

**EVENT CENTRE MANAGEMENT AND LEASE AGREEMENT AMENDING AGREEMENT NO. 1**  
(the “**Agreement**”)

This Agreement is made as of July 30, 2021 (the “**Effective Date**”)

**AMONG:**

**THE CITY OF CALGARY**  
(“**The City**”)

- and -

**CALGARY SPORTS AND ENTERTAINMENT CORPORATION**  
in its capacity as general partner for and on behalf of  
**CALGARY FLAMES LIMITED PARTNERSHIP**  
(“**CSEC**”)

- and -

**CSE REAL ESTATE CORPORATION**  
in its capacity as general partner for and on behalf of  
**CSE REAL ESTATE LIMITED PARTNERSHIP**  
(the “**Manager**”)

**RECITALS:**

- A. By an Event Centre Management and Lease Agreement made and effective December 5, 2019 between among The City, CSEC and the Manager(the “**MLA**”) The City agreed to retain the Manager to carry out the management, operation and maintenance of the Event Centre and each of its component parts.
- B. At the June 21, 2021 Combined Meeting of Council, Council directed City Administration to reconsider the deal terms relating to development management set out in Report C2019-0964, and directed City Administration to bring forward a revised development management framework on July 5, 2021 (subsequently deferred to the July 26, 2021 Combined Meeting of Council).
- C. At the July 26, 2021 Combined Meeting of Council, Council directed City Administration to negotiate and execute all definitive documents and agreements and take all actions required to conclude the agreements, arrangements and transactions contemplated in Report C2021-1164 and the attachments thereto.
- D. The City, the Manager, Calgary Municipal Land Corporation (“**CMLC**”) and CSEC entered into a Development Management Agreement whereby CMLC was appointed as Development Manager dated as of the 5<sup>th</sup> day of December, 2019 (the “**Initial DMA**”).
- E. The parties to the Initial DMA have agreed to terminate same and to replace the Initial DMA with a new Development Management Agreement (the “**Second DMA**”) among the City, the Manager, CSEC and CSE Development Management Corporation (“**CSEDMC**”). Termination of the Initial DMA is being reflected in a Termination and Transition Agreement being concurrently entered into among the City, CSERELP, CSEC and CMLC.
- F. The City, the Manager and CSEC previously entered into that certain Project Framework Agreement dated the 5<sup>th</sup> day of December 2019 whereby both the City and the Manager agreed to

contribute funds that would be used to design, permit, develop, and construct the Project, on the terms and conditions set out therein (the “**Initial Project Framework Agreement**”).

- G. The City, the Manager and CSEC have agreed to enter into an Amended and Restated Project Framework Agreement to amend and restate the Initial Project Framework Agreement (the “**PFA**”).
- H. The parties agreed, *inter alia*, to develop and implement an EMP (as defined in the PFA) to achieve the PETDT (as defined in the PFA) including the ongoing operational costs of such EMP and the parties wish to amend the MLA in respect of same on the terms and conditions hereinafter set forth.

**NOW THEREFORE** in consideration of good and valuable consideration (the receipt of which is hereby acknowledged by each of the parties), the parties hereto agree as follows:

1. The parties hereby agree to amend the MLA as follows:

- (a) The definition of Development Management Agreement in section 1.1(oo) is deleted and replaced with the following:

“**Development Management Agreement**” means the development management agreement dated as of July 30, 2021 between the City, the Manager, the Guarantor and CSE Development Management Corporation, in respect of the design, development and construction of the Event Centre, as amended, restated, modified, extended and supplemented from time to time in accordance with the provisions thereof.”

- (b) The definition of Project Framework Agreement in section 1.1(hhhhh) is deleted and replaced with the following:

“**Project Framework Agreement**” means the amended and restated project framework agreement dated as of July 30, 2021 between the City, the Manager and the Guarantor in respect of the funding, design, development and construction of the Event Centre as amended, restated modified, extended and supplemented from time to time in accordance with the provisions thereof.”

