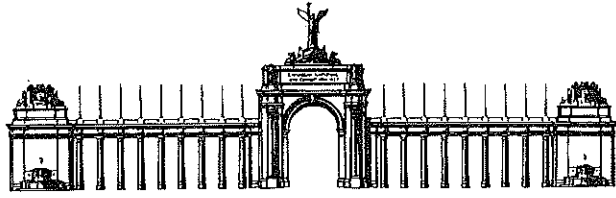


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January 22, 2001

EXHIBITION PLACE

TO: The Board of Governors of Exhibition Place

FROM: Dianne Young
General Manager & CEO

SUBJECT: Agreement with City of Toronto regarding TradeLink space

Recommendation:

It is recommended that the Board enter into a ten-year agreement with the City of Toronto commencing April 1, 1997, respecting the TradeLink space at the NTC on the terms and conditions set out in Appendix "A" to this report and such other terms and conditions satisfactory to the General Manager & CEO and the City Solicitor.

Background:

At its meeting of November 20, 1996, the former Metro Council adopted Clause No. 1 of Report No. 27 of the Financial Priorities Committee which recommended that authority be granted for an agreement between the Metropolitan Corporation and the Board for exclusive use of the TradeLink space at the NTC for the purpose of the TradeLink Program.

At its meeting of June 25, 1999, the Board approved of entering an agreement with the City of Toronto respecting the TradeLink space at the NTC on terms and conditions set out in that report.

Discussion:

For the information of the Board, the TradeLink Toronto program is a combination of: (1) a series of programming initiatives focused on trade and export development in the City; and (2) a Community Development Corporation (TradeLink Corporation) structured for the purpose of developing new trade shows, in partnership with the NTC and other private sector partners.

TradeLink has formed a partnership with Centennial College Centre for Entrepreneurship for programming in the export training area. It has also received funding from the federal government (Human Resources Development Canada) for the Toronto Export Development Initiative (TEDI), a \$300,000 export consulting program for small to medium sized business. TradeLink will also be receiving from the Federal Government (Industry Canada) matching funding of up to \$50,000 for research in support of marketing programs for international trade

show development in partnership with the NTC. In addition, its 2000 Business/Work Plan outlines that the following activities are to be undertaken:

- TradeLink information services about trade, exporting, export financing and foreign markets
- Exporting assistance to local businesses, particularly the TEDI program
- International Trade Training Programs
- Trade show incubation in partnership with NTC
- International business programs for trade shows
- Proactive marketing of TradeLink space at the NTC
- Coordination with other trade-related organizations such as Team Trade Ontario
- Training and orientation for trade missions and other trade related organizations

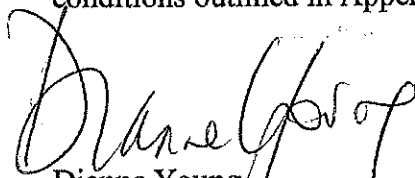
When the Board considered the 1999 business plan for TradeLink, there was an outstanding request from City Council to reconsider the continuation of the TradeLink Toronto Development Corporation and the TradeLink Program or alternatively the dismantling of this corporation/program. However, City Council has now resolved this matter with its consideration and adoption at its meeting of August 1, 2, 3 & 4, 2000, of the 2000 Business Plan for the TradeLink Program.

In addition, City Council has appointed new directors to the TradeLink corporate board and an advisory body, chaired by Mr. Ernest Vincent, General Manager, NTC, has been established. TradeLink has worked very closely with Exhibition Place in the past year on promoting the NTC to European trade show producers as a key North American location to launch new shows. The TradeLink Corporation has been key to this NTC marketing initiative.

As indicated above, TradeLink has operated in the NTC since 1997 with an understanding of certain terms and conditions governing that operation. While the 1999 Board report formalized those terms and conditions, an issue of the term of the agreement adopted by the Board was raised by City Legal and TradeLink. The 1999 Board report recommended a 3-year agreement, however, the Metro Council report in 1996 had approved of a 10-year agreement. City Legal has recommended this matter be brought back to the Board for resolution. Given that the issue related to the continuation of TradeLink has now been resolved and the active involvement and contribution of TradeLink to the marketing operations of NTC has been recognized, I am recommending an agreement of the terms and conditions attached which include a 10-year term.

Conclusion:

This report recommends an agreement between the City and the Board on the terms and conditions outlined in Appendix "A" respecting the TradeLink space at the NTC.


Dianne Young
General Manager & CEO

Appendix "A"

**Agreement between the City of Toronto (the "City")
and the Board of Governors of Exhibition Place (the "Board")**1. Purpose

An agreement to provide for the City's use of the National Trade Centre (NTC) for the purposes of government sponsored regional economic activity, which will be carried on under the name TradeLink Toronto.

2. Term

A ten-year term ending March 31, 2007 subject to early termination if the City dismantles the TradeLink program or the TradeLink corporation.

3. Representative of the City

For the purposes of this Agreement, the Economic Development Division of the City of Toronto will be managing the TradeLink program at the NTC.

