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CITY OF KELOWNA

**MEMORANDUM**

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**Date:** June 18, 2007  
**File No.:** 0760-30  
**To:** City Manager  
**From:** Director of Financial Services  
**Subject:** MFA Borrowing for Mission Recreation Park Aquatic Centre  
Report Prepared by: Jackie Dueck, Financial Accounting Manager

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**RECOMMENDATION:**

THAT Council approves borrowing from the Municipal Finance Authority of British Columbia, as part of their 2007 fall issue, \$29,500,000 as authorized through Loan Authorization Bylaw No. 9654 which authorized the construction of the Mission Recreation Park Aquatic Centre

AND THAT the Regional District of Central Okanagan be requested to prepare a security issuing bylaw with a 20 year term.

**BACKGROUND:**

In early 2003, the City of Kelowna initiated preliminary investigations into a future aquatic complex. Considerable effort was done to produce prototypes, conduct surveys, capital cost budgets, operating budgets, public information displays, impact analysis, and reports. On April 18, 2005 bylaw 9359 was introduced and the Alternative Approval Process was initiated, which received approval of the electors on July 11, 2005. On July 24, 2006 bylaw 9654, amendment No 1 to bylaw 9359, was introduced and received approval of the electors on October 16, 2006. The amendment was adjusting the original amount of borrowing from Twenty Million Dollars (\$20,000,000) to Twenty Nine Million Five Hundred Thousand Dollars (\$29,500,000) due to increased construction costs of the facility.

Construction completion is targeted for December, 2008. Borrowing in the amount of \$29,500,000 is required to cover a portion of the \$44.1 million project cost.

**LEGAL/STATUTORY PROCEDURAL REQUIREMENTS:**

Under the Community Charter, Section 182, *Municipal financing through regional district*, the authority for the Regional District to proceed with borrowing through the Municipal Finance Authority of British Columbia requires a Council resolution and the adoption of a municipal loan authorization bylaw by the Regional District (previously under the Local Government Act a security issue bylaw was required by the municipality).

Considerations that were not applicable to this report:

**INTERNAL CIRCULATION TO:**

**LEGAL/STATUTORY AUTHORITY:**

**EXISTING POLICY:**  
**FINANCIAL/BUDGETARY CONSIDERATIONS:**  
**PERSONNEL IMPLICATIONS:**  
**TECHNICAL REQUIREMENTS:**  
**EXTERNAL AGENCY/PUBLIC COMMENTS:**  
**ALTERNATE RECOMMENDATION:**

Submitted by:

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Paul Macklem  
Director of Financial Services