

MINUTES
THE BOARD OF GOVERNORS OF EXHIBITION PLACE
Allstream Centre – Room 206-D – Exhibition Place
Friday, April 24, 2015 – 9:30 a.m.

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The Board of Governors of Exhibition Place met in Allstream Centre – Room 206-D – Exhibition Place on Friday, April 24, 2015 at 9:30 a.m.

PRESENT: Mark Grimes, Chair
Wayne Copeland, Connie Dejak, Justin Di Ciano, Jim Karygiannis, Mike Layton

APOLOGIES: Hugh Mansfield, Giorgio Mammoliti

STAFF: Dianne Young, Chief Executive Officer
Fatima Scagnol, Corporate Secretary
Alison Fowles, Solicitor, City Legal
Barbara Cappell, Solicitor, City Legal
Quinn Harris, City Legal
Victoria Lee, City Labour Relations
Hardat Persaud, Chief Financial Officer
Arlene Campbell, General Manager/Sales & Event Management
Francesca Colussi, Director, Security & Parking Services
Frank Martindale, Director, Operations
Laura Purdy, Director, Sales & Marketing
Linda Cobon, Manager/Records & Archives

SPEAKERS: Tim Leiweke, President & CEO, Maple Leaf Sports & Entertainment
Walter Oster, Chairman & CEO, Canadian National Sportsmen's Shows
Zlatko Starkovski, President, Muzik Clubs Inc.
Kathy Sutton, representing the E.B. Cox Family

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. No interests were declared.

COMMUNICATIONS

a) Sally Fogel

Upon the question of the adoption of Communication C (a) dated November 30, 2014 from Sally Fogel with respect to Item #15, it was **RECEIVED**.

b) David Raymont

Upon the question of the adoption of Communication C (b) dated April 18, 2015 from David Raymont with respect to Item #15, it was **RECEIVED**.

MEMBER MOTION

a) Upon the question of the adoption of Member Motion MM (a) dated April 24, 2015 with respect to moving Item #18 to Item #2 to allow Walter Oster, Chairman & CEO of the Canadian National Sportsmen's Show to present to the Board, it was **APPROVED**.

1. MINUTES OF PREVIOUS MEETING

On motion duly made by Wayne Copeland, seconded and **CARRIED**, it was **RESOLVED** that the Minutes of Meeting of the Board of Governors held on Friday, March 6, 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 – MARCH PROGRESS REPORT

Upon the question of the adoption of Report No. 3 dated April 9, 2015 from the Chief Executive Officer with respect to the 2014 Capital Works Program – March Progress Report, it was received for **INFORMATION**.

3. EXHIBITION PLACE MANAGEMENT REPORT – MARCH 31, 2015

Upon the question of the adoption of Report No. 4 dated March 31, 2015 from the Chief Executive Officer and the General Manager, Sales & Event Management with respect to the Exhibition Place Management Report for March 31, 2015, it was received for **INFORMATION**.

4. BOARD OF GOVERNORS MEETING SCHEDULE FOR 2015 - REVISED

Upon the question of the adoption of Report No. 6 dated April 2, 2015 from the Chief Executive Officer with respect to the revised meeting schedule for the Board for 2015, it was **APPROVED**.

5. AGREEMENT EXTENSION – ATM MACHINES WITHIN DIRECT ENERGY CENTRE

Upon the question of the adoption of Report No. 7 dated April 10, 2015 from the Chief Executive Officer with respect to an agreement extension for the ATM Machines within Direct Energy Centre, it was **APPROVED**.

6. MOVABLE PARTITION WALL SYSTEMS MAINTENANCE & REPAIR AGREEMENT

Upon the question of the adoption of Report No. 8 dated March 31, 2015 from the Chief Executive Officer with respect to an agreement for the Movable Partition Wall System Maintenance & Repair Services Agreement, it was **APPROVED**.

7. AGREEMENT FOR MAINTENANCE SERVICES FOR BUILDING AUTOMATION SYSTEM IN DIRECT ENERGY CENTRE

Upon the question of the adoption of Report No. 9 dated April 13, 2015 from the Chief Executive Officer with respect an agreement for the Maintenance Services for Building Automation System in Direct Energy Centre, it was **APPROVED**.

