

March 31, 2016

To: Business Development Committee

From: Dianne Young Chief Executive Officer FOR INFORMATION

Subject: Summary of Tenant Presentation – February 9, 2016

Summary:

The Committee has determined that it would be very informative to meet with each of the tenants on the Exhibition Place grounds in order to understand the tenant operations and to explore ways that Exhibition Place could assist the tenants. The Committee has asked staff to record all matters explored with the tenants by the Committee in order for a final report to be sent to the Board after the Committee has met with all tenants.

This report provides information on the Tenant Presentations made to the Committee at its meeting of February 9, 2016.

Financial Implications:

There are no financial implications to this report.

Decision History:

The Exhibition Place 2014 – 2016 Strategic Plan had a Public Space and Infrastructure Goal to establish Exhibition Place as a destination and gathering place for the community, and as a strategy to support this goal we will in partnership with the private sector, enhance public amenities to service our patrons and local community visitors

A letter dated February 1, 2016 from Jim Karygiannis was submitted to Liberty Grand Entertainment, Muzik Clubs Inc., and Q.E. Theatre/Fountainblu, extending an invitation to attend the meeting of the Business Development Committee scheduled for February 9, 2016, to canvas tenant views on events being held at Exhibition Place and how working together can make the grounds a more attractive and more family friendly destination for Toronto citizens and visitors. http://www.explace.on.ca/database/rte/files/Item%202-JKLetter%20to%20Tenants.pdf

Issue Background:

Pat Di Donato of Liberty Grand; Zlatko Starkovski of Muzik Clubs Inc.; and Bruno Sinopoli and George Dias, Q.E. Theatre/Fountainblu; were in attendance at the February 9, 2016 meeting of the Business Development Committee.

Comments:

The Chair of the Committee confirmed with all tenant representatives in advance that each of them understood this was a public meeting and they had no objection to speaking in public.

Each Tenant was given the opportunity to present their current and/or ongoing concerns and the discussion at the meeting is detailed in Appendix "A" attached.

6

Contact:

Dianne Young Chief Executive Officer Tel: 416-263-3611 Fax: 416-263-3690 Email: dyoung@explace.on.ca

Appendix "A" Tenant Comments at the Committee Meeting of February 9, 2016

Bruno Sinopoli - Q.E. Theatre/Fountainblu

One of his main concerns relates to the IATSE Union issues especially IATSE Technicians who are required for the Dance Competitions which are generally related to annual performances for a children's dance studio so aimed at parents and children in attendance. At these events, IATSE insists that their technicians must setup the props from start to finish. Depending on the type of competition, students need to set-up their own staging area which becomes part of the marks / grades given to the students and there are many complaints by the event organizers given the high cost of IATSE technicians and attitudes.

The other concern is during the load out of concerts (and this would apply to the load out of the events) For example, an IATSE technician is on the production call from the start of the show to the finish of the show. There is a 1 hour at the end of show production to clear the stage. If the stage is not cleared in the hour the IATSE CA requires payment for a 4-hour call even though the IATSE Technician may not be needed and not working after that first hour. In other words if it takes the IATSE Technician 1 ½ hours to clear the stage, the IATSE Technician will be paid for 4 hours even though after clearing the stage in the 1 ½, that same IATSE Technician can go home. Because the call for the IATSE Technician was for the show production, there is no ability under the IATSE CA to reassign the production technicians directly as the production Technician only will work the actual concert. Mr. Sinopoli has expressed his concerns directly to the union but IATSE has not agreed with Mr. Sinopoli or waived this CA right.

Mr. Sinopoli was asked by the Committee if the IATSE Union Technicians are cleared through a Police Check given the ages of the dance competitors and Mr. Sinopoli indicated this had not happened in the past. The Committee requested that the Chief Executive Officer review this matter with City LR for checks for IATSE Technicians for the Q.E. Theatre during children's dance competitions.

Pat Di Donato - Liberty Grand

Twenty percent of Liberty's business includes IATSE Union Technicians and the issue is trying to attract corporate weekday events as it is difficult to be competitive with other venues in Toronto because of the IATSE costs. Generally, Liberty is full for weekend events although IATSE is still an issue because the technician costs are at double time on the weekend.

Lack of parking and traffic congestion is a concern when there are other events on-site, and rising expenses for heat, hydro, electrical, etc. is also a concern for Liberty.

The CEO explained to the Committee that some tenants on the site (Liberty, Muzik, Medieval Times, BMO Field/Ricoh Coliseum) employ IATSE housepersons that just service each of the particular venues managed by the tenant. At this time, the QE Theatre/Fountainblu tenant does not have an IATSE houseperson but draws technicians from the union hall.

The Committee questioned if there could be a pool of IATSE housepersons that could be used by all. Liberty Grand and Muzik Clubs Inc. responded that while possible, it may not be practical because typically, all venues are often occupied/having events at the same and therefore sharing would not be possible.

The Committee suggested a legal opinion on having 3 to 4 IATSE Technicians as a regular pool of staff that tenants can share. The Chief Executive Officer explained that meetings have been held with all tenants regarding the IATSE concerns and are being presented during the current union negotiations.

Zlatko Starkovski - Muzik Clubs Inc.

Mr. Starkovski noted that the Board has been very supportive of the Muzik's concerns related to IATSE, and urged that the tenants need this support to continue.

One of the main concerns of Muzik is the same as Liberty Grand – lack of parking and traffic congestion especially when all tenanted venues are busy on the same day/night.

Also of grave concern for Muzik are the continued negative comments in the media etc. about the club. After the incident in 2015, Muzik has worked with the AGCO and the TPS to make its premises safe but this has been a very costly exercise and certainly the incident and the ongoing negative comments has negatively impacted Muzik's event revenues. Mr. Starkovski's goal is to sort out the future of Muzik Clubs Inc. and its reputation.

Mr. Starkovski also raised the idea that Exhibition Place/ the tenants should be marketing the entire site together and all venues on the site. That it is a unique site with diverse entertainment venues and he thinks that tenants should work together on this strategy.

The Chief Executive Officer noted that a Marketing Plan for the entire Exhibition Place site is being developed by the Exhibition Place Director/Sales & Marketing for 2016 and the tenants will be consulted with respect to this plan.