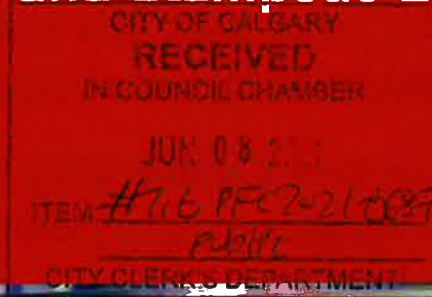




**The Calgary Exhibition and Stampede Ltd.  
PFC2021-0687**

**2021 June 8**

**2020 Credit Facility  
Update and Bank  
Amendments**





## The Calgary Exhibition and Stampede Ltd. 2020 Credit Facility Update

- Annually, Administration updates Council regarding the credit facilities guaranteed by The City of Calgary for the Calgary Exhibition and Stampede Limited (The Stampede) park redevelopment and expansion.
- COVID 19 pandemic caused the cancellation of the annual exhibition in 2020 and majority of the Stampede's year-round activities.
- 2021 annual exhibition and year-round activities are uncertain at this time. As a result, The Stampede requires The City's consent to amend certain credit facilities and amend The City's covenants with The Stampede.
- The loan guarantee with The Stampede has been in place since 1998.



## Credit Facilities

- As of 2020 December 31, a total of \$60.1 million was outstanding on the three guaranteed credit facilities; \$13.4 million of credit Facility D is available for expansion and development activities, for a total maximum available facility of \$73.5 million. Details are outlined below:

Description (\$000s)	Facility B	Facility C	Facility D	Total
Initial Authorization (1998)	\$30,000	\$30,000		\$60,000
Addition (2005)			\$80,000	\$80,000
Reduction (2014)			(\$20,000)	(\$20,000)
<b>Total Authorized</b>	<b>\$30,000</b>	<b>\$30,000</b>	<b>\$60,000</b>	<b>\$120,000</b>
Opening Balance 2020 Jan 01	\$19,944	\$8,842	\$32,657	\$61,443
(Net Amount Repaid) / Drawn Down	(\$284)	(\$463)	(\$596)	(\$1,343)
Balance Outstanding 2020 Dec 31	\$19,660	\$8,379	\$32,061	\$60,100
Undrawn Availability	\$0	\$0	\$13,400	\$13,400
Maximum Availability				\$73,500



## 2020 Financial Highlights & Covenants

- The annual exhibition represents approx. 60% of The Stampede's revenue and approx. 62% of operating income.
- Management have reduced operating expense and limited capital deployment.
- Current strategy: Federal support programs, asset dispositions, and amended bank funding including a new \$10 million revolving credit facility, facility extensions, amendments to lender's security, covenant waivers and amendments and further principal repayment deferrals.
- Revenues declined to \$25 million in 2020 from \$154 million in 2019. The Stampede was in compliance with all credit agreement covenants. The City is being asked to waive The Stampede's 2021 debt service coverage ratio financial covenant in its Credit Agreement with it to be reinstated in 2022.



## Recommendations

That the Priorities and Finance Committee recommends that Council:

1. Direct Administration to consent to amendments of certain Calgary Exhibition and Stampede Limited (“The Stampede”) credit facilities in order to ensure The Stampede remains in good standing under such credit facilities. The form and terms of such amendments to be in accordance with The City’s Credit Documentation- Loans and Loan Guarantees policy;
2. Direct Administration to amend the necessary financial covenants to allow The Stampede to remain in good standing under its credit facilities with The City. The form and terms of such amendments shall be in accordance with The City’s Credit Documentation- Loans and Loan Guarantees policy; and
3. Direct Administration to amend any existing agreements between The City and Calgary Exhibition and Stampede Limited as applicable and in accordance with The City’s Credit Documentation – Loans and Loan Guarantees policy.