

MINUTES
THE BOARD OF GOVERNORS OF EXHIBITION PLACE
Allstream Centre – Room 206-A – Exhibition Place
Friday, September 4, 2015 – 9:30 a.m.

The Board of Governors of Exhibition Place met in Allstream Centre – Room 206-A – Exhibition Place on Friday, September 4, 2015 at 9:30 a.m.

PRESENT: Mark Grimes, Chair
Connie Dejak, Justin Di Ciano, Jim Karygiannis, Mike Layton, Giorgio Mammoliti,
Victoria Mancinelli, Paula Oliveira

APOLOGIES: Mark Teeple

STAFF: Dianne Young, Chief Executive Officer
Fatima Scagnol, Corporate Secretary
Alison Fowles, Solicitor, City Legal
Barbara Cappell, Solicitor, City Legal
Jayne Allan, Manager/City Employee and Labour Relations
Hardat Persaud, Chief Financial Officer
Arlene Campbell, General Manager/Sales & Event Management
Danny Chui, Manager/Capital Works
Martin Kenneally, Director, Event Management Services
Frank Martindale, Director, Operations
Ron Mills, Director, Facility Services
Laura Purdy, Director, Sales & Marketing

SPEAKERS: Linda Waddell, President/Show Director, Toronto International Boat Show
Denise Hayward, Show Manager, Toronto Home Shows
Charlie Johnstone, CEO for the Royal Agricultural Winter Fair
Patti Stewart, Vice-President – One-Of-A-Kind Show Informa

Mark Grimes presided and Fatima Scagnol acted as Secretary to the meeting. The meeting was called to order at 9:35 a.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. Victoria Mancinelli declared a conflict of interest with respect to Member Motion (d) regarding LUINA Local 506 given she has family affiliations with said union.

The Chair recognized and welcomed returning citizen member of the Board Connie Dejak and the new citizen members Victoria Mancinelli and Paula Oliveira. He further added that new citizen member Mark Teeple was unable to attend this meeting of the Board.

The Chair also recognized and introduced the General Manager of Cerise Catering in Allstream Centre - Mateus De Campos, and Jason Houguard, Regional Vice-President of Operations for Cerise.

The Chair advised that the following items were distributed at the meeting:

- Report No. 8 – Capital Budget – project pages 12 to 16 that were missing when agenda sent, but e-mailed to members;
- Communication C(e) from Liberty Grand re Report No. 20 – Official Plan Amendment;
- Communication C(f) from Show Managers re Report No. 18 – BMO Field Improvements;
- Communication C(g) from the Indy re Report No. 18 – BMO Field Improvements; and
- Member Motion (f) re Hotel – a new seconder was added – was e-mailed to the Board as well.

Giorgio Mammoliti requested that his Member Motion (f) regarding the Hotel X construction be deferred to the October meeting of the Board given the number of items on today's agenda, wherein the Board agreed.

Jim Karygiannis requested that his Member Motion (d) regarding the LIUNA Local 506 be deferred to the October meeting of the Board given the number of items on today's agenda, wherein the Board agreed.

COMMUNICATIONS

a) City Clerk

Upon the question of the adoption of Communication C (a) dated July 13, 2015 from the City Clerk with respect to the appointment of citizen members to the Board, it was **RECEIVED**.

b) Hugh Mansfield

Upon the question of the adoption of Communication C (b) dated July 10, 2015 from Hugh Mansfield regarding his resignation from the Board, it was **RECEIVED**.

c) Ric Amis

Upon the question of the adoption of Communication C (c) dated June 12, 2015 from Ric Amis regarding a Community Working Group, it was **RECEIVED**.

d) Janie Romoff

Upon the question of the adoption of Communication C (d) dated June 8, 2015 from Janie Romoff of City Parks regarding Beach Volleyball Sand – post Pan Am games use, it was **RECEIVED**.

e) Nick Di Donato

Upon the question of the adoption of Communication C (e), which was distributed at the meeting, dated September 1, 2015 from Nick Di Donato of Liberty Grand regarding Report No. 20 - Official Plan Amendment, it was **RECEIVED**.

f) Major Show Managers

Upon the question of the adoption of Communication C (f), which was distributed at the meeting from the RAWF, CNEA, Toronto Boat Show, BLD Home Show and One-of-a-Kind, dated September 3, 2015 regarding Report No. 18 - BMO Field Phase 2 Project Impact, it was **RECEIVED**.

g) Kevin Savoree

Upon the question of the adoption of Communication C (g), which was distributed at the meeting from Green Savoree Racing Promotions, dated September 3, 2015 regarding Report No. 18 - BMO Field Phase 2 Project Impact, it was **RECEIVED**.

