

March 5, 2003

EXHIBITION PLACE

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: Temporary Media Signage for Canadian National Exhibition

Recommendation:

It is recommended that the Board receive this report for its information.

Background:

At its meeting of July 25, 2001, the CNEA Board of Directors approved entering into an agreement with Muller Design Group ("MDG") to produce a preliminary Master Plan for Wayfinding Signage for the annual CNE. At its meetings of November, 2002, the CNEA Board of Directors and the Board of Governors of Exhibition Place approved of issuing a Request for Proposals (RFP) for a private sector company to construct, install, and remove third-party advertising media screens and directed that staff report back with respect to the results of the RFP. At its meeting of February 27, 2003, the CNEA Board of Directors approved of entering into an agreement with Seaman & Associates for a Media Screen Program during the CNE.

Discussion:

The attached draft report outlines generally the direction that staff are taking with respect to an agreement for a Temporary Media Screen Program during the annual CNE period. There is some urgency to have the Board consider this matter in order to move this item onto the City Policy and Finance Committee on April 4, 2003 and City Council on April 14, 2003, in order to have the Media Screen Program in place by August, 2003. However, there are still some terms and conditions of the agreement that have to be finalized with the proponent and therefore, while the item is on the agenda for any questions to staff, the request from staff is that the final report be distributed next week with all changes, if any, noted and a final vote by the Board at that time.

Conclusion:

This report is submitting a report for discussion and questions from the Board.

Contact:

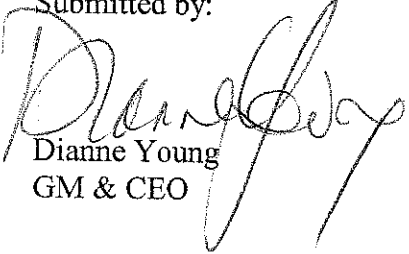
David Bednar, GM, CNE

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Submitted by:

A handwritten signature in cursive script, appearing to read "Dianne Young".Dianne Young
GM & CEO

DRAFT REPORT

March 4, 2003

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: Temporary Media Signage for Canadian National Exhibition

Recommendation

It is recommended that:

- (1) subject to approval by City Council, the Board of Governors enter a contract with a company incorporated by Seaman & Associates (S&A) to construct, install, and remove annually media screens as described in Appendix "A" and on terms and conditions as specified in this report and such other terms and conditions as may be recommended by the City of Toronto solicitor and the General Manager of the CNEA and the General Manager & CEO of Exhibition Place; and**
- (2) Seaman & Associates be requested to submit an application to the City for any by-law amendment or variance required for the construction of the media screens, such application to be considered by City Council at the same time as it undertakes the consideration of this report.**

Background:

At its meeting of July 25, 2001, the CNEA Board of Directors approved entering into an agreement with Muller Design Group ("MDG") to produce a preliminary Master Plan for Wayfinding Signage for the annual CNE. At its meetings of November, 2002, the CNEA Board of Directors and the Board of Governors of Exhibition Place approved of issuing a Request for Proposals (RFP) for a private sector company to construct, install, and remove third-party advertising media screens and directed that staff report back with respect to the results of the RFP. At its meeting of February 27, 2003, the CNEA Board of Directors approved of entering into an agreement with S&A on the terms and conditions outlined in this report.

Discussion:

During the 2001 CNE, MDG audited and documented traffic flow on the grounds and facilities used by the CNEA; reviewed existing and future site plans; and reviewed

existing sponsorship programs and their relationship to signage requirements. MDG submitted a report identifying the following deficiencies in wayfinding and signage across the grounds:

- no specific order to the information available on the various signs – this applies to directional, programming and sponsorship signage
- signs are not visible at night
- graphics were inconsistent
- all CNE maps oriented east to west and should be oriented north to south
- public information kiosks are unannounced and found somewhat accidentally, no visual cues above structure, not utilized as reference points
- banner program had unrelated graphics, small in size relative to their surrounding, not visible at night

