

Item No. 1

MINUTES
THE BOARD OF GOVERNORS OF EXHIBITION PLACE
Allstream Centre – Room 206-D - Exhibition Place
Friday, April 11, 2014 – 8:30 a.m.

The Board of Governors of Exhibition Place met in Allstream Centre – Room 206-D - Exhibition Place on Friday, April 11, 2014 at 8:30 a.m.

PRESENT: Mark Grimes, Chair
Wayne Copeland, Connie Dejak, Michael Layton, Giorgio Mammoliti,
Gord Perks, Sean Webster

APOLOGIES: Gloria Lindsay Luby, Hugh Mansfield

STAFF: Dianne Young, Chief Executive Officer
Fatima Scagnol, Corporate Secretary
Alison Fowles/Solicitor, City Legal
Barb Cappell/Solicitor, City Legal
Stacy McFarlane/Articling Student/City Legal
Hardat Persaud, Chief Financial Officer
Arlene Campbell, General Manager/Sales & Events Management
Mark Goss, General Manager/Operations
Jeff Gay, Director/Events Management
Frank Martindale, Director/Operations
Gabe Mullan, Director/Parking & Security Services
Laura Purdy, Director/Sales & Marketing
Danny Chui, Manager/Capital Works
Peter Church, General Manager/BMO Field
Ryan Gillis, Manager/Accounting – BMO Field
Arlene Jang, IT Specialist

GUESTS: Susan Shepherd, Toronto Public Health

SPEAKERS: Charles Khabouth, Chief Executive Officer/INK
Zlatko Starkovski, President/Muzik Clubs Inc.
Jamie Besner, Sussex Strategies

Mark Grimes presided and Fatima Scagnol acted as Secretary to the meeting. The meeting was called to order at 8:35 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) HUGH MANSFIELD RE ONTARIO PLACE/EXHIBITION PLACE WORKING GROUP

Upon the question of the adoption of a Communication C (a) dated March 28, 2014 from Hugh Mansfield with respect to the Ontario Place/Exhibition Place Working Group, it was **RECEIVED**.

(b) **MINISTRY OF TOURISM, CULTURE & SPORT
RE ONTARIO PLACE REVITALIZATION**

Upon the question of the adoption of a Communication C (b) dated February 24, 2014 from the Ministry of Tourism, Culture and Sport with respect to the Ontario Place Revitalization, it was **RECEIVED**.

(c) **COUNCILLOR GLORIA LINDSAY LUBY RE AMENDMENT
TO MUZIK CLUBS INC. LEASE AGREEMENT**

Upon the question of the adoption of a Communication C (c) dated April 10, 2014 from Gloria Lindsay Luby with respect to deferring Report No. 10 entitled Amendment to Muzik Clubs Inc. Lease Agreement on the April 11th Board agenda to the May 23, 2014 meeting of the Board, which was distributed at the meeting, it was **APPROVED**.

1. **MINUTES OF PREVIOUS MEETINGS**

(a) On motion duly made by Gord Perks, seconded and **CARRIED**, it was **RESOLVED** that the Minutes of the Meeting of the Board of Governors held on Friday, February 14, 2014, be **VERIFIED** in the form distributed to the members.

(b) On motion duly made by Gord Perks, seconded and **CARRIED**, it was **RESOLVED** that the Minutes of the Special Meeting of the Board of Governors held on Friday, March 7, 2014, 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 Board concurred with the following.

2. **2014 CAPITAL WORKS PROGRAM – MARCH PROGRESS REPORT**

Upon the question of the adoption of Report No. 2 dated March 27, 2014 from the Chief Executive Officer with respect to the 2014 Capital Works Program – March Progress Report, it was received for **INFORMATION**.

3. **CAPITAL TENDER – DISTRICT ENERGY SYSTEM AT EXHIBITION PLACE**

Upon the question of the adoption of Report No. 3 dated April 4, 2014 from the Chief Executive Officer with respect to the District Energy System at Exhibition Place, it was **APPROVED**.

4. **BMO MANAGEMENT REPORT – JANUARY 2014**

Upon the question of the adoption of Report No. 4 dated January 2014 from the General Manager/BMO Field with respect to the BMO Management Report for January 2014, it was received for **INFORMATION**.