8. PARKING CONSULTANT SERVICES AGREEMENT

Upon the question of the adoption of Report No.10 dated April 8, 2015 from the Chief Executive Officer with respect an agreement for the provision of consulting services to provide a Parking Study for Exhibition Place, it was **APPROVED**.

9. TORONTO HYDRO-ELECTRIC SYSTEMS LIMITED EASEMENT

Upon the question of the adoption of Report No. 14 dated April 7, 2015 from the Chief Executive Officer with respect to a tri-partite Easement Agreement with Toronto Hydro and the City of Toronto, it was **APPROVED**, subject to City Council approval.

10. ACCOUNTS RECEIVABLES – DIRECT ENERGY CENTRE, ALLSTREAM CENTRE & EXHIBITION PLACE AS AT FEBRUARY 28, 2015

Upon the question of the adoption of Report No. 17 dated April 8, 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 February 28, 2015, it was **APPROVED**.

11. AGREEMENT FOR THE PROVISION OF HOUSEKEEPING SERVICES

Upon the question of the adoption of Report No. 19 dated April 21, 2015 and the Confidential Attachment 1 to subject report, from the Chief Executive Officer with respect to an Agreement for the Provision of Housekeeping Services, it was **APPROVED**.

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

12. BMO FIELD – CANADIAN FOOTBALL LEAGUE

The Chair welcomed and acknowledged Mr. Tim Leiweke, President and CEO for MLSE who provided the Board with a briefing on the negotiations to-date between MLSE and the Toronto Argonauts, wherein the following was noted:

The Canadian Football League (CFL) is working on the resolution to move the Toronto Argonauts to BMO Field, however, as of April 24, 2015, this has not been resolved;

MLSE are working on the design drawings and funding of a \$20M investment, with MLSE providing \$10M and the other \$10M being sought through support of local governments. In order to allow the Toronto Argonauts to play the 2016 season in BMO Field drawings and funding must be confirmed and implemented within the next ten days;

There is a potential that the new organization taking over the Toronto Argonauts may invest the \$10 Million; and

The MLSE Board are working very hard on meeting the ten day deadline.

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

On a question from Wayne Copeland with respect to what the hold back is on finalizing these arrangements, Mr. Leiweke responded that there are many groups involved and many agreements to be confirmed. He further added that if the ten day deadline is not met, the window of 2016 for the Toronto Argonauts to move to BMO Field will be missed.

On a question from Mark Grimes with respect to an update on the current BMO Field construction, Mr. Leiweke responded that 95% of the construction will be completed and the balance 5% (non-public areas) will not be completed prior to May 2015 but will be completed prior to the PanAm Games in July 2015. Phase 2 of the construction for the roof covering will commence in October.

Mike Layton suggested that the Board send a letter of support to whoever it should be sent to with respect to moving the Toronto Argonauts to BMO Field.

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 1 dated April 20, 2015 from the Chair with respect to BMO Field and the Canadian Football League, be received for **INFORMATION**.

13. LICENSE AGREEMENT – CANADIAN NATIONAL SPORTSMEN'S SHOWS LTD. – 2016 and 2017

The Chair welcomed and acknowledged Mr. Walter Oster, Chairman and CEO of the Canadian National Sportsmen's Shows who provided the Board with an overview of the history of the Sportsmen's Show and the rationale for the request for the Board to provide relief of the Show's remaining rental obligations. A hard copy of Mr. Oster's presentation is appended to the official minutes of this meeting.

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

On a question from Connie Dejak with respect to what percentage of the show's revenue is provided to conservation, Walter Oster responded that 100% is provided to conservation and added that there are twelve shows held across Canada and that Toronto conservation receives a fairly large percentage.

On a question from Wayne Copeland with respect to the exhibitors' agreements, Walter Oster responded that the show has a one-year agreement with exhibitors and they have a one day move-in and two day move-out, this applies to all shows, and payment in full is required 30 days before the opening show date.

On a question from Mark Grimes with respect to the scenario that the Board was able to provide his show with the dates the show previously had on March Break prior to the show moving to the MTCC, whether or not the show would return to Exhibition Place, Walter Oster responded, yes the show would return to Exhibition Place.