The MDG report offered potential alternatives for directional signage and street furniture to provide a needed revitalization of the site and give the annual CNE a more integrated look and improved public image. Improving the public image of the annual CNE has been a priority goal of the CNEA Board of Directors and Board of Governors for several years and this priority is even higher as the CNEA approaches its 125th “birthday” celebration in 2003. Therefore, staff proposed and the CNEA Board of Directors and Board of Governors approved the media screen program recommended by MDG which involves signage and third party advertisement exposure to the Gardiner Expressway at locations shown in Appendix “A”. The other essential elements of this signage program are as follows:

- All signage would include as a major design criteria recognition and prominent identification of the annual CNE;
- All signs erected would have to meet design criteria established by the Board of Directors and Board of Governors and would promote and celebrate the annual CNE;
- All signage would be dedicated to the annual CNE and there would be no promotion of or use of these signs allowed for other events on the grounds;
- All signage would be temporary and installed only for a five (5) week period immediately following the long weekend in August to the Friday after the Labour Day weekend which is the period of move-in and move-out of the annual CNE;
- Five (5) sign poles (approximately 50 feet in height) would be erected in the parking lot behind Medieval Times (approximately in the locations shown on Appendix “A”) and would include third party advertisement space no larger than 30 by 20 feet. These signs may be two, three, or four faces depending on the design; and,
- All third party advertisements would adhere to the advertising policies established by the Board of Governors and the City of Toronto.

Following approval of the Boards, an RFP was issued through the City of Toronto Purchasing Department on December 20, 2002 and submissions closed on February 3, 2003. Considerable interest was expressed by various possible proponents and attendance at a site meeting on January 15th, 2003 was good. Unfortunately, only one

proposal was received and it was disqualified as it did not meet the specified criteria set out in the RFP and the RFP was formally cancelled by the City of Toronto Purchasing.

However, since the cancellation of the RFP, the CNE was approached by Mr. Paul Seaman, who had provided advice and consulting on this matter to MDG. Mr. Seaman has assembled a small group of investors willing to meet the criteria set out in the RFP. Mr. Seaman believes that his group will be able to succeed in this project by developing a niche not marketed by the larger firms which were not willing to bid on the proposal due to the construction/capital cost of the project and the existing inventory of billboard signs on the Gardiner.

Staff are recommending that the Board of Governors enter into an agreement with S&A for the installation, maintenance, and removal annually of the Media Screen Program substantially in the form and location as set out in Appendix "A" and on the following terms and conditions:

(a) Term: Ten years with option to renew for an additional ten years.

(b) Conditions:

- i. S&A will be responsible for all costs associated with the media screens;
- ii. S&A will be responsible for all maintenance and repairs;
- iii. The designs and plans proposed by the MDG that have been approved and adopted by the CNEA Board of Directors and the Board of Governors will form the basis for the Temporary Media Screen Program. Creative allowance will be made for third parties to convey advertising messages on the panels, but overall dimensions must not be altered and all designs for advertising creative will be subject to review and approved by MDG, the Board of Governors and the CNEA Board of Directors;
- iv. The Board of Governors retains the right to approve all advertisers in accordance with similar agreements that it presently holds with Omni and Gallop+Gallop/MediaCom for billboard signs on the grounds. In order to avoid advertising conflicts, and also in order to expedite approval by the Board of Governors, the Board of Governors will supply a list of existing sponsors, advertisers, and business categories. This list will be updated annually and it will be understood that this list will become fixed on an annual basis so that no new names or categories will be added as of March 31st in each year of the term;
- v. Should S&A be unsuccessful in obtaining the required permits and by-law amendments required for the installation of the media screen structures, there will be no recourse or remedies exercised against the Board of Governors or the CNEA;
- vi. S&A will be required to conform to all policies and processes that the City or the Waterfront Revitalization Corporation may adopt, including the relocation, if necessary, of the media screens, at the sole cost of the S&A;
- vii. Approval by the Board of Governors and the CNEA Board of Directors shall be subject to the approval of City Council, including any by-law amendments or variances needed to permit the signs.