5. **BMO MANAGEMENT REPORT – FEBRUARY 2014**

Upon the question of the adoption of Report No. 5 dated February 2014 from the General Manager/BMO Field with respect to the BMO Management Report for February 2014, it was received for **INFORMATION**.

6. **EXHIBITION PLACE MANAGEMENT REPORT – MARCH 31, 2014**

Upon the question of the adoption of Report No. 6 dated March 31, 2014 from the Chief Executive Officer and the General Manager / Sales & Events Management with respect to the Exhibition Place Management Report for February 2014, it was received for **INFORMATION**.

7. **AGREEMENT FOR SUPPLY & DELIVERY OF INDUSTRIAL POWER SCRUBBER**

Upon the question of the adoption of Report No. 7 dated March 25, 2014 from the Chief Executive Officer with respect to an Agreement for the Supply and Delivery of an Industrial Power Scrubber, it was **APPROVED**.

8. **ACCOUNTS RECEIVABLES – DIRECT ENERGY CENTRE, ALLSTREAM CENTRE & EXHIBITION PLACE AS AT FEBRUARY 28, 2014**

Upon the question of the adoption of Report No. 8 dated March 27, 2014, 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, 2014, it was **APPROVED**.

9. **CAPITAL TENDER – SALON 110 RENOVATIONS – DIRECT ENERGY CENTRE**

Upon the question of the adoption of Report No. 15 dated March 26, 2014 from the Chief Executive Officer with respect to the Capital Tender Award for the Salon 110 Renovations in Direct Energy Centre, it was **APPROVED**.

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

10. **ELECTRONIC DANCE MUSIC CONCERTS**

The Chair introduced Mr. Charles Khabouth, Chief Executive Officer of INK Entertainment who provided the Board with an overview his organization and accomplishments.

INK Entertainment is a hospitality and entertainment company headquartered in Toronto that maintains many types of properties - Government and Koolhaus Entertainment Complex, the London Nightclub, Dragonfly Nightclub on Niagara Fallsview Casino Resort grounds, Cube Nightclub and La Soci  t  . In partnership with the Liberty Entertainment Group, INK is the parent company of Tattoo Rock Parlour and Spice Route. The partnership also includes The Coral Gables Country Club located in south Miami, Florida. INK has also teamed up with Lifetime Developments launching the Bisha Hotel & Residences.

Following the presentation, a question/answer session ensued, and the following was noted. Giorgio Mammoliti expressed his concerns with respect to INK's electronic dance events being a venue for all ages, Mr. Khabouth responded the majority of the attendees to his events are teenagers who are dropped off and picked up by parents or taxi cabs.

Giorgio Mammoliti noted there are concerns with all ages attending these events wherein narcotics are being smuggled and being used. Mr. Khabouth explained that there is TPS presence and all attendees are checked prior to entering, and that regardless of any type of entertainment event, attendees attempt to smuggle in narcotics.

Giorgio Mammoliti noted that "all ages" in his view include 9 year olds, and asked what age group was preferred. Mr. Khabouth responded that the age group of his attendees are generally 15 years of age and older.

On a question from Michael Layton with respect to other venues that INK have/will host events, Mr. Khabouth responded that there is an upcoming event at the Rogers Centre (23,000), and there will a 2-day event at Downsview Park in the summer wherein camping will be allowed.

On a question from Michael Layton with respect to the protocols for these types of events at the Rogers Centre, Mr. Khabouth responded that the protocols of Exhibition Place are much stricter than those at the Rogers Centre or Downsview Park, wherein more presence of Police, EMS and Fire services required at Exhibition Place.

On a question from Michael Layton with respect to what impact there will be by removing electronic dance events, Mr. Khabouth responded that he would like to host between 6 to 7 events, wherein each event is \$100,000 in rent and services

On a question from Michael Layton with respect to whether other venues have age restrictions for electronic dance events, Mr. Khabouth responded that there are no age restrictions at other venues.

On a question from Michael Layton with respect to how many 9 year olds attend electronic dance events, Mr. Khabouth responded that no 9 year olds attend his events given a ticket could cost is between \$80 to \$300.

On a question from Michael Layton with respect to how many 9 years olds have purchased tickets for events at Downsview Park, Mr. Khabouth responded that he does not believe there have been many and sometimes, depends on concert, Downsview hosts concerts where parents attend with their families.