MEMBER MOTIONS

a) Wayne Copeland

Upon the question of the adoption of Member Motion (a) regarding the acknowledgement of Wayne Copeland and his service to the Board, it was **APPROVED**.

b) Hugh Mansfield

Upon the question of the adoption of Member Motion (b) regarding the acknowledgement of Hugh Mansfield and his service to the Board, it was **APPROVED**.

c) Exhibition Place Staff

Upon the question of the adoption of Member Motion (c) regarding the acknowledgement of staff regarding their dedication and work related to the 2015 Pan Am Games held at Exhibition Place, it was **APPROVED**.

d) LUINA Local 506

Request at the start of the meeting to defer Member Motion (d) to the October meeting of the Board.

e) OVO Fest/Muzik Clubs

Upon the question of the adoption of Member Motion (e) regarding staff report to the October meeting of the Board regarding the OVO Fest and Muzik Clubs, it was **APPROVED**.

f) Hotel X Construction

Request at the start of the meeting to defer Member Motion (f) to the October meeting of the Board.

1. MINUTES OF PREVIOUS MEETING

On motion duly made by Justin Di Ciano, seconded and **CARRIED**, it was **RESOLVED** that the Minutes of Meeting of the Board of Governors held on Friday, May 22, 2015, 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. The Board then proceeded with the adoption of the remaining reports and then gave 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 Board concurred with the following.

2. 2015 CAPITAL WORKS PROGRAM – JULY PROGRESS REPORT

Upon the question of the adoption of Report No. 2 dated August 18, 2015 from the Chief Executive Officer with respect to the 2014 Capital Works Program – July Progress Report, it was received for **INFORMATION**.

3. EXHIBITION PLACE MANAGEMENT REPORT – JULY 31, 2015

Upon the question of the adoption of Report No. 3 dated July 31, 2015 from the Chief Executive Officer and the General Manager, Sales & Event Management with respect to the Exhibition Place Management Report for July, 2015, it was received for **INFORMATION**.

4. OCCUPATIONAL HEALTH & SAFETY REPORT – 2nd QUARTER 2015

Upon the question of the adoption of Report No. 4 dated August 17, 2015 from the Chief Executive Officer with respect to the Occupational Health & Safety Report – 2nd Quarter 2015, it was received for **INFORMATION**.

5. PUBLICATION OF SENIOR STAFF EXPENSES - 2015

Upon the question of the adoption of Report No. 5 dated July 8, 2015 from the Chief Executive Officer with respect to the Publication of Senior Staff Expenses for the period of January 1st to June 30, 2015, it was received for **INFORMATION**.

6. 2015 STANDING COMMITTEES OF THE BOARD

Upon the question of the adoption of Report No. 6 dated July 15, 2015 from the Chair with respect to 2015 Standing Committees of the Board, it was **APPROVED**.

7. PROPOSED 2016 OPERATING BUDGET

Upon the question of the adoption of Report No. 7 dated July 6, 2015 from the Finance & Audit Committee with respect to the Proposed 2016 Operating Budget, it was **APPROVED**.

8. PROPOSED 2016 CAPITAL WORKS BUDGET AS PART OF THE TEN-YEAR (2016-2025) PROGRAM CITY SUBMISSION

Upon the question of the adoption of Report No. 8 dated July 24, 2015 from the Finance & Audit Committee with respect to the Proposed 2016 Capital Works Budget as part of the Ten-Year (2016-2025) Program City Submission, it was **APPROVED**.

9. ACCOUNTS RECEIVABLES – DIRECT ENERGY CENTRE, ALLSTREAM CENTRE & EXHIBITION PLACE AS AT JULY 31, 2015

Upon the question of the adoption of Report No. 13 dated August 20, 2015 and the Confidential Attachment 1 to subject report, from the Chief Executive Officer with respect to the Accounts Receivables for Direct Energy Centre, Allstream Centre and Exhibition Place as at July 31, 2015, it was **APPROVED**.

10. LICENSE AGREEMENT – 2015 SCREAMERS INC.

Upon the question of the adoption of Report No. 15 dated August 10, 2015 and the Confidential Attachment 1 to subject report, from the Chief Executive Officer with respect to a License Agreement for the 2015 Screemers Inc., it was **APPROVED**.

11. CONSENT TO ASSIGNMENT OF AGREEMENTS WITH MAPLE LEAF SPORTS & ENTERTAINMENT LTD. (“MLSEL”)

Upon the question of the adoption of Report No. 17 dated July 14, 2015 and the Confidential Attachment 1 to subject report, from the Chief Executive Officer with respect to a Consent to Assignment of Agreements with MLSEL, it was **APPROVED**.

