

# Northlands Agreement - Amendment

## Recommendation

That the amending agreement, as presented in Attachment 2 of the July 10, 2018, Urban Form and Corporate Strategic Development report CR\_6024, be approved.

## Previous Council/Committee Action

At the September 11/12, 2017, City Council meeting, the following motion was passed:

That Administration negotiate with Edmonton Northlands, agreements as required to effect the transition of the operation of the Northlands site as outlined in the Memorandum of Understanding, as set out in Attachment 1 of the September 12, 2017, Financial and Corporate Services report CR\_5148.

At the December 5, 2017, City Council meeting, the following motion was passed:

1. That the agreements, as presented in Attachments 1 through 7 of the Financial and Corporate Services report CR\_5256, be approved and that approval of the attached agreements shall include the approval of such corrective, conformance and incidental amendments to such agreements as necessary or desirable to give effect to or implement the contemplated transaction, all as may be subsequently approved by the City Manager.

## Executive Summary

In alignment with Council's direction provided December 5, 2017, Administration continues to work with Northlands to effect the transition of Northlands Park and adjacent land south of the Expo Centre to the City's ownership. On May 1, 2018, Horse Racing Alberta and Edmonton Northlands agreed to extend the Northlands Race Track License from June 30, 2018 to January 31, 2019. The attached amending agreement for Council's approval extends the final date on which Edmonton Northlands must surrender the race track portion of the Northlands site to March 31, 2019.

## Report

Further to the meeting of City Council on December 5, 2017, Administration is working collaboratively with Edmonton Northlands for the orderly transition of the site. During this transition period, the City became aware of Horse Racing Alberta's desire to extend the Northlands Race Track License to January 31, 2019. Administration has

prepared the amending agreement (Attachment 2) for an extension to the ultimate date for final surrender by Edmonton Northlands of the Northlands site, including the horse racing facility, for Council's approval. All other conditions under the December 5, 2017 Staged Surrender agreement would remain in force.

## Budget/Financial

There are no anticipated cost implications in 2018 with this revised closure date.

## Corporate Outcomes and Performance Management

Corporate Outcome(s): Conditions of Success			
Outcome(s)	Measure(s)	Result(s)	Target(s)
Effective and efficient service delivery: the City is compliant with legal obligations	Legal Agreement is in effect to transition the operation of the Northlands site as outlined in the Memorandum of Understanding	December 7, 2017	March 31, 2019
Corporate Outcome(s): The City of Edmonton has a resilient financial position			
Extension of the surrender agreement for the site saves the City on operational and maintenance costs for the site in 2018	Total cost of 2018 operating budget requests for Northlands Park.	\$0	\$0

## Risk Assessment

Risk Element	Risk Description	Likelihood	Impact	Risk Score (with current mitigations)	Current Mitigations	Potential Future Mitigations
Legal/Financial	Non-approval negatively impacts other stakeholders including Edmonton Northlands and Horse Racing Alberta. Both organizations are working in an orderly manner and have requested an extension in good faith.	2- Unlikely	3- Major	6- Low	Administration is currently meeting with Edmonton Northlands on a minimum quarterly basis and both parties are preparing for site transition. Extension of the staged surrender agreement will not adversely affect plans and will reduce costs to the City for Q1 2019.	None

### **Attachments**

1. Staged Surrender Agreement (City and Northlands, December 5, 2017)
2. Amending Agreement

### **Others Reviewing this Report**

- R. Kits and S. Padbury, Acting Deputy City Managers, Financial and Corporate Services
- M. Sturgeon, Acting Deputy City Manager, Communications and Engagement
- G. Cebryk, Deputy City Manager, City Operations
- R. G. Klassen, Deputy City Manager, Regional and Economic Development
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- K. Block, Acting Deputy City Manager, Citizen Services
- R. Smyth, Acting Deputy City Manager, Employee Services