



Exhibition Place

Item No. 16

February 24, 2011

ACTION REQUIRED

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Lease Amendment – North American Midway Entertainment**

Summary:

This report seeks approval of a lease amendment to the agreement between the CNEA and North American Midway Entertainment (NAME) for the addition of a new midway attraction.

Recommendations:

It is recommended that the Board:

- (1) Approve of a lease amendment to the agreement between the CNEA and North American Midway Entertainment (NAME) on such terms and conditions satisfactory to the CNEA General Manager and the CNEA Solicitor; and**
- (2) Direct that the confidential report contained in Attachment 1 to this report not be released publicly in order to protect the competitive position and future economic interests of the CNEA and the Board.**

Financial Impact:

There are no financial implications with respect to the 2011 CNE arising from the recommendations in this report. However, it is anticipated that improved financial performance will be included in 2012 Operating Budget and beyond.

Decision History:

At its meeting of February 24, 2011, the Board of Directors of the CNEA considered and recommended this report for approval by the Board.

At its meeting of November 7, 2007, the Board approved and recommended to City Council that a five-year agreement (2008 to 2012), with an option to extend for an additional five (5) years (2013 to 2017), between the CNEA and NAME, for the provision of the CNE Midway, be adopted. At its meeting of November 19 and 20, 2007, City Council adopted the recommendation of the Board.

Issue Background:

The existing agreement between the CNEA and NAME provides exclusivity to NAME in the category of this new attraction and right of first refusal with respect to similar other attractions.

Comments:

As this project moves forward to development, the CNE will be doing a very public launch as part of a major media announcement as the CNE believe that this new component will become a major attraction for the CNE and the City and have a major impact on the annual CNE revenues.

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