Gord Perks expressed his puzzlement that referred this concern to the Board wherein he believed an existing tenant was not able to acquire a similar event. He further added that any similar type of event requires the event organizer to submit their plans which all have to be approved by Police, Fire and EMS before the event is to take place.

On a question from Connie Dejak with respect to the number of attendees to event held at Exhibition Place, Mr. Khabouth responded there were 5,600 attendees and the ticket cost was \$100 for an early bird ticket order, and then \$110 for a ticket.

On a question from Connie Dejak with respect to the Rogers Centre having their own security, Mr. Khabouth responded that they do have in-house security but also sub-contract depending on the event.

On a question from Connie Dejak with respect to the percentage of all ages attending an event and what age group is being marketed, Mr. Khabouth responded that the average age of attendees is between 17 and 21 years of age, wherein the attendees over the age of 19 are allowed into an enclosed/barricaded licensed area.

On a question from Connie Dejak with respect to the cost of a ticket for an electronic dance event at the Rogers Centre, Mr. Khabouth responded they are the same as they were for Exhibition Place - \$100 for an early bird ticket order, and then \$110 for a ticket.

Wayne Copeland expressed his concern with 11 and 12 year olds attending electronic dance events and questioned the numbers of that age group purchasing tickets, Mr. Khabouth responded that you are not allowed to ask one's age when they are purchasing a ticket in person, and the vast majority of tickets are purchased on-line with a credit card.

On a question from Wayne Copeland with respect to restricting the age group to 19 years of age and over for electronic dance events, Mr. Khabouth responded that the artist would not perform to this limited age group.

On a question from Mark Grimes with respect to INK's events being in conflict with Muzik Clubs Inc., Mr. Khabouth responded that INK would be in competition with every venue in the City of Toronto.

On a question from Mark Grimes with respect to it being possible that both INK and Muzik could bid on the same entertainer, Mr. Khabouth responded no.

On a question from Connie Dejak with respect to what transportation plans are in place when electronic dance events end, Jeff Gay responded that most of the attendees arrive by public transit and some are dropped off by their parents and that following the event, many are picked up by the parents, or take taxi cabs, or the all-night bus service.

On a question from Michael Layton with respect to imposing age restrictions on electronic dance events, Mr. Khabouth responded that he would not host these types of events at Exhibition Place.

On a question from Wayne Copeland with respect to INK's staff managing the licensed area, Mr. Khabouth responded that the licensed area is managed under the venue's direction and staffing.

The Chair introduced Zlatko Starkovski and Jamie Besner who expressed their views with respect to the electronic dance music concerts in general, not INK Entertainment, being held on City property - in that they cater to minors, with the majority of attendees consuming alcoholic beverages and using drug substances. Their view is that these types of events should not be entertained at Exhibition Place given it would have reputational damage for Muzik Clubs Inc. and liability issues for the Board. A presentation binder with material related to various electronic dance events around the world was distributed by Mr. Starkovski.

Mr. Starkovski provided a brief overview of the many programs Muzik Clubs Inc. participates in where a vast majority relate to kids – Community Basketball Courts at Exhibition Place; Purina Food Drive and the Police Crime Stoppers Food Drive.

A question/answer session ensued, and the following was noted.

On a question from Gord Perks with respect to Mr. Starkovski noting at the Board's last meeting that he was attempting to book the same entertainment as INK had previously, Mr. Starkovski responded that he did note this, however the entertainment he was attempting to book had already been previously featured at Exhibition Place.

On a question from Giorgio Mammoliti with respect to the rationale Exhibition Place are proposing to host electronic dance events, Dianne Young responded that this issue was a result of a letter from Muzik Clubs Inc. to the Board through her office and a request from a Board member to put the item on the Board agenda, wherein she provided a report to the Board.

On a question from Giorgio Mammoliti with respect to staff doing their due diligence related to narcotic use at these types of events, Dianne Young responded that in 1999 the City implemented a protocol for raves held on City properties following the death of a 20-year old Ryerson student (Allen Ho) who overdosed on Ecstasy at an illicit underground rave. The resulting inquest into the death of Mr. Ho proposed 19 recommendations to prevent similar incidents from occurring in the future, wherein City Council, in response to the inquest, adopted a number of recommendations, including specific authorization for Exhibition Place to hold raves, provided certain conditions respecting security and safety had been met. However, raves went out of popularity shortly after this direction.

