

BYLAW NO. 9771

The TCU Place Loan Authorization Bylaw, 2021

Whereas The Centennial Auditorium & Convention Centre Corporation (“TCU Place”) is a controlled corporation of the City of Saskatoon (“City”) as defined in *The Cities Act*;

Whereas TCU Place promotes, manages and operates TCU Place on behalf of the City;

Whereas pursuant to subsection 151(1) of *The Cities Act*, a city may loan money to one of its controlled corporations;

Whereas TCU Place requires a loan in the form of a line of credit to provide short-term cash flow assistance to bridge operations until maturity of investments held by TCU Place;

Whereas the City has agreed to provide TCU Place with a loan in the form of a short-term line of credit of up to \$3,000,000.00 to bridge operations until maturity of TCU Place’s investments;

Whereas pursuant to subsection 152(1) of *The Cities Act*, a city may only lend money to one of its controlled corporations if the loan is authorized by bylaw;

Whereas the City desires to enact such a bylaw;

Now therefore, the Council of the City enacts:

Short Title

1. This Bylaw may be cited as *The TCU Place Loan Authorization Bylaw, 2021*.

Purpose

2. The purpose of this Bylaw is to authorize a loan in the form of a line of credit from the City to TCU Place to provide short-term cash flow assistance to bridge operations until maturity of investments held by TCU Place.

Authorization of Loan

3. A loan from the City to TCU Place is authorized.

Amount of Loan

4. The amount of money to be loaned from the City to TCU Place shall be no more than \$3,000,000.00.

Purpose of Loan

5. The purpose of the loan shall be to provide short-term cash flow assistance in form of a line of credit to bridge operations until TCU Place-held investments mature.

Term of Loan

6.
 - (1) The term of the loan shall be for three years commencing on the date that the loan agreement between the City and TCU Place is fully executed.
 - (2) The term of the loan may be extended for a further period of one year if:
 - (a) TCU Place provides written notice to the City at least 60 days before the end of the original term requesting an extension of the loan; and
 - (b) both Council and the TCU Place Board of Directors approve the extension in writing.

Terms of Repayment

7.
 - (1) The principal of the loan together with interest as calculated in subsection (3) shall be paid by TCU Place to the City no later than the end of the term.
 - (2) Payment instalments on the loan within the term shall be at the discretion of TCU Place but in no circumstance shall any of the loan, including interest, be due and owing at the end of the term.
 - (3) Interest on the loan shall be assessed monthly at the end of each month, based on the outstanding loan balance which will include any prior interest assessed less any payments made by TCU Place. The interest rate will be equal to the City's investment income rate plus a premium for administration, to be recalculated each year on January 1. For 2021, the interest rate for the loan shall be 1.24%.

Source of Money to be Loaned

8. The money to be loaned shall be from the general cash balances maintained by the City.

