

MINUTES
THE BOARD OF GOVERNORS
Fountain Dining Room - Exhibition Place
Thursday, October 8, 2009 - 7:00 p.m.

The Board of Governors of Exhibition Place met in the Fountain Dining Room, Q.E. Building at Exhibition Place on Thursday, October 8, 2009.

PRESENT: Joe Pantalone, Deputy Mayor, City of Toronto/Chair, Board of Governors
Maria Augimeri Mona ElSayeh, Knox Henry, Mark Grimes, Gloria Lindsay
Luby, Jim McMillen, Jim Melvin, Gord Perks,

APOLOGIES: Brian Ashton, Camilla Mackenzie, John Weatherup

ATTENDING: Dianne Young, Chief Executive Officer
Ward Earle, Solicitor/City Legal
Fatima Scagnol, Corporate Secretary
Hardat Persaud, Chief Financial Officer
Arlene Campbell, General Manager/Events & Sales
Mark Goss, General Manager/Operations
David Bednar, General Manager/CNE
Sandy Douglas, Director/Human Resources
Vince Bozzo, General Manager/BMO Field
Mortimer Wilson/Manager, Accounting/BMO Field
Arlene Jang, IT Specialist

CITY OF TORONTO: Duncan Ross, Executive Director, Tourism Division – City
Mike Williams, GM/Economic Dept., Culture & Tourism

GUESTS: Chris Kallan, Henry Kallan, Rocco Maragna

FROM THE COMMUNITY:

Ross & Martina Bobak, P. Darrel, Rick Duquette, Poet Farrell, Paul Federico, Brent Ferris, Edward Gajoel, Erin Hatfield, Peter Johnston, Steve Kolos, Chris Korwin-Kuczynski, S. Krac, Kathy Kunsmann, Noel Lee, Fred Mackie, Gerry Mamone, Ruth Mattucci, N. McLeod, Joan Miles, Margaret and Valdemar Pereira, Tony Reich, Geoffrey Rupert, Stan Rzepka, Debbie Sanderson, D. Sanka, George Sawision, David Shun, Trevor Smyth, Diana Tiessen, Robert Thornhill, Kathy Traill, Joey Walania, Craig White, Ron Williamson

Deputy Mayor Joe Pantalone presided, and Fatima Scagnol acted as Secretary to the meeting. The meeting was called to order at 7:05 p.m.

Before proceeding with the regular business of the meeting, the Chair requested members to indicate the report on the public agenda wherein they have an interest, together with the nature of the interest. None were declared.

1. **MINUTES OF PREVIOUS MEETING**

On motion duly made by Jim McMillen, and **CARRIED**, it was **RESOLVED** that the Minutes of Meeting of the Board of Governors held on September 11, 2009, be **VERIFIED** in the form distributed to the members.

CONSIDERATION OF REPORTS

The Chair proposed that the Board proceed through the reports on the agenda with members indicating those reports, by number, on which they wish to speak; that the Board then proceed with the adoption of the remaining reports; and then give consideration to those reports held for discussion at the request of the members, not necessarily in the order that they appear on the agenda.

The Chair proposed that the Board give consideration to those reports held for discussion at the request of the members. The Board concurred with the following.

2. **COMMUNICATIONS – ROCCO MARAGNA RESIGNATION FROM BOARD**

On motion duly made by Mona ElSayeh, seconded and **CARRIED**, it was **RESOLVED** that the Communication dated September 22, 2008 from Mr. Rocco Maragna advising of his resignation to the Board given that he is Architect for the Hotel Project for Exhibition Place, be received for **INFORMATION**.

3. **LABOURERS' INTERNATIONAL UNION OF NORTH AMERICA
EMPLOYEES LOCAL 506 – UNION AGREEMENT**

The Chief Executive Officer advised that item #16 (Delete 'Within the Stadium' language) within subject agreement should have been previously deleted.

On motion duly made by Gloria Lindsay Luby, seconded and **CARRIED**, it was **RESOLVED** that Report No. 3 dated October 2, 2009 from the Chief Executive Officer with respect to the Labourers' International Union of North America – Employees' Local 506 – Union Agreement, as **amended**, be **APPROVED**.

4. **INFRASTRUCTURE STIMULUS FUND PROJECTS (ISF) 2009 TO 2011**

On motion duly made by Jim McMillen, seconded and **CARRIED**, it was **RESOLVED** that Report 4 dated October 1, 2009 from the Chief Executive Officer, be **APPROVED**, thereby authorizing:

(a) In order to meet the strict requirements of the Federal Infrastructure Program regarding the acceleration of projects and expenditures for the first fiscal year ending December 31, 2009, delegate to the Chief Executive Officer, in consultation with the Chair of the Board the authority to award the tenders for the eligible projects as discussed in this report on the following basis:

- i) Subject to clause (b) below, all awards shall be made strictly in accordance with the Board's tender process to the lowest qualified bidder in each case meeting the specifications and requirements of the tender document;
 - ii) The restoration work of the Allstream Centre will be awarded pursuant to the existing agreement with Clifford Construction to provide for an increase in the scope of work as discussed in this report for an additional price not to exceed \$1.250M.
- (b) The contract price shall in all cases be within the approved budget for the project as approved under the Federal Infrastructure Program and approved by City Council at its meeting of September 30 and October 1, 2009;
- a. The Chief Executive Officer shall report the details of all contracts so awarded to the Board's first meeting in 2010 for ratification; and,
 - b. ISF projects slated for 2010 and 2011, will follow regular Board procedure.
- (c) Approve changes to the 2009 – 2018 Capital Budget and Plan as follows:
- a) As a result of the ISF funding, increase the total projects costs for 2009 to 2011 by \$27.370M as outlined on Attachment 1.
 - b) On account of ISF funding, decrease capital projects costs by \$27.370M for the years 2010 to 2018 to offset clause 2 (a) above as outlined on Attachment 1.