On a question from Mark Grimes with respect to Mr. Oster working with staff on dates to return the show to Exhibition Place, Walter Oster responded that he would look forward to the discussions but that this could not be for the 2016 show, but perhaps a future show.

On a question from Connie Dejak with respect to the difficulty filling the vacated dates by the Sportsmen's Show, Dianne Young responded that it would be very difficult filling the vacated dates and impossible to get a show the size of the Sportsmen's Show for 2016, however staff will be working very hard on marketing the dates.

Connie Dejak suggested that a small working group be comprised to develop a middle ground plan to bring the Sportsmen's Show back to Exhibition Place.

Mike Layton echoed Connie Dejak's comments and reiterated the contributions that the Sportsmen's Show has made to the City of Toronto.

It was duly moved by Mark Grimes, seconded and **CARRIED**, it was **RESOLVED** that Linda Waddell, President & Show Director of the Canadian Boat Shows Inc. be given consent to speak to the Board.

The Chair welcomed and acknowledged Linda Waddell who advised the Board that the dates for the Toronto Boat Show held at Exhibition Place were also moved back one week in 2016 to accommodate the NBA Jam Session and requested that the Board also give consideration to allocating the Toronto Boat Show the show dates (shift one week later) that it has been accustomed to.

Dianne Young noted that because of the NBA Jam Session in 2016, both the Toronto Boat Show and the Sportsmen's Show had to move their dates back but in 2017, both shows would return to their regularly contracted dates in their License Agreements.

It was moved by Connie Dejak that given the special circumstances of the Sportsmen's Show that special consideration be given to the waiving of penalties of the 2016 and 2017 Sportsmen's Show executed license agreement.

Wayne Copeland noted that if the Board approves Ms. Dejak's motion, then it will be setting a precedent for the Board's other clients.

In light of Mr. Copeland's comments, Ms. Dejak withdrew her motion.

Justin Di Ciano noted that by the Board approving the NBA Jam Session, the Board had caused the Sportsmen's Show to relocate and given the importance of this major show a middle ground to resolve the issue would be to waive the penalties in the Sportsmen's Show License agreement while at the same time working with the Canadian National Sportsmen's Shows to return it to Exhibition Place.

On motion duly made by Jim Karygiannis, seconded and **CARRIED**, it was **RESOLVED** that Report No. 18 dated April 10, 2015, and the Confidential Attachment to subject report, from the Chief Executive Officer with respect to the License Agreement for the Canadian National Sportsmen's Shows Ltd. for 2016 and 2017, be **REFERRED** back to staff and requesting that given the not-for-profit status of the Canadian National Sportsmen's Shows staff negotiate a resolution with the Canadian National Sportsmen's Shows Ltd. in consultation with both Connie Dejak, Wayne Copeland and Chair of the Board; and **FURTHER** that, staff work towards securing the Canadian National Sportsmen's Show to return to Exhibition Place; and **FURTHER** that the matter come back to the Board meeting of May 22, 2015.

14. INFORMATION SESSION HELD WITH CLIENTS, PARTNERS & TENANTS

Connie Dejak noted that this session was a wonderful event but it was separate from what the Board requested in November wherein it indicated that it preferred to have all information related to event costs/event revenues to enable the Board to have a better understanding on the concerns of the major show clients. She further added that at that November meeting of the Board, it was suggested that staff include all tenants and event managers to discuss concerns and getting rid of confrontation.

Wayne Copeland who also attended the session indicated that there were lots of surprises with the Hotel Presentation and suggested that this presentation also be made to the Board. Dianne Young noted that she will arrange to have the Hotel Presentation made to the Board.

Connie Dejak noted that during the Hotel Presentation it was indicated that the Hotel would not meet its opening date before PanAm and that this should be addressed at the Hotel Presentation.

Mark Grimes excused himself from the meeting at 10:30 a.m. and Connie Dejak chaired the meeting.

On motion duly made by Wayne Copeland, seconded and **CARRIED**, it was **RESOLVED** that Report No. 5 dated April 8, 2015 from the Chief Executive Officer with respect to the Information Session held with Clients, Partners and Tenants, be received for **INFORMATION**; and **FURTHER** that, a Hotel Presentation be made to the Board including information on its opening date be presented to the Board.

