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EXHIBITION PLACE

May 18, 2000

TO: The Board of Governors of Exhibition Place

FROM: Kathryn Reed Garrett
Director of Business Development

SUBJECT: Hotel Development Consultant

Recommendation:

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

Background:

At its meeting of May 17, 2000, the Business Development Committee adopted a recommendation that staff in consultation with the Chair of the Board and the Chair of the Business Development Committee undertake a competitive process for retaining a development consultant to assist staff in a targeted marketing strategy to prospective hotel developers in respect of Site 12 in the 1998 Program and Development Concept Plan for Exhibition Place. The Committee further requested that staff report to the Board on the basic terms of reference for the consultant.

Discussion:

As stated in the report "Hotel Development Implementation Strategy", staff believe that in order to successfully attract a hotel developer to Exhibition Place, it is necessary to undertake a very concentrated effort specifically aimed at the potential investors in the hotel industry. Such a targeted approach could not be managed solely by in-house staff because of the specific expertise required and also the time commitment of such a project. Therefore, the recommendation was to undertake a competitive process to engage a consultant within the development industry specifically with expertise in hotel developments.

Generally, the terms of reference for the consultant would be as follows:

- (a) Develop a hotel marketing and sales strategy including the development of a list of potential hotel investors/developers to target;
- (b) Meet with all possible investors/developers to promote a hotel investment at Exhibition Place in accordance with the criteria established by the Board;
- (c) Act as the Board's representative to potential investors in providing all necessary information for the development of a hotel proposal by the investor;

THE BOARD OF GOVERNORS OF EXHIBITION PLACE

Exhibition Place, Toronto, Ontario M6K 3C3 Tel: (416) 263-3600

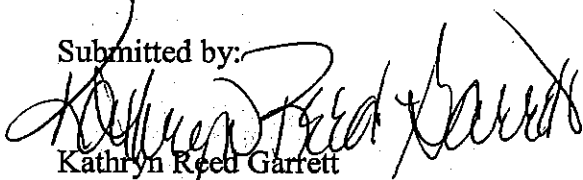
- (d) Evaluate, pre-qualify and short-list all serious investors/developers;
- (e) Assist management as a member of the evaluation team with the preliminary evaluation of all hotel proposals received and presentation to the Board; and,
- (f) Assist on an "as-needed" basis with negotiations of a Term Letter between the Board and proponent.

We would expect that the time frame for steps (a) to (d) inclusive should be no more than 90 to 120 days. These general terms and any others will be further developed by staff in consultation with the Chair of the Board and Chair of the Business Development Committee and the City Solicitor. Evaluation of the expressions of interests from qualified consultants will also be done through this team and recommendations reported to the Board at its July meeting.

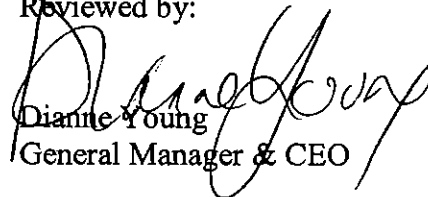
Conclusion:

This report sets out some of the terms of reference for the hotel consultant. These and such other terms as determined by staff in consultation with the Chair of the Board and Chair of the Business Development Committee will form the basis for the request and review of Expressions of Interest from hotel development consultants approached.

Submitted by:


Kathryn Reed Garrett
Director of Business Development

Reviewed by:


Dianne Young
General Manager & CEO