12. LONG TERM TENANT LEASES – EXHIBITION PLACE

Upon the question of the adoption of Report No. 19 dated June 15, 2015 from the Chief Executive Officer with respect to Long Term Tenant Leases for Exhibition Place, it was received for **INFORMATION**.

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

13. BMO FIELD PHASE 2 PROJECT IMPACT

On motion duly made by Connie Dejak, seconded and **CARRIED**, it was **RESOLVED** that the Board consider Report No. 18 dated August 26, 2015 ahead of the other items held given there were a number of speakers to subject report.

The Chair welcomed and acknowledged the following who spoke to Report No. 18 – BMO Field Phase 2 Project Impact.

Linda Waddell, President/Show Director, Toronto International Boat Show

Ms. Waddell provided a history of the Toronto International Boat Show and the number of years it has been held at Exhibition Place and the negative impact the BMO construction project would have on her event. She was quite shocked at the loss of parking and requested that the Board pause this project and recommended that staff negotiate with MLSE regarding resolutions and assistance with financial compensation to her event.

The Chair thanked Ms. Waddell and asked if members had any questions, therein there were none.

Denise Hayward, Show Manager, Toronto Home Show

"My name is Denise Hayward and I represent BILD - the Building Industry and Land Development Association that produces the Toronto Home Shows.

BILD is the voice of the land development, home building and professional renovation industry in the Greater Toronto Area. We have over 1,400 members that build the homes and serve communities in the GTA that we call home.

The National Home Show has run consecutively on an annual basis at Exhibition Place since 1952. 2016 will be our 64th anniversary on these grounds. The show has grown over the decades from its' humble beginnings in the Industry Building to now over 600,000 gross square feet and encompasses the entire Enercare Centre. In 2012 we co-located with Canada Blooms and now our event is the largest home & garden show in North America. In addition, we also produce the Fall Home Show at the Better Living Centre and this October will be our 27th year at Exhibition Place.

Collectively, each year these 2 events drive commerce for over 1,000 businesses and in doing so bring over 200,000 customers to these grounds. Our events have a huge economic impact that cannot be ignored. Many of the companies that participate at the home shows count on our events to deliver sales both onsite and throughout the coming year.

Just to be clear, we do not oppose the BMO project. We have embraced many changes over the decades and have been proud to call Exhibition Place our home. While we are your clients we think of you as partners in our business. This perspective has not been reciprocated and is exemplified by the situation being discussed today.

As you know we received an email regarding the construction timetable and road closures one week ago today. All we are asking for is Board consideration of the economic impact that the construction will have on our events and the over 1,000 businesses that count on us every year. We need time to consult with our partners and stakeholders to identify the ramifications of the road closures and a further 1,441 parking spots in addition to already lost parking spaces in 2015 due to the hotel construction, not to mention the Raptors training facility. The nature of the consumer and trade shows is such that one major incident like this can take years to recover from, if at all.

We ask that the staff at Exhibition Place take time to consult with us and take a major role in identifying and contributing to the solutions. We look forward to an opportunity to meet with all stakeholders and come to an agreeable resolution.

Thank you."

The Chair thanked Ms. Hayward and asked if members had any questions, therein there were none.

Charlie Johnstone, CEO for the Royal Agricultural Winter Fair

Mr. Johnstone provided a history of the RAWF and the number of years it has been held at Exhibition Place and the negative impact the BMO construction project may have on his event. He recommended that the Board provide consideration to the parking issues during his event and contribute resolutions.

The Chair thanked Mr. Johnstone and asked if members had any questions, therein there were none.

Patti Stewart, Vice-President – One-Of-A-Kind Show Informa

Ms. Stewart provided a history of the One-Of-A-Kind Show and the number of years it has been held at Exhibition Place. She was shocked and dismayed at the timing of this BMO

Field construction project given there will be a loss of parking which will result in loss of exhibitors and clients. Although the major show producers are very supportive of this expansion, they are all requesting that the Board negotiate financial compensation.

The Chair thanked Ms. Stewart and asked if members had any questions, wherein there were none.

The Board entered into a brief question/answer session with staff, wherein the following was noted.

Giorgio Mammoliti noted that he can't help but feel for the clients and asked staff for an explanation.

Dianne Young provided a detailed overview with respect to both Phase 1 and Phase 2 of the BMO Field Project, which was outlined in subject report. Specifically, the communication from MLSE on the method of construction required and the extent of parking loss / street closures for Phase 2 construction was only provided to Exhibition Place staff the middle of July 2015. In advance of this MLSE communication, Exhibition Place staff had been regularly communicating with MLSE and the major clients about the impact of Phase 2 which was expected to be the same (not double) impact of Phase I. Not until July 2015, did MLSE indicate otherwise to Exhibition Place.

