

## Attachment 1 - Major Terms and Conditions, Licence Area, and Pricing

<b>Licensee</b>	Premier Racquet Clubs Corp.
<b>Location</b>	3601 Eglinton Ave. W. within Eglinton Flats Park (101 Emmett Ave., Toronto).
<b>Summary of Deliverables</b>	Operation and Maintenance of Seasonal Sports Bubbles for Tennis and Related Services for Eglinton Flats Park
<b>Agreement Type</b>	License Agreement
<b>Contract start date and Initial Term</b>	Start date is approximately Q2 2026 for preparation and construction for the Fall 2026 season start. The term will be for ten (10) operating seasons, starting approximately on September 24, 2026, and expiring on May 7, 2036
<b>Options to Extend</b>	An option in favour of the City to extend the agreement under the same terms and conditions for two (2) additional terms of up to five (5) operating seasons each.
<b>Operating Season</b>	The operating season is October to April each year
<b>Base Licence Fee</b>	<p>The Licensee shall pay \$100,000 per operating sports bubble per year starting in 2026, with 3% cost of living adjustment (COLA) increase each year to account for inflation.</p> <p>The licence fee for the second bubble shall be applicable starting either upon the operation of the second bubble or October 1, 2027, whichever comes first. If and when the second sports bubble becomes operational during the first season, the licence fee of \$100,000 shall be prorated and paid to the City based on the portion of the season during which that bubble is operational.</p> <p>A portion of the licence fees will be allocated for the City's annual \$23,795 contribution to the Eglinton Flats Tennis Facility Reserve Fund.</p>
<b>Percentage Fee</b>	The Licensee will pay the City 6% of gross revenue, before HST and excluding any community benefit or charitable donations collected (up to \$50,000), as approved by the General Manager, Parks and Recreation.
<b>Eglinton Flats Tennis Facility</b>	The Licensee will pay \$33,314 per year, and the City will contribute \$23,795 from the Licence Fees.

<b>Reserve Fund (Capital Account)</b>	Funds in this account will be used to pay for resurfacing, maintenance, and perils-related work associated with the bubbles, with the City retaining sole discretion and final approval authority regarding whether such work is undertaken and whether the funds from this capital account are used for such purposes.
<b>Additional Fees</b>	The Licensee will pay any applicable utilities and realty taxes in additional fees.
<b>Hours of Operation</b>	Operating hours will be within 5:31 AM to 12:00 AM midnight.
<b>Capital Improvements and Investments</b>	<p>In accordance with their proposal and negotiated terms, the Licensee will:</p> <ul style="list-style-type: none"> <li>• Procure, supply, and install one seasonal sports bubble for the six northern quadrant tennis courts by October 2026.</li> <li>• Prepare the site and construct all infrastructure and structural requirements to support a second sports bubble covering the six southern quadrant tennis courts (e.g., conducting site reviews and feasibility study, acquiring permits, making provisions for utilities and services, installing grade beams, etc.).</li> <li>• Procure, supply, and install one seasonal sports bubble for the six southern quadrant tennis courts no later than October 2027.</li> <li>• Make facility upgrades, such as energy-efficient dome material, which reduce heating and cooling costs.</li> <li>• Provide new accessible entranceways and washrooms to meet Accessibility for Ontarians with Disabilities Act (AODA) standards.</li> <li>• Supply supporting trailer(s) or facility for the sports bubbles.</li> </ul>
<b>Buyout Conditions</b>	<p>If the City elects not to extend the Agreement beyond either the Initial Term or the First Option Term for reasons other than a Licensee Performance Failure, the City shall purchase each bubble from the Licensee in accordance with the negotiated terms.</p> <p>No buyout payment shall be owed by the City if the Agreement is not extended as a result of, or in connection with, a Licensee Performance Failure, Supplier bankruptcy, or if the Licensee elects to terminate the Agreement early.</p>