- (c) The definition of “EMP Baseline” is added as Section 1.1(bbbbb) as follows:

“1.1(bbbbb) “**EMP Baseline**” means \$200,000.00 increased annually after 2021 by the CPI Index Ratio.”

- (d) The definition of “EMP Costs” is added as Section 1.1(ccccc) as follows:

“1.1(ccccc) “**EMP Costs**” means all of the costs and expenditures incurred by the Manager pursuant to the terms of the EMP to achieve the PETDT Target including, but not limited to policing, securing, supervising, pedestrian and vehicle control personnel, and amounts paid The City of Calgary, together with a reasonable fee agreed to by the parties to cover the Manager’s overhead and administration costs.”

- (e) The following definition of “EMP” is added as Section 1.1(ddddd) as follows:

“1.1(ddddd) “**EMP**” has the meaning given in the PFA.”

- (f) The following definition of “Event” is added as Section 1.1(eeeee) as follows:

“1.1(eeeee) “**Event**” means event, function, program or activity held at the Event Centre during the Term.”

- (g) The following definition of “Incremental Costs” is added as Section 1.1(fffff) as follows:  
 “1.1(fffff) “**Incremental Costs**” means the EMP Costs less the EMP Baseline.”
- (h) The following definition of “PETDT Target” is added as Section 1.1(gggggg) as follows:  
 “1.1(gggggg) “**PETDT Target**” has the meaning given in the PFA.”
- (i) Section 11.1(f) is amended by deleting the words “Project Agreement” and replacing them with the words “Project Document”.
- (j) Section 18.1(c) is amended by deleting the words “Calgary Municipal Land Corporation” and replacing them with the words “the Development Manager (as defined in the Development Management Agreement)”.
- (k) A new Section 18.1A is added after Section 18.1 as follows:  
 “18.1A EMP Implementation
- (a) As set forth in the PFA, the Manager and The City acknowledge that The City shall be responsible for certain obligations in respect of achieving the PETDT Target, all as more particularly set out in Section 4.2 of the PFA, some of which obligations will remain in effect during all or a portion of the Term of this Agreement. Accordingly, the Manager and The City further acknowledge that Section 4.2 of the PFA is hereby incorporated into and forms part of this Agreement, *mutatis mutandis*. For ease of reference only, a copy of such Section 4.2 of the PFA is attached to this Agreement as Schedule “H”; and
- (b) The Manager agrees to comply with the terms of the EMP to achieve the PETDT Target for each Event. The City agrees to be responsible for fifty (50%) percent (the “**City Proportionate Share**”) of the Incremental Costs and the Manager agrees to be responsible for the remainder of the EMP Costs. The process for defining the incurrence, invoicing and timing of payments relating to EMP Costs will be as set out in the EMP.
- (l) The attached Schedule 1 is added to the MLA as Schedule “H”.
2. Except as amended by this Agreement, the MLA remains unchanged and the MLA is hereby ratified, reinstated and confirmed and time continues to be of the essence.
3. All initially capitalized words used in this Agreement not defined herein shall have the same meaning given to such words in the MLA.
4. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.
5. The parties agree that this Agreement may be executed in counterpart and that the executed counterparts shall together form this Agreement. Any such executed counterpart may be delivered by facsimile transmission or by email in PDF and will be deemed to be an original document.

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the year and day first above written.

**CALGARY SPORTS AND ENTERTAINMENT  
CORPORATION AS GENERAL PARTNER FOR  
AND ON BEHALF OF CALGARY FLAMES  
LIMITED PARTNERSHIP**

Per: \_\_\_\_\_  
Name: John Bean  
Title: President and CEO

(Corporate Seal)

Per: \_\_\_\_\_  
Name: Cameron Olson  
Title: CFO

We have authority to bind the corporation

**CSE REAL ESTATE CORPORATION AS  
GENERAL PARTNER FOR AND ON BEHALF  
OF CSE REAL ESTATE LIMITED  
PARTNERSHIP**

Per: \_\_\_\_\_  
Name: John Bean  
Title: President and CEO

(Corporate Seal)