On a question from Giorgio Mammoliti with respect to how the Board can fit the client needs into the Strategic Plan, Dianne Young responded that she will be engaging a consultant for the 2017 to 2020 Strategic Planning exercise and as in the past, there will be an engagement of the clients/tenants/community associations as part of the process.

On a question from Jim Karygiannis with respect to what is the root cause of these problems with clients, Dianne Young responded that the construction plan was only presented to Exhibition Place staff by MLSE in mid-July and because of the extent of the impacts it was determined that Board approval would be needed of the Phase 2 construction plan and this was communicated to MLSE and to the clients. While Exhibition Place has been working with MLSE since July 2015 to limit the impact, it is necessary to meet with each major show and MLSE to develop a show by show plan as each show has particular needs. If the report is approved by the Board, the intent is to start these meetings immediately.

Jim Karygiannis noted that there appears to be a constant issue with clients. In response to this, Dianne Young advised that staff have quarterly meetings with the Board's major clients.

On a question from Jim Karygiannis with respect to staff doing their due diligence, Dianne Young responded that all public reports on the BMO Field plans were shared with the Community, Tenants and Clients when it was first proposed; a community meeting was held and all clients attended and clearly stated their concerns about construction disruption on their events; these minutes were presented to both the Board and City Council who both approved to proceed with the project.

Connie Dejak noted that the issues raised relate to parking and suggested staff speak with Ontario Place and local Councillors to develop solutions within Ontario Place and the local areas. She further added that the onus of the parking concerns should not be placed with MLSE, but with Exhibition Place.

In response to Ms. Dejak's comments, Dianne Young advised that because of the deputations by the major clients for both the BMO Field and the Basketball Training Centre projects specifically related to the impact on parking, at the City Executive Committee, the onus was put on MLSE to address this issue and a motion was approved by the Executive

Committee and Council to require MLSE to fund a study to address the parking issues created by construction and its ongoing operations. With funding from MLSE, Exhibition Place staff issued an RFP for a parking consultant to study future parking needs, which consultant report was approved by the Board at its meeting of April 24, 2015, and since that approval the consultant has been working with clients, tenants and show managers, with the intent of submitting the report to the October 23rd meeting of the Board.

Justin Di Ciano noted that an action plan is better than a compensation plan for clients and tenants.

Dianne Young noted that should the Board approve subject report, MLSE and Exhibition Place staff will be meeting with all clients and tenants to work out solutions for their particular needs.

On a question from Mike Layton with respect to the CNE managing Lot A (Gore Park), Dianne Young responded that Lot A is managed by Exhibition Place and is always made available to all shows.

Mike Layton suggested staff consult with Fort York regarding available parking.

In response to Mike Layton's suggestion, Dianne Young advised that Arlene Campbell is in discussion with City Parks and Mike Layton's office regarding available lots in his ward, and working with Liberty Village regarding the parking lot used by staff during the CNE period. She further added that, through any construction phase on site, staff constantly review and realign all parking needs to meet client needs. Prior to the start of the hotel construction there were 6,026 parking spaces across site; during construction of the hotel / BMO Phase 1, parking was reduced to 5,861. With BMO Field Phase 2 parking will be reduced to 4,420. After all construction is completed, parking will be at 6,147 – higher than before the start of construction.

On a question from Paula Oliveira confirming that there is an action plan and parking study being undertaken, Dianne Young responded yes.

Giorgio Mammoliti noted that he would be moving a Member Motion that staff expedite the early planning of the 2017 to 2020 Strategic Plan.

Connie Dejak noted that the 2014 to 2016 Strategic Plan was rushed given the pending decision of a year-round Casino at Exhibition Place and would prefer to understand the Parking Study, its outcome, and if the Board will be required to request additional investment from City Council.

Justin Di Ciano noted that he would support Giorgio Mammoliti's motion and would like to a date scheduled for the next Strategic Plan.

Mark Grimes noted that the BMO Project is a very time sensitive project and assured the Board that meetings with tenants and clients will take place as soon as the Board approves this report and he would be putting forth an amendment.

Jim Karygiannis noted he would be putting forward an amendment to the motion noted in subject report that three members of the Board be assigned to this project who would be in daily contact with staff to make sure recommendations are carried out.

Mark Grimes noted that he is very confident that the awarding winning Exhibition Place staff team would manage this matter and that establishing the Board member group is not necessary.

It was duly moved by Mark Grimes, seconded and **CARRIED**, that Bob Hunter of MLSE be allowed to speak to the Board with respect to subject report.