15. AGREEMENT WITH CNEA ON AMENDMENT TO MOULD PROCEDURE - FOOD BLDG.

On motion duly made by Wayne Copeland, seconded and **CARRIED**, it was **RESOLVED** that Report No. 11 dated April 8, 2015 from the Chief Executive Officer, be **APPROVED**, thereby authorizing an agreement with the CNEA on the terms and conditions set out in Appendix A of subject report relating to an amended Mould Procedure for the Food Building.

16. INCREASE TO SPECIAL EVENT PARKING RATES

Connie Dejak expressed concern with the special event parking increase and how this increase would affect the Tenants.

In response to Ms. Dejak's concern, Francesca Colussi responded that the special event parking at Ontario Place is \$25; she has communicated with both BMO Field and Ricoh Coliseum who have no concerns with the rate increase; and that the \$30 rate would be implemented on an event-by-event basis depending on parking demand.

Dianne Young also indicated that Tenants (Liberty Grand and Muzik) have their own event rates which is not affected by this report.

Jim Karygiannis noted that this special event parking appears to be an increase of 30%.

Arlene Campbell noted that this special event parking rate will also encourage the public to take public transit and that the rate would not apply to the regular shows.

Hardat Persaud noted that the last rate increase was in 2009 for special events and that this rate increase proposed represents an annual increase of 4% from 2009 to 2015.

Jim Karygiannis noted he is not in support of this increase.

Wayne Copeland noted he does not agree with the recommendation as he does not fully understand the exceptions or other pricing on the grounds.

Justin Di Ciano does support the increase in special event parking but would like to see what rate the Tenants pay.

On motion duly made by Justin Di Ciano, seconded and **CARRIED**, it was **RESOLVED** that Report No. 12 dated April 8, 2015 from the Chief Executive Officer with respect to an Increase to Special Event Parking Rates, be **REFERRED** back to staff to report to the May meeting of the Board on this matter and that the subject report include the dates and events

that the special rate will be implemented on and the parking rate policies for other parties operating on the grounds.

17. TAXABLE PARKING BENEFIT FOR EXHIBITION PLACE EMPLOYEES

Connie Dejak noted she does not agree with the parking benefit being taxable and pensionable.

Dianne Young noted that this policy and direction was approved by the City Council for City of Toronto employees and City Council had directed that all agencies and corporations consider this City directive.

Jim Karygiannis suggested that the CFO communicate with Revenue Canada and obtain a ruling in writing.

Dianne Young indicated that the City of Toronto had already received a ruling on this matter from Revenue Canada and Exhibition Place would seek to obtain a copy of this ruling and the decision of any appeal of this ruling made by the City.

On motion duly made by Jim Karygiannis, seconded and **CARRIED**, it was **RESOLVED** that Report No. 13 dated April 8, 2015 from the Chief Executive Officer with respect to a Taxable Parking Benefit for Exhibition Place Employees, be **REFERRED** back to staff in order for staff to obtain a Revenue Canada ruling on this matter from the City or directly from Revenue Canada and report back to the Board.

18. GARDEN OF THE GREEK GODS – ADDITIONAL INFORMATION

The Chair welcomed and acknowledged Kathy Sutton who advised the Board that the E.B. Cox Family is not in favour of the recommendations noted in subject report and would like to recommend to the Board that the sculptures be moved to one location, the repairs be undertaken as recommended by the conservator, and then move the sculptures to their new location.

On a question from Connie Dejak with respect to the family being prepared to fund raise for the expenses related to the sculptures, Kathy Sutton responded that it would be a possibility.

The Chair welcomed and acknowledged Zlatko Starkovski who provided the Board with a history of Muzik Clubs Inc., its major investment inside and outside the building, its accomplishments, and its work with the community.

Mr. Starkovski noted that the sculptures are part of the building and advised the Board that a meeting with City staff and Dianne Young was held on April 14, 2014 wherein he was told by City staff that any extension of his lease term would be based on the sculptures being released to the Board and that this comment was quite disturbing to him.

Mr. Starkovski noted that the CNEA is currently in arbitration to close Muzik Club during the CNE period and does not understand why his establishment is being targeted by both Exhibition Place and the CNEA.

Mr. Starkovski noted that his goal is to work with everyone and he requested the Board to fulfil its obligation of the lease extension previously approved.