5. EXHIBITION PLACE HOTEL DEVELOPMENT & AGREEMENT TO LEASE

The Chair provided an overview with respect to the Hotel Project and advised that a five-minute presentation would be provided and that members of the community would have a two-minute period to present their overview or ask questions of the Board. The Board members would then have an opportunity to ask questions, or make comments. The Board heard from the following community residents.

Joan Miles recommended that the Board provide complete clarification to the developer with respect to the heritage issues related to Stanley Barracks and the land it sits on. She believes there is an opportunity and obligation and requests that HKH Hotels work with the Heritage Groups with respect to this project.

Kathy Traill – presentation recorded as verbatim. “Thinking that this meeting was to be in December am not as prepared as I would like to be. Have lived south of King and between Dufferin and Niagra for 31 years and have had a commercial business in Liberty Village since 1992. Toronto is said to be a melting pot of cultures. Generations of Canadians born here and Canadians who immigrated here have contributed to the greatness of Canada and the growth of Toronto. However, if it were not for the sweat and the blood in the dust on this land we would not have Canada here and Torontonians would not have health care, such as it is. I know more about the wars never fought on our soil than those that were fought here.

This site is a historical gem. A reminder for generations of Canadians to come that they have the lands and resources we have because men and women fought and died gifting their lives for the land we hold within our borders today. I like the plan of 500 trees and the excavation of the site as a museum. A tree park cool in the heat and welcoming for

everyone who wanders in to reflect on the human condition and the bravery of those who gave their lives and defined Canadian soil would be fantastic. A glitzy hotel as a shrine to the war Hero's who died so I could stand here tonight on Canadian soil is just not right. I am not even sure that municipal governments leasing public lands permanently and indefinitely for profit that leaves the country using the taxpayer dollar is appropriate.

I feel that when business owners want to make money in Toronto they should be doing businesses with other business owner in Toronto. Business owners should not be forced into competing with governments who use the very money they pay in taxes to compete with them.

In closing, a hotel close to the Ex grounds is a business decision on the part of the hotel owner. There is lots of real estate and land not yet developed in the area. If a hotel makes sense financially for the business owner then they should secure land privately held and build a hotel. Change the location of the hotel structure and I have no objection to a boutique hotel in the neighbourhood I share with my neighbours. Thank you for listening.”

Gerry Mamoni who is a citizen of Toronto applauded the Board for a wonderful project for Toronto, specifically being located at the waterfront. Congratulations and best of luck.

Daryl May who is involved with the City of Toronto Renewable Energy Projects believes this is an outstanding project. Congratulations and best of luck.

Resident – addressed the issue that the concentration camps be acknowledged within the project. Camp site be designed as concentration camp land. 100th anniversary of the camp site is coming shortly and requested that the Board consider this matter.

Tony Riech is a resident and Architect by trade. The Board has his total support for this development and extends his compliments to HKH Hotels. Exhibition Place needs this project because of its business nature. He further compliments the Archeology Group and needs more of this type of involvement with other City of Toronto projects. City is always looking for more tourists, and this project will certainly attract them. Congratulations and best of luck.

Craig White who is involved with a number of City of Toronto projects made available this Hotel Project online for his group to view and comment on wherein a number of replies were received in favour of such a project and hoping its completed by the Honda Indy in that year. They also expressed that it's a modern design hotel and Exhibition Place needs to jump start the construction. He further added that the tower is much admired. Congratulations and good luck.

Steve Collis congratulated the Board on its hard work with the design. He did request that the Board not forget our past including the Ukrainian Catholics and emphasized that the Hotel Project was a fantastic project. Congratulations and good luck.

Stan Rzepka has been coming to Exhibition Place for a number of years and applauds the change and the project. He does have concern wherein Newfoundland Drive is not

wide enough for the Allstream Centre and the Hotel when they will be both busy with vehicular traffic – hotel is too close to Newfoundland Drive. His other concern is when the CNE opens and public transit issues. Quite happy with the proposal but foresees traffic issues.

George Sawision addressed the heritage issue and asked that the Board consider the sensitivity of immigrants that come to Toronto in that a corner be taken to honour the Ukrainians.

Norman McLeod with the Swansea Society has concerns with the Stanley Barracks and would like to see it in heritage form rather than offices. Exhibition Place has an Archives it can tap into for information and it would be wonderful to have Stanley Barracks as a museum to keep the heritage.