- (c) Revenues: The Board will receive 36% of advertising revenues net of operating costs (not including any amortization of capital costs). There will be no minimum guarantee. The Board will receive this share of advertising revenues annually in advance of the screens being installed. The Board shall be entitled to conduct an audit of the Proponent's records for the purpose of confirming the revenues owing, including the review and copying of such records as required.
- (d) Special/Standard Clauses: S&A shall pay all Taxes and all costs associated with its operations; S&A accepts the Licenced Area "as is"; there shall be no assignment of the Agreement without the prior consent of the Board; and "assignment" shall include an effective change in control of S&A; S&A shall provide the Board with a performance bond; all construction plans shall be subject to Board approval; S&A must comply with all collective agreements between the Board and all labour/Trade Unions standard termination and default clauses.

The agreement will be between the Board of Governors and S&A. The revenues from this media screen program will be dedicated to the CNEA Program budget and the CNEA Program will administer the agreement as required. There will be an amendment to the present Memorandum of Understanding between the CNEA and the Board of Governors to recognize these new terms.

It is estimated that the agreement with S&A will generate approximately \$935,884.00 over the 20-year term. This will allow the Board to proceed on an incremental basis to develop an internal wayfinding signage program for the annual CNE period and to invest in high quality kiosks and street furniture and decorations. In addition, the temporary signage program offers considerable benefits to the CNEA and Exhibition Place.

- Improves the public image and through the design criteria, allows the CNEA to present a unified "festival" image to the public.
- Will establish a unified sponsorship and advertising program to replace the present "ad hoc" program.
- Improves overall image of site by generating income to allow investment in internal wayfinding signage for the annual CNE period, investment in new kiosks and street furniture.
- Opportunity to brand site as a destination.

In order to erect third-party advertising signs overlooking the Gardiner Expressway, it is necessary to obtain approvals from City Council under the City's sign by-laws. In advance of seeking this approval, staff have met with City Planning to discuss this proposal and have modified it to address issues raised by City Planning staff. However, once approved by the Board of Governors, this report will be forwarded to the Policy and Finance Committee and Council for approval.

Conclusion:

This report recommends entering into an agreement with a company incorporated by S&A on the terms and conditions set out in this report for the provision of a temporary media screen program at Exhibition Place for the purposes of the annual CNE program.

Contact:

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Site Plan

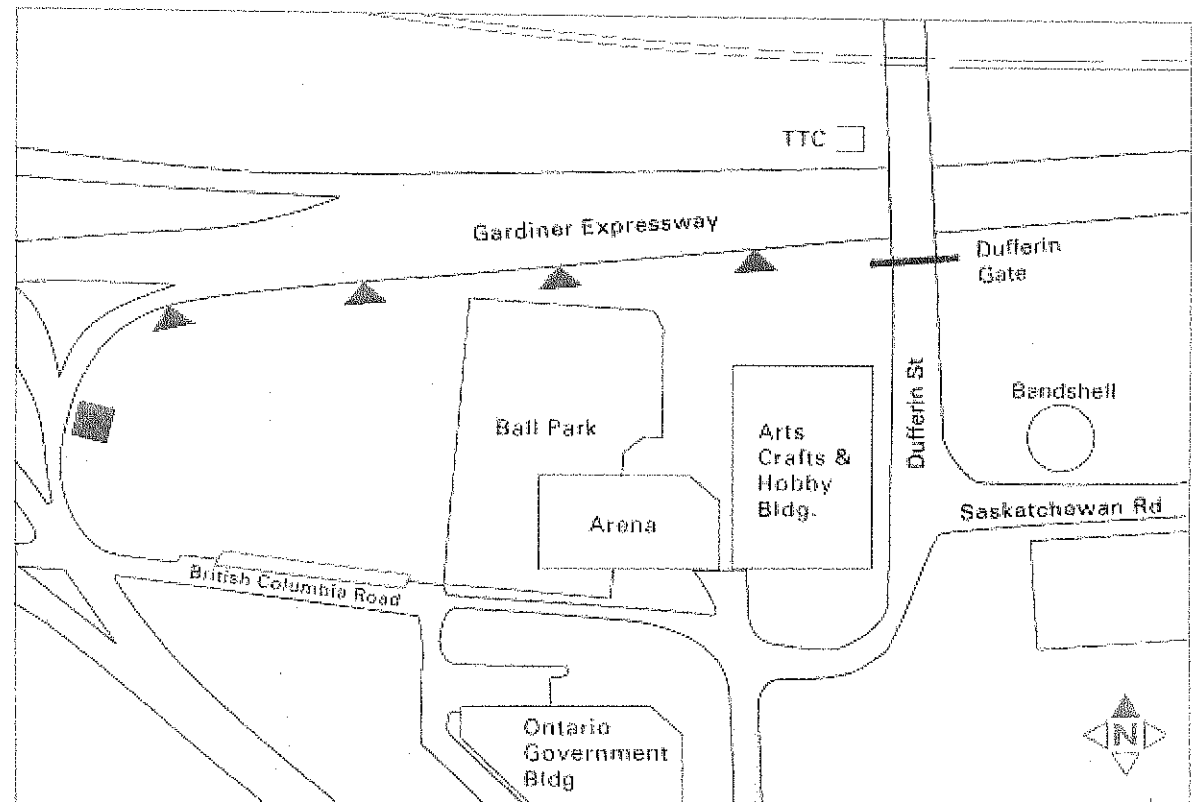
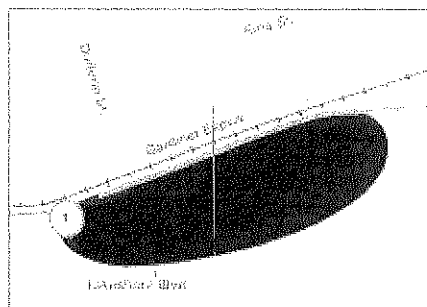
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Perimeter Sponsorship Opportunities