	<p>If the City does not extend the Agreement beyond the Initial Term (beyond Year 10), the City shall purchase each bubble for \$546,727.</p> <p>If the City does not extend the Agreement beyond the Option Period 1 (beyond Year 15), the City shall purchase each bubble for \$251,494.42.</p> <p>The buyout payment amount for the second sports bubble (for the southern quadrant courts) shall also include all associated capital expenditures, which shall be determined in accordance with a reasonable amortization schedule and an appropriate cost allocation, as negotiated and agreed upon by the City and the Supplier.</p>
<p><b>Licensee’s Responsibilities and Services</b></p>	<p>The Licensee shall perform responsibilities and services as outlined in Part 3 of the nRFP, their proposal, or as negotiated, including but not limited to requirements related to:</p> <ul style="list-style-type: none"> <li>• Installing, operating, dismantling, and storing seasonal sports bubbles.</li> <li>• Maintaining sports bubbles, tennis courts, and other support facilities and amenities.</li> <li>• Providing tennis and other related programs and services.</li> <li>• Ensuring safe operations.</li> <li>• Providing customer service.</li> </ul>
<p><b>Public Access</b></p>	<p>The Licensee shall offer public non-member priority court access. The negotiated schedule provides the following times for priority access:</p> <p>Under a 1 Sports Bubble Model:</p> <ul style="list-style-type: none"> <li>• 3 hours on Monday early morning for 3 courts</li> <li>• 3 hours on Monday afternoon for 3 courts</li> <li>• 3 hours on Sunday early morning for 3 courts</li> <li>• 3 hours on Sunday late evening for 3 courts</li> </ul> <p>When there are 2 Sports Bubbles:</p> <ul style="list-style-type: none"> <li>• 3 hours on Monday afternoon for 3 courts</li> <li>• 3 hours on Monday evening for 3 courts</li> <li>• 3 hours on Wednesday afternoon for 3 courts</li> <li>• 6 hours on Friday evening for 3 courts</li> <li>• 6 hours on Saturday evening for 3 courts</li> <li>• 3 hours on Sunday afternoon for 3 courts</li> </ul>

<p><b>Parks and Recreation Programming</b></p>	<p>The Licensee shall offer court times for City of Toronto Parks and Recreation Community Recreation programming for the community at no additional cost. The City will be responsible for delivering its own programming using its own instructors, in accordance with the requirements of the nRFP.</p> <p>The negotiated schedule provides the City of Toronto Parks and Recreation access as follows:</p> <p>Under a 1 Sports Bubble Model:</p> <ul style="list-style-type: none"> <li>• 4 hours for 1 court on Wednesday morning</li> <li>• 4 hours for 1 court on Thursday evening</li> <li>• 4 hours for 1 court on Friday evening</li> <li>• 4 hours for 1 court on Sunday morning</li> </ul> <p>When there are 2 Sports Bubbles:</p> <ul style="list-style-type: none"> <li>• 4 hours for 1 court on Tuesday morning</li> <li>• 4 hours for 1 court on Wednesday morning</li> <li>• 4 hours for 1 court on Thursday morning</li> <li>• 4 hours for 1 court on Thursday evening</li> <li>• 4 hours for 2 courts on Saturday morning</li> <li>• 4 hours for 2 courts on Sunday morning</li> </ul>
<p><b>Court Resurfacing</b></p>	<p>The resurfacing schedule shall be as follows, unless mutually agreed otherwise in writing by both the Supplier and the City, with the final resurfacing to occur no later than Year 20.</p> <ul style="list-style-type: none"> <li>• Six courts in the northern quadrant: Year 1, Year 11, and Years 18-20.</li> <li>• Six courts in the southern quadrant: Year 2, Year 11, and Years 18-20.</li> </ul> <p>The City shall be responsible for paying the full cost of the first resurfacing of the six courts in the northern quadrant.</p> <p>The Supplier shall be responsible for paying the full cost of the preparation and construction of infrastructure of the six courts in the southern quadrant (Second Sports Bubble), which would include the first resurfacing of six courts in the southern quadrant.</p> <p>Unless otherwise negotiated between the City and the Licensee, the Supplier shall remain responsible for managing and executing the resurfacing work for both Bubbles in accordance with the negotiated terms.</p>

