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September 14, 2001

## EXHIBITION PLACE

To: The Board of Governors of Exhibition Place

From: Dianne Young  
General Manager & CEO

Subject: Canada's Sports Hall of Fame, Hall of Fame Building

### Recommendation(s):

**It is recommended that the Board renew the current lease with Canada's Sports Hall of Fame ("CSHF") for use of exhibit space in the Halls of Fame Building for one year, on December 31 2002, on the terms and conditions recommended in this report, which terms are similar to those in the 2001 Agreement, and such other terms as required by the City Solicitor**

### Background:

At its meeting in October 2000 the Board approved of the terms of a one-year lease renewal with CSHF for year-round exhibit and office space in the Halls of Fame Building. This agreement expires on December 31, 2001.

### Discussion:

CSHF has been operating a permanent exhibit in the east wing of the Halls of Fame, plus access to the lobby, theatre and public washrooms. CSHF is a not-for-profit organization, which honors Canadian athletes in all sport disciplines, and its exhibit is open to the public at no charge on a year-round basis. As well, it operates an exhibition at no charge to the public during the annual CNE. The CSHF also undertakes an annual gala banquet inducting new members to the Canada's Sports Hall of Fame.

Since the location of CSHF to the grounds in 1978, the Board has provided a grant to this organization within the Exhibition Place Annual Operating Budget. In 2001, this grant was in the amount of \$84,750. In preparation for submission of the 2002 Operating Budget, CSHF will be required to submit to the Board a grant application in a format similar to that required by the City of Toronto. If the grant were to be reduced or discontinued by the Board at this time, CSHF would likely not be able to continue to operate as a public venue. CSHF is a valued exhibit on the grounds not only during the CNE but also throughout the year bringing over a ¼ million visitors to Exhibition Place

For a number of years, CSHF has been negotiating a long-term lease with the Federal government for relocation of the Sports Hall of Fame to the former Railway Building in Ottawa.

It has also undertaken a formal fundraising campaign to raise the necessary capital required to renovate and mount an exhibit in the new Ottawa venue. While no official date has been set, the long-term plan is to relocate Canada's Sports Hall of Fame to the new Hall by 2003, and it is unlikely that these negotiations and fundraising will be completed before the end of 2002.

The present lease between the Board and CSHF expires December 31, 2001 and it wishes to renew the lease with the Board for a period of one year upon the same terms and conditions as its present lease agreement. The substantial terms of this agreement are as follows:

- (a) Term: One year commencing January 1, 2002.
- (b) Rent: One dollar per annum plus payment of all utility costs, any other associated occupancy costs;
- (c) Permitted Uses: Exhibition space connected with the objects of Canada's Sports Hall of Fame; and,
- (d) Insurance: Property and liability insurance with limits of \$2 million in form satisfactory to City, and,
- (e) Rights to Terminate:
  - (i) either party may, on six (6) months prior written notice, terminate the agreement; and,
  - (ii) if the Board decides to proceed with the demolition, reconstruction or major renovation to the Halls of Fame Building, the Board may terminate the lease agreement by giving CSHF thirty (30) days prior notice in writing.

In 2000, the Board requested that that CSHF use all commercial best efforts to use Exhibition Place as its venue for the 2002 induction gala and banquet. While staff had discussions with the General Manager of CSHF on moving the annual banquet to the NTC and have set up meetings with the Hall of Fame and the Board's caterer, these discussions have not been successful to date mainly because as a condition to a grant received by CSHF, CSHF has undertaken to hold its annual banquet in a particular hotel chain.

Conclusion:

This report recommends extending the current agreement with Canada's Sports Hall of Fame for a period of one year, to expire on December 31, 2002 on the terms and conditions set out and such other terms required by the City Solicitor.

Contact:

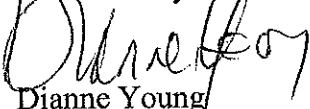
Kathryn Reed-Garrett, Director of Business Development

Tel: 416-263-3606

Fax: 416-263-3690

Email: kreed-garrett@explace.on.ca

Submitted by:



Dianne Young

General Manager & CEO