1 Gardiner Expressway Media Screen

Primary column
45' high x 20' wide

Triangular column
45' high x 20' wide



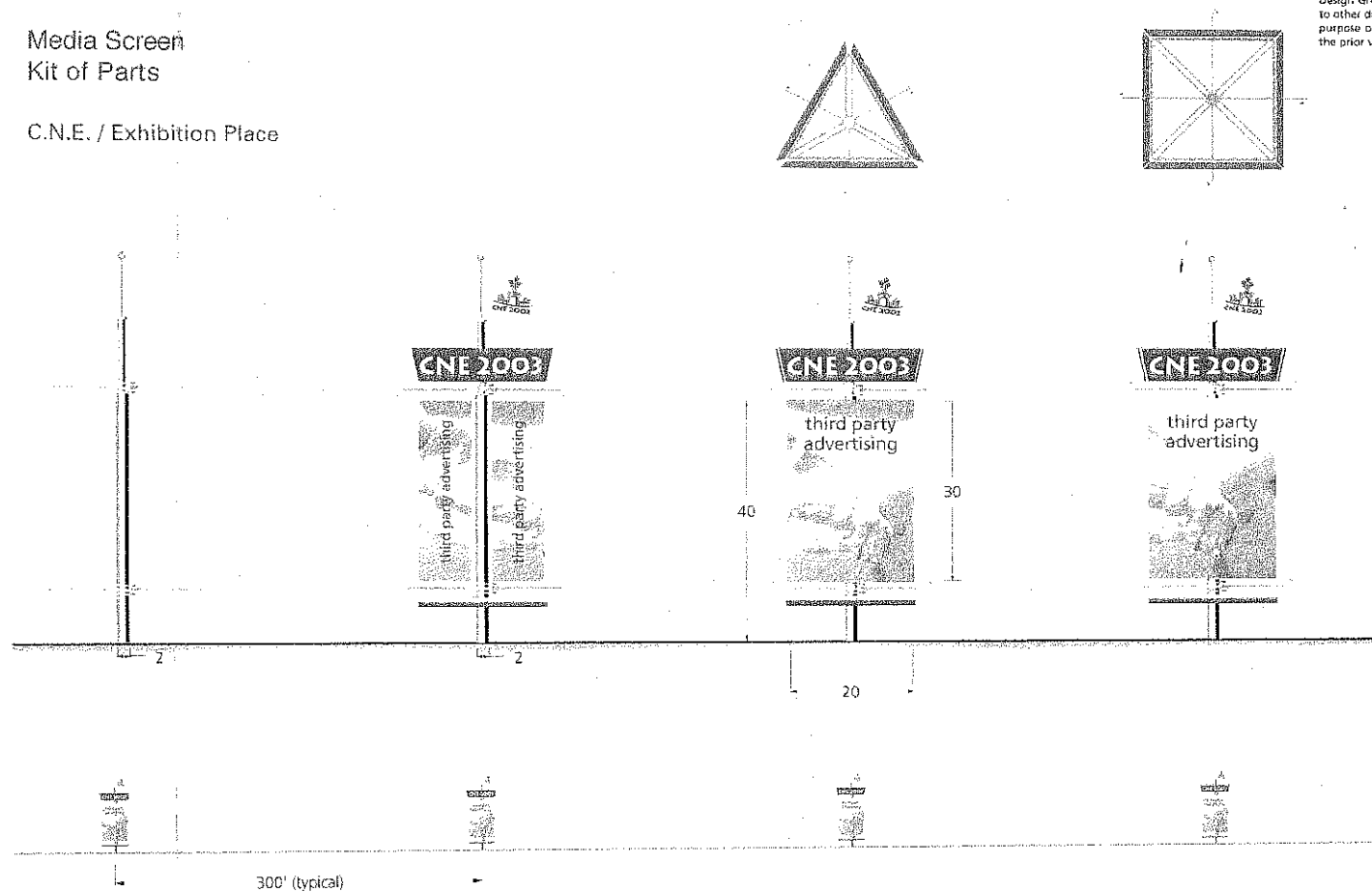
CNE Temporary Media Screen Program Kit of Parts

