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September 17, 2001

To: The Board of Governors of Exhibition Place

From: Dianne Young
General Manager & CEO

Subject: Caribana 2001 Parade, and recommendations for Caribana 2002

Recommendations:

It is recommended that:

- (1) The Board approve staff recommendations to repeat the 2001 parade route and plan for Exhibition Place for Caribana 2002;**
- (2) The Board approve the fee structures and revenue-sharing opportunities for the Caribbean Cultural Committee ("CCC") 2002 Caribana Parade that are included in this report; and**
- (3) The Board direct staff to apply the surplus revenues from concession commissions generated from Caribana Parade 2001 to the outstanding accounts receivable account of CCC for the Caribana Parade 2000 and attempt to collect the remaining balance.**

Background:

At its meeting of May 2001, the Board received a staff report containing recommendations for the 2001 Caribana Parade which recommended the fee structures and revenue-sharing opportunities for the 2001 event and also directed staff to report back to the Board at its meeting in September 2001 on the results of these initiatives and as well recommendations for the 2002 Parade.

Discussion:

The Caribbean Cultural Committee ("CCC") has been staging the annual Caribana Parade, featuring costumed paraders and Mas bands, at Exhibition Place for 10 years and during that time the parade has attracted annual audiences ranging from 150,000 to over 400,000.

Following the May 2001 meeting of the Board, staff met on many occasions to work with the 2001 Parade organizers and staff and volunteers of the CCC to finalize plans for the 2001 Parade and the new revenue-sharing initiative, a small marketplace proposed for the Queen Elizabeth Exhibit Hall and along the exterior of the Building.

While there was initially a great deal of support from CCC and Parade organizers for this new marketplace, in the end only one vendor participated – a food vendor who located their operation outside the Queen Elizabeth Building in the area initially designated for seven to ten food vendors specializing in cultural food. This food vendor did not sell cultural food, and suffered very poor sales for the day – partly due to the duplication of the menu items and partly due to the fact that this vendor was operating alone in this location (there were no vendors operating inside the Queen Elizabeth Exhibit Hall and none of the other seven-to-nine food vendors anticipated for the exterior of the building materialized).

As the Board is aware, the CCC had undergone dramatic internal changes to its structure and reporting functions during the fall of 2000 and the early Spring of 2001. However, between the Board meeting of May and the Caribana Festival and Parade in late July and early August, several other serious issues that greatly effected and impacted the 2001 Festival occurred – operating records and files related to the 2000 Caribana Festival were seized and removed from the offices of CCC and a forensic audit was ordered; many of the former employees and volunteers associated with the CCC were released; Federal, Provincial and City of Toronto grants for the 2001 Festival were withheld and/or reduced and the City undertook to disburse its funds directly to the recipients rather than to CCC for distribution to its suppliers.

In fact, despite assurances from the City that Exhibition Place would be placed on priority for full payment of the moneys required to stage the 2001 Parade, in the end only \$18,000.00 was received from the City and the balance was collected on-site from the gate receipts derived from admission to the VIP viewing area. While staff started to collect funds at 10:00 a.m. from CCC volunteers posted at the admission gates, it took until 3:00 p.m. to collect the outstanding balance of \$35,575.00. The arrears from the 2000 Parade of \$41,673.17, however, remain unpaid. Commissions from the CCC sole food operator are less than \$100.00, and the shared revenue from parking in the garage is approximately \$838.20 which, if combined and applied to the 2000 outstanding account would reduce the amount outstanding to \$40,734.97.

Despite these very challenging circumstances, the 2001 Caribana Parade was one of the most successful to-date – concession sales from the Board's concessionaires and outdoor vendors were very good, and the Board has received \$21,000.00 in commissions, which is \$14,000.00 more than projected in the 2001 budget.

As reported to the Board at its May 2001 meeting, the CCC, under its newly restructured board, developed a proposal to create a festival-type environment for this year's parade at Exhibition Place, and staff were planning to meet with CCC officials in October, 2001 to develop a new parade route and plan for the 2002 parade.

However, given the move-out schedule for World Youth Days 2002, whose move-out is not expected to be complete until the Monday prior to Caribana 2002, staff are recommending that the Parade route remain as it was in 2001 and that it work with the CCC in developing the marketplace concept on the same terms and conditions as proposed for 2001 and that staff, working with the City and Police Services, look into the possibility of developing a new parade route and a full festival environment for Caribana 2003.

Accordingly, staff recommends that the Board approve the following fee structure for the 2002 Caribana Parade:

- 1) Waive all building and grounds Rentals (including the Queen Elizabeth Exhibit Hall and the Stadium site, equivalent to \$5,050.00 and \$20,658.00 respectively)
- 2) Increase parking fees for the NTC garage from \$11.00 to \$15.00 per vehicle (which is consistent with all other parking charges for special event days such as CHIN, and concert days at Ontario Place) and remit to the CCC the difference of \$4.00 per vehicle as a credit to their account with the Board;
- 3) Remit to CCC in the form of a credit to their account with the Board all net revenues received from the licensing of the marketplace vendors (net revenues means all gross revenues less all the Board's costs such as auditing and inspecting, etc.);
- 4) Continue the practice of discounting cleaning services for the grounds by 25%, which discount recognizes the impact of the vendors that are licensed by the Board (and for which there is no proposed sharing of revenues) on the overall cleaning requirements;
- 5) All labour and material supplied by Exhibition Place will be at time and material plus 12%; and,
- 6) All monies due and payable to the Board must be paid in advance and in accordance with the Board's usual policy.

Furthermore, staff recommends that the surplus concession commissions of \$14,000.00 be applied as a credit to the account of CCC against the outstanding expenses from the 2000 Parade, which account balance currently is \$41,673.17. This would be in addition to the revenues from shared concession and parking operations in 2001 detailed earlier in this report, which total \$938.20. This would still leave an outstanding balance on their account equal to \$26,734.97 that staff will attempt to recover from CCC and the City.

As stated earlier in this report, staff are prepared to meet as early as October, 2001 with representatives of the CCC, and representatives from Police Services and other City departments that support the Caribana Parade to confirm the event plan for 2002 and commit to developing a new event plan for 2003 that would meet the needs and expectations of the CCC.

Conclusion:

This report summarizes the activities of the 2001 Caribana Parade, and recommends a fee structure and revenue sharing opportunities to assist the CCC in executing the 2002 Caribana Parade.

Contact:

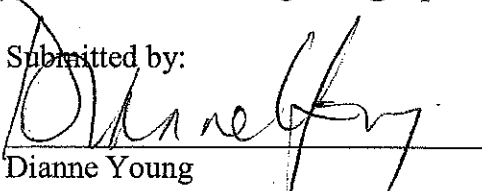
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Submitted by:


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