The Chair thanked members of the community for their comments and welcomed Rocco Maragna, Project Architect and the proponents, Henry and Chris Kallan of HKH Hotels.

On a question from Maria Augimeri with respect to the comments related to the Ukrainian Heritage and the plans to be undertaken, Dianne Young responded that the Letter of Intent speaks to the Stanley Barracks as a historical site and that all the historical issues will be submitted to City Planning. Ms. Young also referred to the Ukrainian Plaque which is currently mounted at the site to commemorate the Ukrainian history.

Rocco Maragna noted that the project group will continue to strengthen the footprint of the Stanley Barracks and Fort and turn this into a site that the public will be able to enjoy. He further added that he was a Cadet and recognizes the importance to the historical aspect as well as Henry Kallan who is also very sensitive to this issue. The Hotel group will ensure all heritage issues are worked out with City Planning.

On a question from Maria Augimeri as a City Councillor, can Council be involved in the historical planning process, Joe Pantalone responded that this report will be considered by the November meetings of the Executive Committee and City Council, at which time ongoing discussions will take place with HKH Hotels, Exhibition Place and City staff to ensure that appropriate recognition is in place regarding the historical issues. He further added that Exhibition Place celebrates heritage as a whole and that the Province of Ontario and Exhibition Place will ensure the appropriate recognition of all our nationalities.

Gloria Lindsay Luby noted she is of Ukrainian background and suggested that more than a plaque be created, something of significance needs to be developed. She proposed that she could be included in the planning and communication between the Ukrainian Community, HKH Hotels and City Planning. Mr. Kallan welcomed her participation.

On a question from Gord Perks with respect to the heritage plans within the hotel site, Dianne Young responded that section 10 of the letter of intent speaks to the historical issues as well as the requirements.

Jim Melvin noted that there is greater sensitivity other than the Ukrainian history and suggested that the Board welcome the recommendations of City Planning with respect to honouring the heritage of all nationalities.

In conclusion, Joe Pantalone noted the following:

- At its meeting of September 15, 2009, the Community Liaison Committee received the Hotel Development Presentation and were all in favour of the project;
- 15 years ago the question was – what are we doing with the grounds, given it was popular only during the CNE period. The City was proposing that housing be put into place;
- Over the years, a number of significant tenants have enhanced the grounds – Medieval Times, Liberty Grand, Muzik and Q.E. Theatre;
- Metro and City of Toronto have brought the grounds to a standard to be a place for groups to gather – soccer, hockey, arts, festivals, the CNE a key feature, the Direct Energy Centre, the Allstream Centre, but one element is still missing – tourism;
- The hotel which will complete the package at Exhibition Place;
- The CNE attracts 1.3 Million and Exhibition Place attracts 5.3 Million per year;
- With the coming of this hotel development, the grounds will be transformed and this proposal will also assist developments in the surrounding areas;
- City Planning has noted that this building must be of a high architectural standard; and
- Joe Pantalone personally applauds the Exhibition Place staff involved in this project, the proponents, the City Staff and the Community residents for their support and called the question to the motion outlined in subject report.

On motion duly made by Gloria Lindsay Luby, seconded and **CARRIED**, it was **RESOLVED** that Report No. 5 dated October 2, 2009 from the Chief Executive Officer with respect to the Exhibition Place Hotel Development Plan and Agreement to Lease, and the Confidential Attachment 5 (a) be **APPROVED**, thereby:

- (1) Subject to approval by City Council, approve of entering into a 49-year lease agreement with HKK substantially on the terms and conditions contained in this report, Appendix “A” and in the Confidential Attachment 1 to this report and such other terms and conditions satisfactory to the Board’s Chief Executive Officer and the City Solicitor;
- (2) Direct that the confidential information contained in Attachment 1 to this report not be released publicly in order to protect the competitive position and future economic interests of Exhibition Place and the City of Toronto;

- (3) Subject to the alternative site plan review process developed for Exhibition Place by City Planning, approve of the HKH Design Proposal for the first phase of a hotel development consisting generally of a podium and tower (approximately 26 floors for tower) as set out in the proposed design plan and situated on the Phase I lands all as provided in Appendices “A”, “B” and “C” attached; and,
- (4) Request the City of Toronto complete all necessary steps to declare the hotel lands surplus.

A recorded vote was requested – in favour of subject report which was unanimous - Joe Pantalone, Maria Augimeri, Mona ElSayeh, Knox Henry, Mark Grimes, Gloria Lindsay Luby, Jim McMillen, Jim Melvin and Gord Perks – 9 members.

6. **RESOLUTION RE ABSENTEEISM**

On motion duly made by Jim Melvin, seconded and **CARRIED**, it was **RESOLVED** that Brian Ashton, Camilla Mackenzie and John Weatherup having notified the Corporate Secretary of their unavailability to attend this meeting of the Board, be **EXCUSED**.

ADJOURNMENT

There being no further business, the Chair adjourned the meeting at 8:00 p.m.

(Copies of the communications, reports and other documents referred to in the minutes of this meeting have been distributed to the members and copies thereof inserted as schedules to the official minutes of the proceedings of this meeting of the Board.)