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Media Screen
Kit of Parts

C.N.E. / Exhibition Place



Notes:

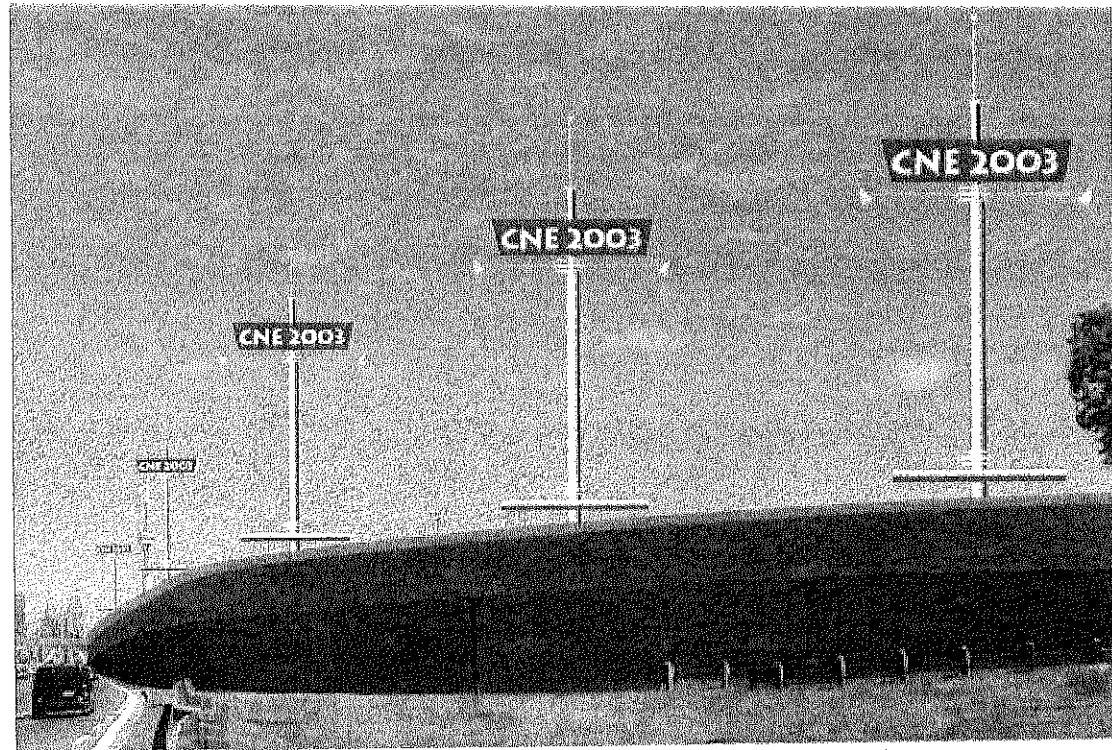
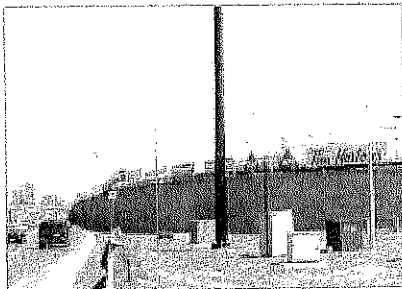
- Structural pole & light elements
- Temporary banners & related hardware (to be provided by others)
- Pole: 2' diameter, painted steel
- Lighting elements: to illuminate sign faces

