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ACTION REQUIRED

October 26, 2007

To: The Board of Governors of Exhibition Place

From: Dianne Young
Chief Executive Officer

Subject: **Multi-Year Rental Agreement with dmg world media (Canada) Inc. & Greater Toronto Home Builder's Association**

Summary:

This report recommends a two-year agreement with dmg world media (Canada) Inc. & the Greater Toronto Home Builder's Association (collectively "dmg") for production of the National Home Shows for 2009 to 2010 inclusive, within Halls A, B, C, D, G, H and Heritage Court in the Direct Energy Centre at Exhibition Place.

Recommendation:

It is recommended that the Board approve the execution of two rental agreements with dmg for the National Home Shows 2009 to 2010 inclusive, on the terms and conditions outlined in this report and within the Board's standard licence agreement.

Financial Impact:

A two-year agreement with dmg secures the National Home Shows within the Direct Energy Centre at Exhibition Place. Financial information is contained on Attachment 1 – Confidential Information.

Decision History:

Often large trade and consumer show clients prefer to have their dates confirmed well in advance in order to ensure a consistent date and space pattern, to secure exhibitors, sponsorships, and block out competitive tradeshows. Sales staff entered into discussions with dmg, a prestigious client of Exhibition Place, to ensure the National Home Shows would be able to secure their dates and space patterns for 2009 and 2010 in the Direct Energy Centre. An executed contract for 2008 exists between the Board of Governors of Exhibition Place and dmg world media. Sales staff proposed the 2-year agreement, and dmg has accepted the offer, subject to Board approval.

Issue Background:

It has been the Board's practice to offer clients that enter into multi-year agreements, a lagging of their rental rates by one year. Pursuant to the By-Law No. 2-07 agreements for the duration of over one year require approval of the Board.

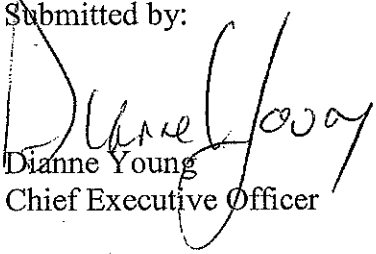
Comments

Due to changes in attendee buying patterns, dmG elected to shift their traditional date pattern from April to February. The number of occupancy days has remained the same. The Board listed rates are \$0.148 for 2008 \$0.1524 for 2009 and are not determined for 2010. Multiple year agreements will be issued for 2009 and 2010 for Halls A, B, C, D, G, H & Heritage Court and adjacent meeting rooms, and the rates reflected in each agreement are equivalent to the previous years rate (that is, the 2009 agreement will be based on the 2008 rental rate, and the 2010 agreement will be based on the 2009 rental rate). A rental rate of \$0.148 was used for 2009, a rental rate of \$0.148 was used for 2010, based on previously approved Board 3-year agreements. A 3% deposit for the 2009 and 2010 Agreements is required to execute the 2009, and 2010 Agreements, delivered by the specified deadline date, in order to finalize this agreement.

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Submitted by:


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