



EXHIBITION PLACE

ACTION REQUIRED

October 29, 2007

To: Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: Sustainable Condominium Display – Naming Partnership

Summary:

This report recommends entering into an agreement with Canada Mortgage & Housing Corporation (CMHC) for the title sponsorship of the sustainable condominium display in two pods of the Music Building (which area is to be renamed the “E3Pods”) to be on the substantial terms and conditions set out in this report.

Recommendation:

It is recommended that the Board enter into a sponsorship agreement with CMHC as the title sponsor of the sustainable condominium display for the period from November 1, 2007 to December 31, 2008 substantially on the terms and conditions outlined in this report along with such other terms as may be satisfactory to the CEO and City Solicitor.

Financial Implications:

Working with CMHC, the City Energy Office and CNEA, staff have projected an operating budget for the sustainable condominium display for the period of November 1, 2007 to December 31, 2008 with approximately \$191,080.00 in expenses. The title sponsorship agreement with CMHC is for a value of \$50,000.00. In addition to this title sponsorship, staff have concluded or are actively pursuing additional sponsorship valued or partner contributions of approximately \$220,000.00. Confidential Attachment 1 outlines the details of the proposed budget.

Decision History:

At its meeting on May 4, 2007, the Board approved in principle the use of two pods of the Music Building as a display of the Sustainable Condo and various other displays of energy efficiency information. As stated in the previous report, there would be no rental cost associated with the

use of the Music Building but all operating costs associated with mounting this display are to be paid through sponsorship participation.

Issue Background:

Through the CNE Program staff, Exhibition Place started discussion with CMHC with respect to the Sustainable Condo Display early in 2007. As reported to the Board, the Sustainable Condo was designed and built by a leading architect in Vancouver for the EcoSmart Foundation. In partnership with CMHC, the exhibit was brought to Toronto in 2006. The purpose of the Sustainable Condo was to display sustainable designs and products at various shows and events with the last display held at the 2007 CNE "At Home Pavilion" which attracted over 60,000 visitors.

Over the last six months, a project team composed of staff from CMHC, Exhibition Place, CNEA and City of Toronto Energy Office have been working on a plan to have the Sustainable Condo on permanent display within the Music Building. Generally, the plan would have the Condo situated in one pod, with an informational, product display area in second adjoining pod. CMHC committed to provide the refurbished Condo with the Board providing the venue.

Outside these two "in-kind" supports, the program would have to be self-funding including the payment of utilities and staff costs. To raise money for this programming, a staff team made up of representatives of CMHC, City of Toronto, CNE and Exhibition Place have and continue to seek sponsorships and rental opportunities. The projected operating budget for the period of November 1, 2007 to December 31, 2008 for the display is approximately \$145,000. The title sponsorship agreement with CMHC is for a value of \$50,000.00 and in addition to this title sponsorship, staff have concluded or are actively pursuing additional sponsorship valued at approximately \$110,000.

Comments:

A title sponsor is key to this project not only for budgetary purposes but also for launching this public exhibit. CMHC has had a long-term commitment to the sustainable condominium project and would be an excellent title partner. The substantial terms and conditions of the proposed agreement between the Board and CMHC are as follows:

- a) Term: For the period commencing November 1, 2007 to December 31, 2008.
- b) Naming Rights:
 - i. CMHC Name & Logo on Music Building; directional signage across the grounds; the Gardiner Expressway Pixel Board; the Lakeshore Blvd. Pixel Boards (2) located at Ontario Drive and British Columbia Blvd; on three (3) flagpoles on top of Music Building
 - ii. Gold Sponsorship package for 2008 Canadian National Exhibition (subject to approval by the CNEA Board of Directors) which will include the following:
 - Listing of CMHC as an Official sponsor of the CNE.
 - Right to use the CNE name and logo, subject to the approval of the CNEA, acting reasonably.
 - Sponsor Post – Event Report to be provided by end of 2008.

- Venue signage at E3 Pod
 - Corporate logo recognition on Lakeshore Blvd. on Corporate Sponsorship Banner.
 - Corporate logo included on the CNE Sponsor Boards to be located on the east and west sides of the Food Building.
 - Corporate logo included on all Grounds and Train Route Maps.
 - Corporate logo included on signage for six (6) information booths throughout the grounds
 - Corporate logo included on CNE Program (Quantity – 1,300,000 approx).
 - Sponsorship recognition in all related CNE literature.
 - Opportunity for media cross-promotional support.
 - Guaranteed visibility and linkage on CNE web site www.TheEx.com
 - Complimentary Staff Passes (TBD)
 - Complimentary Season Parking Passes (2)
 - Opportunity to purchase admission passes at standard group rates.
- iii. CMHC information showcased in six foot showcase in one of the pods with adjacent signage
 - iv. CMHC name and logo on any marketing materials to be distributed during exhibit hours
 - v. CMHC name and logo on the E3 Pod section of the Exhibition Place, Direct Energy Centre and CNE websites (with link)
 - vi. Featured in Exhibition Place comprehensive media campaign and outreach
 - vii. Use of two (2) of the three (3) pods of the Music Building at no rental cost for three (3) corporate functions annually, subject to date availability including parking (maximum 90 persons per function). Show Services at Board's approved pricing.
 - viii. First right of negotiation to enter into a further sponsorship agreement for 2009 - 2010 (for a period of 60 days prior to end of the Agreement), providing the E3 Pod initiative continues.
 - ix. Use of Exhibition Place / E3 Pod logo, marks and name (subject to written approval of the Board, acting reasonably)
- c) Naming Fee: \$50,000 cash payment (net) excluding GST - payable by CMHC as follows:
 - \$10,000 upon execution of this Letter of Intent
 - \$40,000 + GST due January 1, 2008
 - d) Union Agreements: CMHC shall comply with all applicable provisions of agreements in force between the Board and any union or association with respect to Exhibition Place provided the Board has advised CMHC of such provisions.
 - e) Insurance/Indemnity: CMHC shall provide proof of insurance in a form and amount satisfactory to the Board acting reasonably and containing provisions including the Board, Canadian National Exhibition Association, the City of Toronto, the Board of Governors of Exhibition Place, Maple Leaf Sports & Entertainment Ltd., and their respective elected and appointed officials, directors, officers, employees and agents as additional insureds with a cross liability/severability of interest clause of standard wording. Insurance shall be primary before any insurance held by the additional insured and the Board shall be entitled to thirty days notice of any intention to cancel or not to renew the policy. CMHC shall indemnify the Board, Canadian National Exhibition Association, the City of Toronto, the Board of Governors of Exhibition Place, Maple Leaf Sports & Entertainment Ltd with respect to any

and all liability arising from any damage or injury as a result of the acts or omissions of CMHC, or its employees or any other person for whom it is in law responsible, in the exercise of its rights under the Agreement.

Contact:

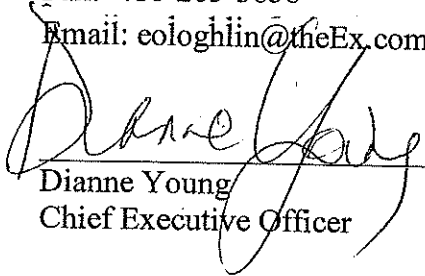
Eamonn O'Loughlin

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A handwritten signature in black ink, appearing to read "Dianne Young", is written over a horizontal line. The signature is fluid and cursive.

Dianne Young

Chief Executive Officer