CNE Temporary Media Screen Program

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Perimeter Sponsorship Opportunities

- 1 Gardiner Expressway Eastbound structural pole and light elements

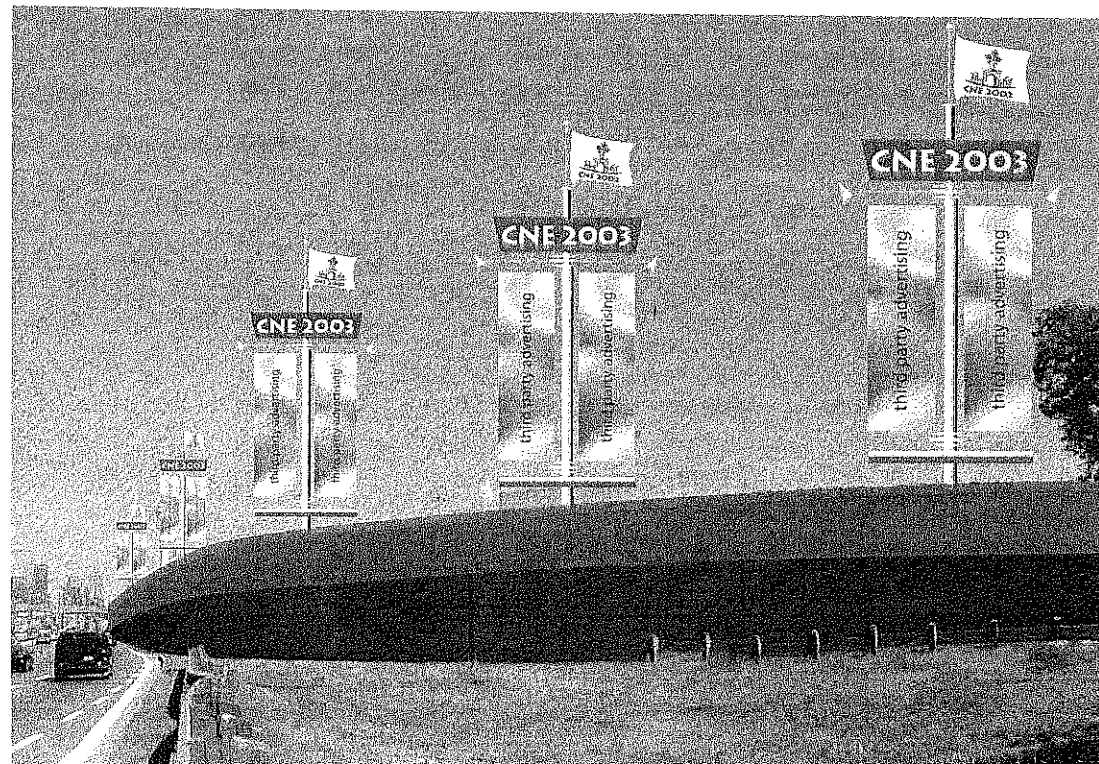
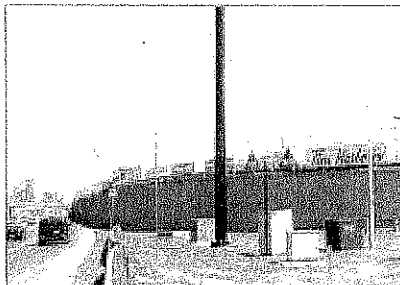