Bob Hunter thanked the Board for allowing him to speak wherein the following was noted:

- 1) MLSE understand that this project will have an impact on event business.
- 2) After meetings with Exhibition Place staff, they expressed concerns and MLSE made numerous adjustments to the plans to reduce the impact.
- 3) To accommodate those requests, MLSE will incur almost a \$1Million in additional costs to the project.
- 4) MLSE will attempt to assist the shows with promotional opportunities.
- 5) MLSE also understand the impact on the event business because the Marlies will be equally impacted for approximately three quarters of their games.
- 6) MLSE feel that it is inappropriate for MLSE to negotiate with event producers as they are not MLSE clients and there are no contractual relationships with these groups.
- 7) MLSE will continue to try to minimize its impact but all groups knew that there would be a Phase 2 of Expansion and the issue is really the size of the impact.
- 8) MLSE were late with the construction plan, given it was submitted late by their contractors.
- 9) He reminded the Board that the Stadium is owned by the City of Toronto

Giorgio Mammoliti noted that his comments made earlier, was not for MLSE to do the negotiations with tenants and clients, but for MLSE to work with the Exhibition Place staff.

Justin DiCiano noted that the recommendation in the report already indicate that both Exhibition Place and MLSE will be meeting with the clients to negotiate an agreement.

The Chair advised that motions noted by the Board be considered.

Board Working Group

It was duly moved by Jim Karygiannis, seconded and **CARRIED**, that the Board appoint three Members of the Board to be assigned to the BMO Field Phase 2 Project Impact, which Members would be in daily contact with staff to make ensure that recommendations are carried out.

Upon the question of the adoption of the foregoing motion - a recorded vote was requested – in FAVOUR – Jim Karygiannis and Giorgio Mammoliti; AGAINST – Mark Grimes, Connie Dejak, Justin Di Ciano, Mike Layton, Victoria Mancinelli and Paula Oliveira – the motion **FAILED**.

2017 to 2020 Strategic Plan

It was duly moved by Giorgio Mammoliti, seconded and **CARRIED**, that the Chief Executive Officer expedite the early planning of the 2017 to 2020 Strategic Plan and bring a report to the October 23rd Board meeting.

Upon the question of the adoption of the foregoing motion, it was **APPROVED**.

BMO Field Phase 2 Project Impact

On motion duly made by Mark Grimes, seconded and **CARRIED**, it was **RESOLVED** that recommendation number 1 of Report No. 18 dated August 26, 2015 from the Chief Executive Officer with respect to the BMO Field Phase 2 Project Impact, be deleted and replaced with the following recommendation – approve of the updated schedule and construction areas for the Phase 2 BMO Field Improvements, provided MLSE agrees to address the issues raised in recommendations 2, 3, 4 and 5, outlined in subject report, including negotiating and entering into appropriate agreements with the Board, and that the Report, as amended, be **APPROVED**.

14. OFFICIAL PLAN AMENDMENT FOR EXHIBITION PLACE

On a question from Mike Layton with respect to why the Board is not authorized to approve a tenant lease beyond 21 years, Barb Cappell responded that the Horticulture Building, Ontario Government Building and the Arts, Crafts & Hobbies Building, and the parkland surrounding these buildings are all within the Parks/Open Space designation of the City's Official Plan.

On a question from Mike Layton with respect to Exhibition Place being notified by the AGCO of tenant infractions, Arlene Campbell responded that we are not notified but that we had inquired and received from the AGCO information on licence infractions for all establishments on site from 2012 to 2015 and there were infractions for Fountainblu/Q.E. Theatre, Liberty Grand, Medieval Times and Muzik Clubs on the list.

On a question from Mike Layton with respect to Exhibition Place being notified of Toronto Police Services reports related to the Muzik Clubs incidents, Dianne Young responded that we would not receive Toronto Police reports but may have knowledge of them if our Security staff were present when the incident happened but if Security were not there, Exhibition Place would have no knowledge.

On a question from Mike Layton with respect to staff reporting to the Board on AGCO and Toronto Police reports to the Board, Dianne Young responded that this type of information has at no time been reported to the Board. She further added that with respect to the Muzik Clubs incident in August 2015, she was in constant contact with the Board via e-mail with any information she received.

Mike Layton advised the Board that a communication for consideration from himself and Gord Perks has been submitted to the Toronto and East York Community Council who are meeting on September 8th, wherein he read aloud same.

"Muzik Clubs Inc. (the "Licensee") is the holder of a liquor licence from the Alcohol and Gaming Commission ("AGCO") for the premises operating as Muzik at 15 Saskatchewan Road (the "Premises"). The Premises has been a continued source of concern for local residents with regard to loud noise, public urination, traffic and public intoxication amongst other issues with the Licensee's operations.

