

Memorandum of Understanding

between

Southeast Event Centre Inc (“SEC”)

And

City of Steinbach (“City”)

1. The SEC has presented a proposal to the City for the development of an events center in the City of Steinbach.
2. The SEC, a non-profit entity, has offered and agrees to partner with the City, and to work together jointly, to develop an events centre in Steinbach. The City agrees that a community-based initiative for the development of an events centre in Steinbach is a desirable goal to achieve for the community.
3. The City supports the development of an events centre in Steinbach provided that the facility is located within the downtown area near the existing TG Smith Centre.
4. The City agrees that land that it owns within this downtown area may be used in the development of an events centre, subject to acceptable plans being prepared.
5. In addition to any City-owned land in this area, the SEC agrees that it will endeavor to secure the commitment and purchase of any additional lands that may be required for the development and operation of the facility. The SEC agrees that ownership of these lands is to be transferred to the City, at no cost to the City, prior to development proceeding.
6. The City agrees to commit capital funding to the facility, not to exceed \$10.0 million. This amount may be used for capital construction, site development or servicing, or additional land purchases.
7. The City agrees to commit funding annually, for core operating costs of the proposed facility, up to a maximum amount equivalent to 0.5 mills of its general municipal levy.
8. The SEC agrees to commit and/or secure private capital funding of at least \$15.0 million to be used for the development of the project. The SEC agrees that this amount will be in place, on hand, or otherwise secured and committed in favor of the City prior to the project proceeding.
9. The City and the SEC agree to submit a joint application for \$17.5 million in funding for the project under the Investing in Canada Infrastructure Program (ICIP) to secure additional required funds to be able to complete the project, estimated to total \$42.5 million.

10. The City and the SEC agree that the required grant funding of at least \$17.5 million to be requested under the ICIP program or any other funding program, be confirmed prior to the project proceeding.
11. Subject to the City's required procurement process for capital and infrastructure, and the principles and procedures to be used for the planning, design, tendering, and construction of the facility, the City and SEC intend to enter into an agreement for the purposes of project development. This will allow the City to fulfill its mandate to the public to provide value for money and to ensure that any public funds committed to the project are appropriately used.
12. Subject to the City's required procurement procedures for services, the City and SEC intend to enter into an agreement for the purposes of operating the facility. The operating model to be developed under this agreement will provide for facility functions as an events center including for its effective and cost-efficient management. The model will also remain focused on providing sufficient capacity, access, and affordability for minor and community ice sports requirements and other community events and activities. This will allow the City to fulfill its mandate to the public to provide value for money and to ensure that any public funds committed to the project are appropriately used.
13. All City funds to be committed to the project will be subject to an annual financial plan approval, local improvement, and public hearing process as required by the Municipal Act, or other Acts, as applicable.
14. Subject to the outcome of any public hearings, the City will conduct its best efforts in converting or re-designating the lands for the purpose of an events center and its related uses, as may be necessary.