<b>No Assignment</b>	The Licensee shall not transfer or assign the whole or any part of the Agreement, the Licensed Area or any monies due under it without the prior written consent of the General Manager, which may be arbitrarily and unreasonably withheld, or subject to the terms and conditions that may be imposed by the General Manager. No assignment will, in any circumstances, relieve the Licensee of its liabilities and obligations under the Agreement.
<b>Termination Provisions</b>	<p>The General Manager may, at any time and without cause, terminate this Agreement, in whole or in part, upon giving the Licensee not less than twelve to eighteen months' prior written notice, to be negotiated. The City is open to also allowing the negotiation for the Licensee to terminate this Agreement at any time upon providing at least eighteen months' written notice to the General Manager.</p> <p>Failure of the Licensee to perform its obligations under the Agreement shall entitle the City to terminate this Agreement upon ten (10) calendar days' written notice to the Licensee if a breach that is remediable is not rectified within that time.</p> <p>The General Manager may terminate this Agreement if the Licensee defaults in paying any Fee or Additional Fee when due, and any such default is not remedied within five (5) days after written notice.</p>

Licence Area

The following sketch shows the approximate Licence Area. Part 1 demonstrates the area that is considered as the Licence Area for one seasonal Sports Bubble covering the northern quadrant six (6) courts, as per current operation. The blue rectangle is the proposed area for a trailer or supporting bubble facility to the sports bubble, which can be moved or appropriately scaled to a suitable size to support sports bubble operations, with the approval of General Manager, Parks and Recreation.

Part 2 shows the approximate area that will be covered by a second seasonal Sports Bubble over the southern six (6) courts. It is understood that the construction of the infrastructure of the second seasonal Sports Bubble may require slight adjustments to the Licence Area for logistical reasons, which may be approved by the General Manager, Parks and Recreation.

If and when the Licensee is able to construct and erect the second seasonal Sports Bubble covering Part 2, then the Licence Area will be redefined as the area covering both Part 1 and 2. Until then, the Licence Area is only considered to be Part 1.

The parking lot and parts of the Sports Pavilion (washrooms and pathways to the washrooms) are areas licensed to the Supplier for access and maintenance during the operating season. The use and access to the parking lot is non-exclusive, and the public may use the parking lot.



Pricing for Members and Participants

The pricing for the first season are as follows:

Pricing for Participants	
<b>Membership Fees - Early Registration</b>	
Adults (18-59 years old)	\$ 530.10
Youth (13-17 years old)	\$ 170.10
Children (12 years old and under)	\$ 30.00
Seniors (60 years old or older)	\$ 494.10
<b>Membership Fees - Regular Pricing</b>	
Adults (18-59 years old)	\$ 710.10
Youth (13-17 years old)	\$ 170.10
Children (12 years old and under)	\$ 50.00
Seniors (60 years old or older)	\$ 674.10
<b>Hourly Court Fees</b>	
Prime Time	\$ 26.00
Non-Prime	\$ 19.00
Early Bird	\$ 15.00
<b>Non-Member Additional Hourly Fee</b>	
Additional Fee (per person)	\$ 18.00

The membership fees above will serve as the Existing Members Fee for members who renew their membership within the renewal deadline. For the first season, the New Members Fee shall be equal to the Existing Member Fee as a promotion.

Starting the second season, the New Membership Fee, when introduced, shall be no greater than \$65 more than the Existing Membership Fee.

All rates are to be reviewed and approved by the General Manager, Parks and Recreation.

Unless otherwise approved by the General, Manager of Parks and Recreation

- Pricing increase should be no more than the Cost of-Living Adjustment (inflation)
- “Prime Time” is defined as:
  - Weekdays: 4:00 p.m. to 12:00 a.m. midnight
  - Weekdays: 9:00 a.m. – 1:00 p.m.