

Hotel X Phase 2 Development - Minutes of Settlement Extension with IATSE Local 58

Date: November 28, 2024

To: The Board of Governors of Exhibition Place

From: Chief Executive Officer

Wards: Ward 10 - Spadina - Fort York

REASON FOR CONFIDENTIAL INFORMATION

This report is about labour relations negotiations. The attachments to this report contain negotiated labour relations information supplied in confidence to the Board of Exhibition Place, which, if disclosed, could reasonably be expected to prejudice the position significantly or interfere with other negotiations of other parties.

SUMMARY

This report aims to provide the Board of Governors with the results of the negotiations between Princes Gates Hotel Limited Partnership ("Hotel X"), Overactive Media Corporation ("OAM") and the International Alliance of Theatrical Stage Employees ("IATSE") on a multi-party Minutes of Settlement Extension Agreement ("MOS-EA") that includes Exhibition Place. The MOS-EA sets out terms specific to the completion and operation of the E-Sport Performance Venue.

This report seeks approval from the Board to enter into the MOS - EA.

RECOMMENDATIONS

The Chief Executive Officer recommends that:

1. The Board authorize the public release of confidential information from Confidential Attachment 1 that pertains to Board business.
2. The Board approve the MOS-EA attached as Confidential Attachment 2.

3. The Board directs that Confidential Attachments 2 and 3 remain confidential and not be released publicly as this report contains negotiated labour relations information supplied in confidence to the Board of Exhibition Place, which, if disclosed, could reasonably be expected to prejudice the position significantly or interfere with other negotiations of other parties.

FINANCIAL IMPACT

The financial impacts of this report are set out in Confidential Attachment 1.

The Chief Financial Officer and Corporate Secretary has reviewed this report and agrees with financial impact information.

DECISION HISTORY

At its meeting of October 8, 2009, the Board approved of the development plan for a hotel at Exhibition Place and the terms and conditions of a lease with HK Hotels LLC, which recommendations were subsequently approved by City Council at its meeting of November 30, December 1, 2, 4 & 7, 2009 (Item EX36.3).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.EX36.3>

At a special meeting on November 16, 2018, the Board of Governors of Exhibition Place ratified and approved the Memorandum of Settlement, dated November 14, 2018, to the report (November 14, 2018) from the Chief Executive Officer, Exhibition Place, between the Board of Governors of Exhibition Place and the International Alliance of Theatrical Stage Employees and Moving Picture Technicians, Artists, and Allied Crafts of the United States, its Territories and Canada, Local 58, Toronto.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EP16.1>

At its meeting of September 18, 2020, the Board requested the Chief Executive Officer, Exhibition Place, to commence discussions with City of Toronto Corporate Real Estate Management staff and Hotel X representatives to start negotiations on Phase 2 development and report back to the Board on:

- a. the results of the discussions;
- b. terms and conditions for the development, including design concept;
- c. an overview of the approval process; and
- d. how the development will take into consideration the recent Exhibition Place Master Plan.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EP13.5>

At its meeting on September 28, 2021, the Board of Governors of Exhibition Place approved the Minutes of Settlement (MOS) between IATSE Local 58, Overactive Media Corporation, Princes Gates Hotel Limited Partnership (Hotel X), and the Board of Governors of Exhibition Place. The MOS established conditions that govern certain aspects of the relationship between the parties.

[Agenda Item History - 2021.EP19.5](#)

At its meeting of February 2, 2023, the Board of Governors of Exhibition Place approved and ratified the Memorandum of Settlement, dated January 19, 2023, and authorized staff to make the necessary amendments and agreed changes to the Collective Agreement between the Board of Governors of Exhibition Place and IATSE Local 58.
[Agenda Item History - 2023.EP2.11](#)

COMMENTS

Hotel X and OAM are proposing to develop a performance venue and a second hotel tower on Phase Two lands. The proposed second phase hotel is permitted based on the approval of Council of the Phase 1 Hotel lease, which provided the Phase 1 Tenant with an option to develop a second hotel. However, the option under the Phase 1 Lease did not provide for the performance venue, now proposed by the Tenant for Phase 2.

IATSE Local 58 is the sole bargaining agent for all stage employees engaged to perform work on theatrical productions or concerts and their operating systems at Exhibition Place.

OAM and IATSE Local 58 have entered into a Collective Agreement to cover specific work performed by stage employees at the performance venue.

A multilateral MOS was negotiated between OAM, Hotel X, IATSE, and Exhibition Place to resolve past matters relating to Hotel X and establish bargaining guidelines between Exhibition Place and IATSE as a prerequisite to the OAM/IATSE Collective Agreement. As part of the MOS, the Parties agreed to resolve any outstanding disputes between IATSE and Exhibition Place relating to jurisdictional matters relating to Hotel X. The terms in this MOS agreed to a timeframe that the E-Sport Venue would be under substantial construction by January 1, 2025. This timeframe will not be met, which may result in a breach of the MOS without an extension.

IATSE, Harlo Capital, on behalf of OAM, and Hotel X, have negotiated and agreed on an extension of the original MOS. Confidential Attachment 2 extends the timeframe of the original MOS and establishes conditions and terms in the extended agreement - Minutes of Settlement (MOA-EA).

CONTACT

Kelvin Seow, Chief People and Strategy Officer, 416-263-3111, kseow@explace.on.ca

SIGNATURE

Don Boyle
Chief Executive Officer

ATTACHMENTS

Confidential Attachment 1 - Summary Financial Implications and of Key Points from Minutes of Settlement - Extension Agreement (November 2024)

Confidential Attachment 2 - Minutes of Settlement - Extension Agreement (November 2024)

Confidential Attachment 3 - Minutes of Settlement - Original (June 2021)