Toronto Police Service ("TPS") has had on-going dealings with the Premises. Since June 2012, there have been numerous occurrences reported to TPS in association with the Premises, including several assaults (9 occurrences), assaults causing bodily harm (7 occurrences), assaults with a weapon (2 occurrences), sexual assaults (2 occurrences) and discharge of a firearm (1 occurrence). In February 2013, Toronto Police Service conducted a murder investigation directly linked to the Premises. On August 5, 2014, there was a shooting incident directly linked to the Premises. On August 4, 2015, a shooting incident inside the Premises resulted in the deaths of two patrons. No charges have yet been laid for the August 4, 2015 incident, but Toronto Police Service officers continue to investigate.

The Premises has a business licence from Municipal Licensing and Standards (MLS) for operating as an Entertainment Establishment/Nightclub. In the last 18 months, Municipal Licensing and Standards staff have received four noise complaints with regards to the Premises.

Between the years 2012 and 2015, the AGCO conducted 14 inspections of the Premises and have recorded six infractions. Amongst these infractions have been those pertaining to drunkenness on the Premises, promoting immoderate consumption on the Premises, use of narcotics on the Premises and permitting disorderly behaviour on the Premises. In addition to numerous warnings, the AGCO has levied fines totaling approximately \$6,000 against the Licensee in this time period.

The Licensee has also had several new conditions attached to its liquor licence as of August 2015 following discussions with the AGCO, Toronto Police Service and Municipal Licensing and Standards.

It is evident from current events and the ongoing impacts felt by nearby residents that the steps taken by the community, Toronto Police Service and AGCO have not been a deterrent in changing the behaviour of the Licensee and management staff at the Premises. The City is therefore seeking a review of the liquor licence by

the AGCO for a suspension or revocation under section 15(1) of the Liquor Licence Act (the "Act") based on the following three grounds:

1. Section 6(2)(d) of the Act, the past and present conduct of the Licensee and managers of the Premises affords reasonable grounds that the business will continue to disturb residents living nearby the establishment and community at large, as demonstrated by the recent charges and historical charges laid by Toronto Police Service and AGCO;
2. Section 6(2)(f) of the Act, the Licensee is carrying on activities that are in contravention of the Act or the regulations, as demonstrated by the numerous charges cited against the Licensee by the AGCO in the past two years; and
3. Section 6(2) (h) of the Act, the licence is not in the public interest having regard to the needs and wishes of the residents in which the premises is located.

This matter is considered urgent as the operation of the Premises continues to impact residents in the community."

RECOMMENDATIONS:

1. That City Council direct the City Solicitor to request the Alcohol and Gaming Commission of Ontario (AGCO) to issue a Notice of Proposal to suspend or revoke the liquor licence for 15 Saskatchewan Road – Muzik (the "Premises") on the grounds that the past and present conduct of the Licensee affords reasonable grounds that the business will not be operating in accordance with the law, the Licensee is carrying on activities that are in contravention of the Liquor Licence Act or its regulations, and the operation of the business is not in the public interest with regards to the needs and wishes of the residents in which the Premises is located.
2. City Council request the AGCO and the Licence Appeal Tribunal ("LAT") to provide the City with an opportunity to participate in any proceedings with respect to a Notice of Proposal to suspend or revoke the licence for the Premises.
3. City Council authorize the City Solicitor to attend all proceedings before the AGCO or the LAT in this matter and be directed to take all necessary actions so as to give effect to this Motion."

It was duly moved by Mark Grimes, seconded and **CARRIED**, that Member Motion (e) from Jim Karygiannis be **reopened** in order to allow both Zlatko Starkovski, President/Muzik Clubs Inc. and Michael Binetti, Solicitor/Muzik Clubs Inc. an opportunity to address the Board with respect to the Member Motion and Report No. 20 entitled Official Plan Amendment for Exhibition Place

**15. MEMBER MOTION (E) from JIM KARYGIANNIS
RE OVO FEST and MUZIK CLUBS INC. LEASE**

Mr. Starkovski distributed a binder to members of the Board which contained Muzik Clubs' involvement with Community relations, charitable events, and high profile events.

Mr. Binetti expressed his concerns to the Board with respect to Councillor Layton's interview with CBC the morning of Sept 4th regarding the motion being submitted to the Toronto and East York Community Council, which communication should have been addressed to the Board. He further expressed concern that Councillor Layton didn't communicate his intention with Mr. Starkovski ahead of time, and had done so, Mr. Starkovski wouldn't be as upset as he is now before the Board.

The following was expressed by both Mr. Starkovski and Mr. Binetti.

