

EXHIBITION PLACE

November 15, 1999

To: The Board of Governors of Exhibition Place

From: Fatima Scagnol
Corporate Secretary

Subject: CNE Food Building Rental Rates

Recommendation:

It is recommended that the Board of Governors concur with the recommendation of the Board of Directors of the CNEA with respect offering three-year agreements (2000, 2001, and 2002) to the Food Building Exhibitors.

Background:

The attached report, which is self-explanatory, was approved by the Board of Directors of the CNEA at its meeting of November 15, 1999.

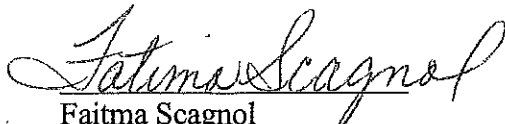
Discussion:

Given that the term is beyond one year, the foregoing requires approval of the Board of Governors.

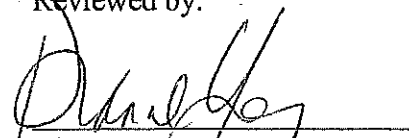
Conclusion:

This report recommends that the Board authorize the offering of three-year agreements to the Food Building Exhibitors.

Submitted by:


Fatima Scagnol
Corporate Secretary

Reviewed by:


Dianne Young
Interim General Manager

att.



October 28, 1999

To: The Executive and Board of Directors
 Canadian National Exhibition Association

From: David Bednar
 General Manager

Subject: **Food Building Rental Rates**

Recommendation:

This report is submitted for the approval of the Executive Committee and the Board of Directors.

It is recommended that the Food Building Rental Rates be increased by 2% for the 2000 CNE and that no rental rate increase be applied in the year 2001 and 2002. It is further recommended that the CNE continue to offer a maximum three year contract to Food Building exhibitors with all three year contracts expiring at the conclusion of the 2002 CNE.

Background:

In the past, a maximum three-year contract has been offered to all Food Building exhibitors. The last term of these Agreements ran from 1997-1999. In 1997, all exhibitors had the option of a one, two or three year agreement. In the second year of the term 1998, only two and one year agreements were offered and in 1999 only one year agreements were offered to new or renewing exhibitors.

This practice provided exhibitors the opportunity for an extended term, which some required, given the large capital investment necessary to participate in the Food Building. It should be noted that the rules and regulations agreed to by each exhibitor do contain a clause that in the event the Food Building is no longer part of the CNE due to future development at Exhibition Place, that all contracts would end at that time and the full three year term would not be realized.

The rates for Food Building exhibit space have remained the same since the last increase in 1996, when a 2% increase was implemented. In addition, in 1995 a two- percent increase was applied for storage space from \$6.60 to \$6.73 per sq. ft.

Discussions:

During the period 1997-1999 extensive improvements have been made to the layout of the Food Building. More seating areas have been incorporated into the layout of the building, thereby balancing traffic flow throughout the building. This new floor plan also reduced the number of exhibitors in the building. In addition, infrastructure and aesthetic improvements have been made to the interior and exterior of the building, including new temporary wall system, new seating, exhaust hood upgrade program, interior and exterior signs, and landscaping along the North wall.

As a result of these changes, the areas of the building which at one time experienced low sales due to poor traffic flows have now seen general increases in sales.

Given that there has not been an increase in rental rates since 1996, many improvements made to the building and the decrease in the amount of available exhibit space, an increase of 2% is warranted at this time.

Conclusion:

It is recommended that the rates be increased by 2% for 2000 and remain at that rate for a 3 year period. (See Appendix A for specifics).

Respectfully submitted,



David Bednar
General Manager

The foregoing report was reviewed by the Executive Committee at its meeting held on November 4, 1999 and is recommended to the Board of Directors for APPROVAL, for subsequent approval by the Board of Governors.

2000-2002 FOOD BUILDING RENTAL RATES**PER UNIT**

Each Unit: 3m x 6m deep
(9'6" x 19'10")

ALL RENTAL RATES SUBJECT TO 7% GST

BOOTH TYPE	UNIT PRICE
"A" No corner, No seating	\$3,494
"A" : Special A No Corner, No Seating	\$2,722
"A":Special B No Corner, No Seating	\$3,502
"B" No Seating with Corner	\$3,941
"C" No Corner with Seating	\$3,941
"D" Corner with Seating	\$4,389
"E" No Corner	\$3,055
"F" Corner	\$3,502
Kiosk D and Courtyard	\$4,051

Food Building Storage Space – when available (CNE Period only) \$6.86 per sq. ft.