On a question from Jim Karygiannis with respect to the removal of the sculptures and how it would affect Muzik's business, Zlatko Starkovski responded he would prefer to have his legal counsel present before responding to this question.

Mike Layton applauded Mr. Starkovski's investment into the inside/outside of the building and noted that there are no complaints from the public on the establishment compared to other similar venues in the City of Toronto.

Wayne Copeland advised the Board that the current discussion about the lease extension does not relate to the recommendations noted in subject report and requested that members focus on the recommendations, and suggested that all parties concerned meet to sort out the issues raised.

On a question from Jim Karygiannis with respect to the Greek Community being consulted with respect to finding a new location for the Garden of the Greek Gods, Dianne Young responded that the Greek Community had not been invited to participate in the Relocation Working Group.

On a question from Mike Layton with respect to the power washing of some sculptures and the number of days required for the repairs, Dianne Young spoke to these items that were also noted in the conservator's report.

Justin Di Ciano noted that it seems it would take staff, Tenants and an Art Group to make this project work.

On a question from Connie Dejak with respect to the why the lease extension for Muzik has not been fulfilled, Dianne Young responded that the approval of the lease extension was subject to City Council approval and City Council could not approve the extension because the Toronto Official Plan Parks and Open Space designation governing the lands prohibited a lease longer than 21 years which would have resulted from the extension. The Parks and Open Space designation must be amended first to allow the lease extension to proceed for Muzik as well as Liberty Grand and Medieval Times properties.

RESOLUTION RE CLOSED SESSION

On motion duly made by Wayne Copeland, seconded and **CARRIED**, it was **RESOLVED** that the Board go into Closed Session for the purposes of dealing with items of a proprietary, personnel and of a contractual nature.

The Board members Wayne Copeland, Connie Dejak, Justin Di Ciano, Jim Karygiannis and Mike Layton reconvened in public session at 12:45 p.m. and concurred with the following proposal.

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 15 dated April 7, 2015 from the Chief Executive Officer, be **APPROVED** thereby authorizing recommendations noted in subject report; and **FURTHER** that:

- 1) Staff work with the Tenant on timing to effect the repairs noted in the report as soon as possible;
- 2) That the CEO report back to the Board at its meeting of May 22, 2015 on background and any progress in negotiations with the tenant on any lease amendment and the relocation of the Garden of the Greek Gods; and

- 3) That Appendix A be amended so that the membership of the Working Group - Working Groups Terms of Reference include the local City Councillor for Ward 19 and a representative of the Toronto Greek community.

19. GARDEN OF THE GREEK GODS – SOLICITOR’S REPORT

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 16 dated April 9, 2015 and the Confidential Attachment to subject report, from the City Solicitor with respect to the Garden of the Greek Gods, be **APPROVED**.

20. AGREEMENT FOR THE PROVISION OF HOUSEKEEPING SERVICES

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 19 entitled “Agreement for the Provision of Housekeeping Services” previously approved, be reopened for discussion.

On a question from Jim Karygiannis with respect to the reference checks on the suppliers being recommended given that he understands there is concerns with these suppliers, Arlene Campbell responded that staff are comfortable with the reference checks undertaken.

Jim Karygiannis indicated he would prefer to see copies of these reference checks and requested to defer this report to the May 22nd Board meeting. Dianne Young indicated that the City of Toronto Wage and Labour Trades office confirms that both recommended suppliers are in compliance with the Fair Wage and Labour Trades requirements for this work. In addition, Exhibition Place staff had checked the references provided by each recommended bidder.

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 19 dated April 21, 2015, and the Confidential Attachment to subject report, from the Chief Executive Officer, be **APPROVED**, thereby authorizing the recommendations noted in subject report with respect to an Agreement for the Provision of Housekeeping Services.

21. DATE OF NEXT MEETING

The next meeting of the Board is scheduled to be held on **Friday, May 22, 2015** at 9:30 a.m.

22. RESOLUTION RE ABSENTEEISM

Given there was no quorum, the resolution re absenteeism for Hugh Mansfield and Giorgio Mammoliti is **DEFERRED** to the May 22, 2015 meeting of the Board.

ADJOURNMENT

There being no further business, the Chair adjourned the meeting at 1 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