- A private licensed security company as well as Paid Duty Police Officers are engaged for all events held at Muzik. With respect to the August incident at Muzik, Mr. Starkovski has satisfied all the requirements requested by the Toronto Police and AGCO.
- Violence happens in many areas of the City of Toronto and not just at Muzik, and that during the 2015 CNE, the CNE was required to close down on September 1st because of gang-member issues on the park.
- Muzik has voluntarily closed down for 5 weeks since the August incident in order to work out all issues with the AGCO and Toronto Police, and that during the shut-down, the building has been broken into a number of times during the CNE period and items have

been stolen and vandalism caused, hence there appears to be a double-standard from his perspective.

- The CNEA wants to close Muzik Clubs during the CNE and the Exhibition Place CEO has also threatened Mr. Starkovski about this.
- If security is the issue with Muzik, it has satisfied all the requirements requested by the AGCO and Toronto Police, hence he believes that Muzik is being targeted.
- The Board was thanked for allowing them to speak on this issue.

The Board entered into a brief question/answer session with staff, wherein the following was noted.

On a question from Jim Karygiannis with respect to the Board approving the types of events being held at Muzik, Dianne Young responded that the lease sets out the events that Muzik can hold and the Board does not need to approve of any events within these uses.

On a question from Jim Karygiannis with respect to the OVO Fest taking place at Liberty Grand, Dianne Young responded, yes, Liberty Grand has the right to hold similar events under its lease.

On a question from Jim Karygiannis with respect to how often Muzik books events outside its lease requirements, Dianne Young responded that if Mr. Starkovski wants to book an event that is a prohibited event under the lease that he has been contacting her for approval first.

Justin Di Ciano applauded Mr. Starkovski for his community involvement and questioned the security measures put in place since the August incident. Mr. Starkovski reconfirmed his previous comments that he has been working with the AGCO and Toronto Police Services who conducted a security walk around his leased area which resulted in additional detectors and cameras, however, given the details of these security measures, it wouldn't be appropriate to discuss them at a public Board meeting.

Mr. Starkovski noted that in 2007, he had requested to install a higher fence in his leased area but was advised that the Garden of the Greek Gods Sculptures had to be in public view, hence the lower fence was installed.

Mr. Starkovski noted that weapon used during the August incident was sent over the fence by an individual known by the person who was targeted and shot in the club.

Giorgio Mammoliti repeated many of the questions already asked and responded to.

On a question from Connie Dejak with respect to Muzik's infractions process, Mr. Starkovski responded that he is in constant contact with the AGCO regarding these infractions.

On a question from Connie Dejak with respect to the AGCO being on site during the August incident, Mr. Starkovski responded that he has been working with all parties involved in this incident.

Mark Grimes repeated the questions related to the August incident already asked and responded to.

Mike Layton asked Mr. Starkovski if he had made a formal City application for a higher fence in 2007 and Mr. Starkovski did not know. Mike Layton noted that if a request was made

through the City to install a higher fence in 2007, he was not a Member of Council at that time and will look into the application made to the City.

On a question from Jim Karygiannis with respect to staff having objections with the type of events held at Muzik, Dianne Young responded staff only ensure these events are within the terms of the lease given some events may be in breach with other tenant leases.

On a question from Connie Dejak with respect to the Board not being advised of all tenant information, Dianne Young responded that Member Motion (e) is requesting that a full report be submitted to the October meeting of the Board, hence staff have not prepared a report as yet and can only provide verbal replies if we have some information.

On a question from Giorgio Mammoliti with respect to which tenants have exclusive use rights, Dianne Young responded that Medieval Times, Liberty Grand, Muzik and BMO Field have but will include these details in the report back to the Board in October.

Giorgio Mammoliti noted he would bring forward a motion related to the Communication being considered by the Toronto and East York Community Council and would work with the City Solicitor and Corporate Secretary on said motion and excused himself from the discussion.

It was duly moved by Giorgio Mammoliti, seconded and **CARRIED**, that the Chair of the Board of Governors of Exhibition Place send a communication, before Tuesday, September 8, 2015, to the Members of the Toronto and East York Community Council, and the Alcohol and Gaming Commission advising that in the event Muzik Clubs Inc. liquor license is challenged, that the position of the Board of Governors of Exhibition Place is that the Board has no issues with the liquor licence of its tenant, Muzik Clubs Inc.

Upon the question of the adoption of the foregoing motion - a recorded vote was requested – in FAVOUR — Mark Grimes, Connie Dejak, Justin Di Ciano, Jim Karygiannis, Giorgio Mammoliti, Victoria Mancinelli and Paula Oliveira and; AGAINST Mike Layton – the motion **CARRIED**.