CNE Temporary Media Screen Program

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Perimeter Sponsorship Opportunities

- 1 Gardiner Expressway
Eastbound
Media Screen
single banners

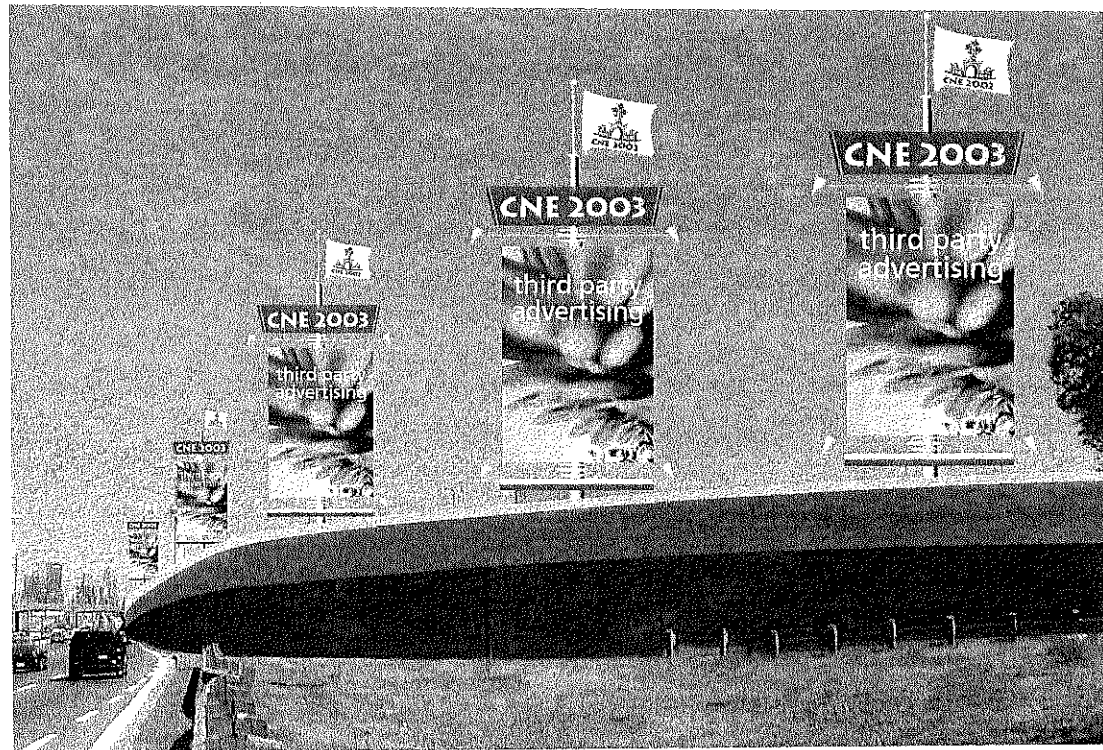
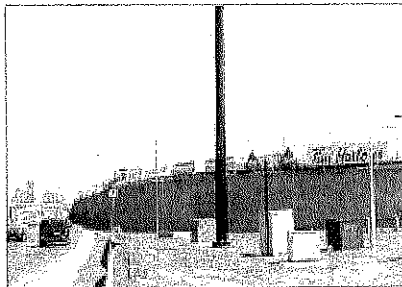


CNE Temporary Media Screen Program

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Perimeter Sponsorship Opportunities

1. Gardiner Expressway
Eastbound
Media Screen
double banner



CNE Temporary Media Screen Program

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Perimeter Sponsorship Opportunities

- 1 Gardiner Expressway
Eastbound
Media Screen
5 tower option