4. Facility Space

- (a) The City will have exclusive use of 8,700 net square feet of space (the "Facility Space") in the NTC as described in the attached Drawing "A" for the purposes of a meeting/function room, a presentation theatre, a resource centre, an innovation centre and office space plus the use of additional exclusive storage space.
- (b) The City and the Board agree that the rental rate for the Facility Space will be \$1.00 per year throughout the term of this Agreement which rental rate will include the provision of utilities, janitorial and security services to the Facility Space.
- (c) The City and the Board agree that the City will be separately billed at the Board's rate plus 12 percent, for the cost of janitorial and security services supplied to the Facility Space which are additional to the regular janitorial and security services supplied on a daily basis to the Facility Space which regular service will be at a level determined solely by the Board and in keeping with standards set throughout the NTC.
- (d) The City may sublease the Facility Space, or parts thereof without prior approval of the Board but in keeping with rental policies established by the City in consultation with the Board which rental policies will include a preferred rate if the Facility Space is rented by the Board or its agent. The preferred rate will be 50 per cent of the published rate. In addition, the Board or its agent will have an opportunity to use the space (except for the TradeLink Theatre) for catered events up for up 12 times each year of the term (ie a maximum of 12 days).

- (e) The City will sublease the Facility Space at no cost to the Canadian National Exhibition Association (CNEA) during the Canadian National Exhibition, for programs supporting the trade and business development objectives of the CNE, the City and TradeLink or such other related purposes as the CNE and TradeLink agree to.
- (e) The Board shall:
 - (i) be responsible for any structural repairs of the Facility Space including but not limited to repairs to the mechanical, electrical, plumbing, and cabling/telecommunication systems and all repairs done pursuant to warranties given to the Board by its contractors or subcontractors at a level that is determined by the Board in its sole discretion and in keeping with the general condition of the NTC.
- (f) The City shall:
 - (i) finish and furnish the Facility Space in keeping with Class A trade centre facilities and shall be responsible for general repairs and maintenance of any fixtures provided by the City;
 - (ii) be responsible for any repairs, maintenance and general wear and tear of the Facility Space save and except for any damages caused by the Board or it's employees or invitees; and
 - (iii) be responsible for liability and other appropriate insurance in respect of the Facility Space.

5. NTC Floor Space

- (a) The City shall have the option to lease on an annual basis and at anytime during the year one million square foot days of tradeshow floor space, provided it complies with the booking procedures established by the Board or its agent.
- (b) The City and Board agree that the rental rate for the one million square foot days or less of tradeshow floor space will be \$1.00 per year throughout the term of this Agreement.
- (c) The City shall have the right, with the approval of the Board or its agent acting reasonably, to use the NTC Galleria adjacent to the hallway bisecting the Facility Space as shown on the attached Drawing "B", for the purpose of special events and presentations at no cost to the City provided that the City does not erect any barriers within the Grand Concourse of the hallway, and in accordance with fire and safety regulations.

6. Parking Spaces

In addition to any other parking arrangements, the Board will provide fifteen (15) parking passes to Exhibition Place strictly for the use of staff and guests working in the area of economic development at no charge to the City.

7. Operational Services

- (a) If required by the City, the Board or its agent will provide to the City at the preferred rate plus 12 per cent, operational services including but not limited to services such as audio-visual, translation and event set-up/removal in respect of both TradeLink events and activities held in the Facility Space or space ancillary thereto and also in respect of any tradeshow operations held in the NTC. However, the Board acknowledges and agrees that the City may use the services of its own employees for translation services.
- (b) The Board will provide the City with catering services for Economic Development Division events and activities held in the Facility Space or space ancillary thereto at the same cost as catering services to the Board for a maximum of twelve (12) events annually.
- (c) The City may charge a separate admission fee to events that are being held exclusively in the Facility Space.

8. Signage

- (a) The Board, acting reasonably and subject to any exclusive agreements, will permit the Corporation's activities, to be advertised on the Omni electronic message centre and other signage that the Board may erect. Frequency of advertising opportunities will be subject to the Board's policies for advertising on the electronic message centre.

9. Sponsorships

- (a) The City shall have the exclusive right to seek sponsorship and advertising revenues with respect to the interior Facility Space in support of events, programs and activities related to TradeLink, subject however, to approval of the Board, acting reasonably and subject to any exclusive service, supply, sponsorship and advertising arrangements entered into by the Board with respect to Exhibition Place, including the NTC.
- (b) The City shall have the right to advertise its location on signage that is attached to the external walls of the Facility Space and internal to the NTC, such signage will be subject to the approval of the Board, acting reasonably. Third party advertising commercial advertising will not be permitted to be displayed on external walls.
- (c) The Board will consult with the City with respect to maximizing sponsorship development opportunities for both organizations at the NTC.

10. Other Provisions

- (a) The Board shall have certain overall operational rights that would impact on the City's TradeLink operations, including the Board's right to close the grounds for certain events.
- (b) The City shall comply with all general operating conditions and policies established by the Board and/or its agent including non-competition clauses with show producers or the NTC Building Manager.
- (c) Where appropriate, the City, the Board and its agent will ensure that any promotional material produced by them in respect of TradeLink, Exhibition Place and the NTC will also include material promoting both TradeLink and the NTC.