On a question from Giorgio Mammoliti with respect to the Board's liquor license be affected, Dianne Young responded that the liability is with the operator and not the Board. She further provided an overview with respect to the protocols in place related to events at Exhibition Place.

On a question from Michael Layton with respect to Exhibition Place subsidizing electronic music events, Dianne Young responded that these events pay full rental rates plus services.

On a question from Michael Layton with respect to the protocols put in place by Toronto Public Health for these types of events, Susan Shepherd responded that a City Committee was established to develop protocols for electronic dance events and referred to Appendix "A" and "B" of Report No. 11.

On a question from Wayne Copeland with respect to the Toronto Public Health restricting the age groups for electronic dance events, Susan Shepherd responded that the Toronto Public Health's focus is on how to keep the environment of these types of events safe and ensure all protocols are adhered to.

On a question from Connie Dejak with respect to Exhibition Place staff being on site during electronic dance events, Dianne Young responded that senior staff are on site, wherein Jeff Gay was present during both the electronic dance events held at Exhibition Place.

On a question from Connie Dejak with respect to high liquor sales at both the electronic dance events, Jeff Gay responded that liquor sales for both events were quite low.

Sean Webster noted it would have been more helpful if representatives from both Police and Emergency Services were in attendance at today's meeting, and would be interesting to see what other properties in the City of Toronto and Canada handle electronic dance events.

On a question from Gord Perks with respect to MDA narcotics at these types of events and the concern Toronto Public Health should have, Susan Shepherd responded that Toronto Public Health is concerned about any use of narcotics and alcohol.

Gord Perks noted that the Toronto Public Health have developed a number of programs related to the use of narcotics and alcohol.

On a question from Gord Perks with respect to the Board's liability insurance, Alison Fowles responded that the Board is covered under the City of Toronto's Insurance for any liability issues.

On a question from Connie Dejak with respect to a survey being conducted with students within the City of Toronto about attending electronic dance events, Susan Shepherd responded that a survey was undertaken.

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 Mark Grimes/Chair, Wayne Copeland, Connie Dejak, Michael Layton, Giorgio Mammoliti, Gord Perks and Sean Webster reconvened in public session at 10:45 a.m. and concurred with the following proposal.

It was duly moved by Giorgio Mammoliti that Report No. 11 dated March 28, 2014, and the Confidential Attachment 1 to subject report, from the Chief Executive Officer with respect to Electronic Dance Concerts, be received for **INFORMATION**; and **FURTHER** that, subject to any executed license agreements, the Board direct Exhibition Place staff not to enter into any new negotiations with any third parties to stage electronic dance music concert events in buildings controlled by Exhibition Place which direction, for clarity, shall not limit the existing rights of tenants or the rights of the manager of BMO Field.

Upon the question of the adoption of the foregoing motion, the vote was 4 in favour and 3 against, hence the motion **CARRIED**

11. **ELECTRONIC DANCE MUSIC CONCERTS – CITY SOLICITOR**

On motion duly made by Connie Dejak, seconded and **CARRIED**, it was **RESOLVED** that Report No. 12 dated April 7, 2014, and the Confidential Attachment 1 to subject report, from the City Solicitor, be **APPROVED**, thereby authorizing the recommendations with respect to Electronic Dance Music Concerts held at Exhibition Place.

12. **FOOD & BEVERAGE AGREEMENT WITH OVATIONS FOOD SERVICES, LP**

On motion duly made by Mike Layton, seconded and **CARRIED**, it was **RESOLVED** that Report No. 9 dated March 18, 2014, and the Confidential Attachment 1 to subject report, from the Chief Executive Officer, with respect to the Food & Beverage Agreement with Ovations Food Services, LP, be **APPROVED**, and **FURTHER** that, the Board be kept updated on LIUNA 506 issues.

13. **DATE OF NEXT MEETING**

The next regular meeting of the Board is scheduled to be held on **Friday, May 23, 2014 at 8:30 a.m.**

14. **RESOLUTION RE ABSENTEEISM**

On motion duly made by Michael Layton, seconded and **CARRIED**, it was **RESOLVED** that Gloria Lindsay Luby and Hugh Mansfield 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 11:30 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 _____, 2014.

Chair