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February 19, 2007

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: CHIN Picnic 2007

Purpose:

This report recommends terms and conditions for the licence agreement for the 2007 CHIN Picnic.

Financial Implications & Impact Statement:

The terms in this report are in keeping with the 2007 Operating Budget adopted by the Board and a projected rental income from CHIN to the Board of \$38,496, an increase of \$6,187 over 2006 based on the venue rental increase for the 2007 event year.

Recommendation:

It is recommended that the Board enter into a one-year licence agreement with CHIN Radio-TV International ("CHIN") for the CHIN Picnic 2007 on the terms and conditions provided in this report.

Background:

At its meeting in April 2006 the Board approved a report which recommended entering into a one-year licence agreement with CHIN on the same terms and conditions as are contained in this report.

Comments:

Given the importance of the CHIN Picnic to the community and the fact that this is a free event for the citizens of Toronto, the Board and staff have been working with CHIN since 2000 to provide financial support to CHIN by sharing some revenues generated by the event. These have been summarized as follows:

	2000	2001	2002	2003	2004	2005	2006
Total event expense	\$152,361.00	\$122,729.15	\$130,345.61	\$134,952.07	\$118,144.72	\$129,702.08	\$128,812.53
Less parking credit paid to CHIN	(\$29,317.85)	(\$27,622.85)	(\$27,829.00)	(\$29,740.10)	(\$33,020.00)	(\$36,030.05)	(\$42,952.58)
Less concession credit paid to CHIN	(\$65,785.79)	(\$47,526.80)	(\$57,603.00)	(\$52,595.15)	(\$51,012.08)	(\$48,451.13)	(\$50,984.13)
Net income paid to CHIN from the Board	(\$95,103.64)	(\$75,149.65)	(\$85,432.00)	(\$82,335.25)	(\$84,032.08)	(\$84,481.18)	(\$93,936.71)
Net expense to CHIN for Board services	\$57,257.36	\$47,579.50	\$44,913.61	\$52,616.82	\$34,112.65	\$45,220.90	\$34,875.82

In preparing the budget projections for 2007, staff used the 2002 - 2006 experiences to project total revenues as well as the impact of revenue sharing with CHIN Picnic and met with CHIN to discuss. Therefore, it is recommended that the Board enter into a one-year licence agreement with CHIN on the following financial terms and such other terms and conditions as are contained in the Board's standard licence agreement:

Venue Rental & Show Services (N/C – denotes no change)

	2001	2002	2003	2004	2005	2006	2007
<u>Building Rent</u>							
Better Living Centre	40% of the posted rental rate	No change	N/C	N/C	N/C	N/C	N/C
Bandshell Stage	100% of posted rate	No change	N/C	N/C	N/C	N/C	N/C
Grounds	No charge	No change	N/C	N/C	N/C	N/C	N/C
Cleaning	100% of cost – see labour rates below	No change	N/C	N/C	N/C	N/C	N/C
Labour	Time + Materials + 12%	No change	N/C	N/C	N/C	N/C	N/C
Rentals	100% of posted rate	No change	N/C	N/C	N/C	N/C	N/C
Parking Revenue	\$15.00/vehicle collected – \$8.50 (less taxes) retained by Board and \$6.50 (less taxes) remitted to CHIN	No change	N/C	N/C	N/C	N/C	\$15.00/vehicle collected – \$11.00 (less taxes) retained by Board and \$4.00 (less taxes) remitted to CHIN

Payment of Rental: The venue rental fees (GST inclusive) incurred by the Licensee outlined in the License Agreement will be payable as follows: 25% (\$10,201.45) with the executed license agreement, 25% (\$10,201.45) on May 5th, and the remaining 50% balance (\$20,402.90) on June 5th. The show services outlined in the Rentals & Services Form is payable ten (10) days in advance of occupancy.

Conclusions:

It is recommended that the Board enter into a one-year licence agreement with CHIN for the 2007 CHIN Picnic on the terms and conditions set out in this report.

Contact:

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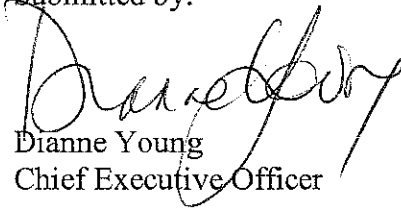
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Submitted by:



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