It was duly moved by Mike Layton, seconded and **CARRIED**, that the Board defer Report No. 20 dated July 19, 2015 from the Chief Executive Officer with respect to an Official Plan Amendment for Exhibition Place until a report can be provided to the Board by the Chief Executive Officer, in consultation with the Toronto Police and the Alcohol and Gaming Commission of Ontario, on any recent or ongoing investigations concerning Muzik Clubs and resulting in operational changes.

Upon the question of the adoption of the foregoing motion - a recorded vote was requested – in FAVOUR – Mike Layton and Paula Oliveira; and AGAINST - Mark Grimes, Justin Di Ciano, Jim Karygiannis, and Victoria Mancinelli – the motion was **LOST**.

It was duly moved by Justin Di Ciano, seconded and **CARRIED**, that Report No. 20 dated July 19, 2015 from the Chief Executive Officer with respect to an Official Plan Amendment for Exhibition Place, be **approved**.

Upon the question of the adoption of the foregoing motion - a recorded vote was requested – in FAVOUR – Mark Grimes, Justin Di Ciano, Jim Karygiannis, and Victoria Mancinelli; and AGAINST - Mike Layton and Paula Oliveira – the motion was **CARRIED**.

Connie Dejak and Giorgio Mammoliti excused themselves from the meeting at 12:55 p.m.

On a question from Mike Layton with respect to the union clause noted in Report Nos. 9, 10, 11 and 12, and who enforces these clauses. Dianne Young responded that if the work falls under the jurisdiction of any of the Exhibition Place Collective Agreements then this is stated in the RFQ and the bidders must comply. Exhibition Place monitors use of unionized labour if required although not all the work in these four contracts does require use of unionized labour given the existing Exhibition Place union agreements.

16. AGREEMENT FOR MAINTENANCE SERVICES FOR HVAC CONTRACTOR SERVICES AND RELATED WORKS AT EXHIBITION PLACE

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 9 dated June 23, 2015 from the Chief Executive Officer with respect to an Agreement for Maintenance Services for HVAC Contractor Services and Related Works at Exhibition Place, be **APPROVED**.

17. AGREEMENT FOR THERMAL INSULATION REPAIRS

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 10 dated July 10, 2015 from the Chief Executive Officer with respect to an Agreement for Thermal Insulation Repairs, be **APPROVED**.

18. AGREEMENT FOR PEST CONTROL SERVICES

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 11 dated June 26, 2015 from the Chief Executive Officer with respect to an Agreement for Pest Control Services, be **APPROVED**.

19. MULTI-YEAR RENTAL AGREEMENT WITH INFORMA CANADA LTD.

Connie Dejak had originally held this report at the start of the meeting and given she excused herself from the meeting before the report was dealt with, the Board moved adoption of same.

Upon the question of the adoption of Report No. 14 dated July 17, 2015 and the Confidential Attachment 1 to subject report, from the Chief Executive Officer with respect to a Multi-Year Rental Agreement with Informa Canada Ltd., it was **APPROVED**.

20. CIESLOK MEDIA LTD. – AMENDING AGREEMENT

Mike Layton noted that he would be voting in the negative both at the Board meeting and when it is considered by City Council given he is opposed to electronic signs.

On motion duly made by Paula Oliveira, seconded and **CARRIED**, it was **RESOLVED** that Report No. 16 dated July 17, 2015 and the Confidential Attachment 1 to subject report, from Chief Executive Officer with respect to Amending the Agreement with Cieslok Media Ltd., be **APPROVED**.

21. DATE OF NEXT MEETING

The next meeting of the Board is scheduled to be held on **Friday, October 23, 2015** at 9:30 a.m.

22. RESOLUTION RE ABSENTEEISM

On motion duly made by Justin Di Ciano, seconded and **CARRIED**, it was **RESOLVED** that Mark Teeple having notified the Corporate Secretary of his unavailability to attend this meeting of the Board, be **EXCUSED**.

OTHER BUSINESS**23. ONTARIO PLACE EAST BRIDGE**

For the information of the Board, the Chair advised he was attending an event at Ontario Place and was questioning the maintenance of the bridges from Ontario Place to Exhibition Place. Dianne Young responded that both bridges including footings were owned and maintained by Ontario Place. The Chair requested that staff write to Ontario Place to request information on the maintenance and condition of the bridges given many of our clients use the bridges.

ADJOURNMENT

There being no further business, the Chair adjourned the meeting at 1:30 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.)

Corporate Secretary

Chair

VERIFIED at a meeting of the Board of Governors of Exhibition Place held on the _____ day of _____, 2015.

Chair