Per: \_\_\_\_\_  
Name: Cameron Olson  
Title: CFO

We have authority to bind the corporation

APPROVED AS TO CONTENT	INITIALS
Bus. Unit: _____ Name: _____	
APPROVED AS TO FORM BY LAW DEPARTMENT	INITIALS
Name	

**THE CITY OF CALGARY**

Per: \_\_\_\_\_  
 Name: David Duckworth  
 Title: City Manager

(Corporate Seal)

Per: \_\_\_\_\_  
 Name: Kate Martin  
 Title: City Clerk

## Schedule 1

### 4.2 Post-Event Traffic Discharge Time

“**Average Event Condition**” means the following: (i) no adverse weather; (ii) no incidents; and (iii) no unanticipated construction.

“**Baseline Condition**” means the typical non-event operating conditions prior to or after the period of time when significant event related queuing occurs at (i) the exit of any On-site Parking Lot, and (ii) the exit points of the District.

“**District**” means the areas bounded by a point just south of 25 Avenue SE, Elbow River, and a point just north of 9 Avenue SE, and a point just west of (1 Street SE) Macleod Trail (southbound).

“**On-site Parking Lot**” means off-street parking lots or parking facilities located within the District.

“**Post-Event Traffic Discharge Time**” or “**PETDT**” (also known as “dump time”) means, in respect of events at the Event Centre, the point in time measure from the Baseline Condition occurring at the On-site Parking Lot exit points, to the point where traffic operations return to a base level of operations within the District for an Average Event Condition.

“**Stakeholder**” means CSERELP, the City, CMLC, Calgary Exhibition and Stampede Limited and key neighbouring landowners, to be determined by both Parties.

- (a) The City shall:
- (i) lead and work collaboratively with Stakeholders to create a mobility and Event Management Plan (the “**EMP**”) prior to Turnover Date;
  - (ii) construct and complete (or shall cause the design, construction and completion of) all structures, works and physical improvements to City-owned roadway infrastructure which the City determines are necessary or required to implement the EMP and to achieve a PETDT target of 30 minutes, regardless of the concurrency of events at any other venues in the Rivers District, including the BMO Centre and Calgary Exhibition and Stampede venues (the “**PETDT Target**”), which structures, works and physical improvements may include automated lane reversal systems, lane separation physical barriers, variable message signage and traffic signal controls (such structures, works and physical improvements are hereinafter referred to as the “**PETDT Works**”);
  - (iii) design, construct and complete (or shall cause the design, construction and completion of) at least two additional vehicular traffic access points to the Rivers District (the “**Additional Access Points**”), one of which shall be a 17th Avenue extension running from Macleod Trail and connecting with 4th Street SE to at least 12th Avenue SE (the “**17th Avenue Access Point**”), which 17th Avenue Access Point shall be designed to allow for flexibility of traffic impacts from the Event Centre, the BMO Centre and Calgary Exhibition and Stampede venues. The second additional access point will connect 11 Avenue SE to 9 Avenue SE (the “**Second Additional Access Point**”);
  - (iv) use commercially reasonable efforts to complete the 17th Avenue Access Point and the PETDT Works on or before Turnover, and the Second Additional Access Point following the completion and commencement of operation of the Green Line LRT stations near 4 Street SE and Centre Street S;

- (v) undertake an annual review of the EMP with the Stakeholders and take all such steps and actions the City determines are necessary or required (including additional PETDT Works) to bring the PETDT to or below the PETDT Target;
  - (vi) be solely responsible for all costs and expenses incurred in connection with the performance of its obligations in this Section 4.2, including all capital costs associated with the PETDT Works, and the Additional Access Points and such costs and expenses: (i) shall not be Eligible Costs and shall not apply toward the City Maximum Contribution Amount; and (ii) shall be City Additional Costs; and
  - (vii) be responsible for fifty percent (50%) of all incremental EMP management and operating costs as set out in the Management and Lease Agreement.
- (b) The provisions of this Section 4.2 shall survive termination or expiry of this Agreement, and shall be incorporated into, and expire on the termination of, the Management and Lease Agreement.