

GM22.9 Award of Swiss Challenge Request for Proposal No. 3204-17-7034 Financial Impact - Supplementary Report

Date: October 2, 2017

To: City Council

From: General Manager, Parks, Forestry and Recreation

Wards: All

SUMMARY

At its meeting on September 25, 2017, Government Management Committee adopted report GM22.9, entitled "Award of Swiss Challenge Request for Proposal No. 3204-17-7034 to GameOnStream for the Installation and Maintenance of Fixed Cameras in Various City of Toronto Arenas to Video Stream Hockey Events, Live and On Demand".

The purpose of this Report for Information is to provide clarification on the Financial Impact resulting from adoption of the recommendations set out in report GM22.9.

FINANCIAL IMPACT

The City will receive a total of \$108,000 in guaranteed rent over the first five (5) year term of the contract and a total of \$132,000 in guaranteed rent over the subsequent five (5) year option term net of all taxes and charges. Additionally, if specific revenue thresholds are met, the City will receive an effective percentage share of annual gross revenues of 23.4% during the first five year term and 27.1% during the five year option term. There is no cost to the City.

Parks, Forestry and Recreation has included the revenue for the first year of the agreement in the amount of \$20,000 in the 2018 Operating Budget Submission. There are no cost implications. Under the terms of the Swiss Challenge Proposal, subscription fees are payable directly to GameOnStream by the subscriber. The subscriber is responsible for making payment of the fees and it is the responsibility of GameOnStream to collect these fees directly from the subscriber.

DECISION HISTORY

City Council at its meeting held on March 31, April 1 and 2, 2015 adopted report GM2.4 entitled "Unsolicited Proposal - GameOnStream". The report is available online at <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.GM2.4>.

Government Management Committee at its meeting held on September 25, 2017 adopted report GM22.9 entitled "Award of Swiss Challenge Request for Proposal No. 3204-17-7034 to GameOnStream for the Installation and Maintenance of Fixed Cameras in Various City of Toronto Arenas to Video Stream Hockey Events, Live and On Demand". The report is available online at <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.GM22.9>.

COMMENTS

The Supplementary Report serves to clarify that the guaranteed total rent of \$108,000 is the total amount for the entire initial five (5) year term of the agreement and that the guaranteed total rent of \$132,000 is the total amount for the entire five (5) year option term of the agreement.

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