



Exhibition Place

ACTION REQUIRED

Item No. 16

May 6, 2014

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Annual Rental Agreement with CHIN Radio 1540 Limited (“CRL”) for Scotiabank CHIN International Picnic 2014**

Summary:

Scotiabank CHIN International Picnic is a major multi-cultural festival that has been held on the grounds of Exhibition Place since 1982. Given the importance of Scotiabank CHIN International Picnic to the community-at-large, and the fact that this is a free event for the citizens of Toronto, the Board and staff have been working with CHIN Radio 1540 Limited (“CRL”) since 2000 to provide financial support by sharing some revenues generated by this event. Scotiabank CHIN International Picnic is scheduled to be held at Exhibition Place June 28 to July 1, 2014.

This report recommends the Board approve a request assisting CRL with a \$20,000 credit against rent for a one year agreement for Scotiabank CHIN International Picnic 2014 at Exhibition Place to support CRL in continuing this community tradition and to assist in offsetting some of the show services cost given the importance of Scotiabank CHIN International Picnic to the community-at-large, and the fact that this is a free event for the citizens of Toronto.

Recommendations:

It is recommended that the Board:

- 1) Direct that the confidential information contained in Confidential Attachment 1 to this report not be released publicly in order to protect the third party information provided to the Board in confidence and the competitive position and future economic interests of Exhibition Place; and,**
- 2) Approve the execution of a one year agreement with CRL for Scotiabank CHIN International Picnic 2014, and extend \$20,000 credit against rental and an additional \$1,000 Community Grant to offset Show services cost, on the terms and conditions outlined in this report, and such other terms as required by the CEO and City Solicitor.**

Financial Impact:

A one year agreement with CRL secures the CHIN Picnic at Exhibition Place providing a financial return to the Board of approximately \$42,962.37 (less \$20,000.00 credit financial support against venue rental), adjusted financial return \$22,962.37 that covers overhead expense and utility cost.

Decision History:

The Exhibition Place 2014-2016 Strategic Plan had a Recognition/Public Understanding Goal to *sustain a high level of public understanding that builds confidence and recognition of excellence within the marketplace and local, national, and international communities* and as a Strategy to support this Goal we will *develop an outreach program aimed at surrounding local communities.*

Issue Background

Within the “Not-for-Profit Booking Guidelines”, definition for festivals is as follows: “*A festival is an event, normally staged by a local community, which centres on some unique aspect of that community. The function of a festival is to meet specific social, cultural and educational needs, as well as provide entertainment. These times of celebration offer a sense of belonging for religious, social or geographical groups.*”

Scotiabank CHIN International Picnic is considered a major multi-cultural festival in the City of Toronto, and staff have been working cooperatively with the organizers to continue the success of this event at Exhibition Place. This year Lenny Lombardi approached the CEO and GM/Sales & Events requesting cost reductions to offset the overall financial loss CHIN International Picnic incurs annually due to building rentals and the high cost of technical labour required to produce the festival’s entertainment component. Mr. Lombardi provided a statement of account for the last two years which demonstrated the financial loss incurred by the festival.

Comments

A one year agreement with CRL secures Scotiabank CHIN International Picnic 2014 at Exhibition Place, producing cumulative rental of approximately 22,962.37 (\$42,962.37 less the proposed credit of \$20,000) plus services and parking for the event. The paid rent of \$22,962.37 will cover the Board’s fixed costs for the building and services provided as part of the Board’s standard practice. The credit of \$20,000 will assist CHIN with the technical production costs, including the need to use IATSE technicians for producing the festival at Exhibition Place. Staff recommends the approval of a one year agreement on the following terms and conditions:

- a) 2014 approved Sales plan to be adjusted to reflect \$20,000 credit in support of CRL
- b) Venue Rental – Better Living Centre – 43% of the posted rental rate \$7,334.02 daily event rate, \$5,500.62 daily move in/out rate, total venue rental \$27,502.68 (3 event days & 1 move in day, 1 dark day, fees are waived for 2 move out days)
- c) Venue Rental – Bandshell Park & Stage – 72% of the posted rental rate, \$3,091.94 daily rental rate, total venue rental \$15,459.69 (3 event days & 2 move in days, 1 dark day, fees are waived for 2 move out days)
- d) Venue Rental – Centennial Square & Parking Lot 5 – move in, event, dark day and move out rental fees are waived
- e) Rentals – All rental equipment is to be charged at posted rates less 28% discount
- f) Preferred Rates for Services (Labour, Cleaning, and Services – Time and Materials +12%, IATSE – Time and materials + 12%)

One of the additional costs that CRL must absorb in 2014 is the cost of managing its food concessionaire program which had previously been performed by staff from the CNEA. Therefore, in addition to the terms above, staff is recommending the application of the Board’s community grant allowance be applied to this event. This would allow for a discount of an additional \$1,000.00 against the costs of Exhibition Place services delivered to CRL. Given the

importance of Scotiabank CHIN International Picnic to the community-at-large, and the fact that this is a free event for the citizens of Toronto, this would be an appropriate event to apply this grant.

The event details for Scotiabank CHIN International Picnic 2014 have been communicated with the event organizers.

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Submitted by:

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