing, the City of Edmonton and the City of St. Albert would be responsible for their proportionate shares of the repayment of the loan.

ALTERNATIVES AND IMPLICATIONS CONSIDERED

If Council does not wish to support the recommendation, the following alternatives could be considered:

Alternative 1. Council could request that other member municipalities of the EMTSC guarantee the additional loan amount. This would likely result in delays to the EMTSC accessing the additional funds on their line of credit.

Report Date: June 7, 2022

Author: Trevor Duley

Department: Office of the CAO

Chief Administrative Officer (Interim): Kerry Hilts