



STAFF REPORT ACTION REQUIRED

Toronto 2015 Pan American/ParaPan American Games Bid

Date:	October 27, 2008
To:	Executive Committee
From:	City Manager
Wards:	All
Reference Number:	

SUMMARY

The Government of Ontario, with the concurrence of the Canadian Olympic Committee and the Government of Canada, has indicated its interest in submitting a bid to hold the 2015 Pan Am and ParaPan Games in Toronto and the surrounding region. The province has established a Bid Corporation to develop the bid. A formal bid to host the Games must be submitted to The Pan American Sports Organization (PASO), which owns the rights to the Pan American Games, in April 2009. To comply with bid protocols, a host city must be named in the bid. This report seeks Council agreement in principle for the City of Toronto to be identified as host city as part of a bid to be submitted by the Bid Corporation to host the Games.

As the process to develop, submit and win a bid to host the Games proceeds through all of its stages, it is contemplated that the roles, responsibilities, obligations and benefits of all parties involved will be identified in a series of formal agreements. The first such agreement is a Bid City Agreement between the Canadian Olympic Committee, the City of Toronto, The Province of Ontario and the Bid Corporation. This Agreement will identify the City of Toronto as the Bid City and will set out the roles and responsibilities of all the parties involved in the development of the bid. There will be no financial implications for the City as a consequence of entering into a Bid Agreement. As this Agreement paves the way for subsequent activities, it must be signed by the end of January 2009. This report seeks Council authority to enter into a Bid City Agreement.

A more detailed Multi-Party Agreement in June 2009 will identify a venue strategy and all commitments, obligations and benefits for contributors to a Toronto regional Pan Am

Games (whether through funding or in-kind support). A Council mandate to enter into the Multi-Party Agreement will be sought in February 2009, when the City Manager will bring forward a detailed report on aspects of the bid affecting Toronto including a venue plan and analysis of the financial, social, economic and infrastructure implications for the City.

RECOMMENDATIONS

The City Manager recommends that City Council:

1. Endorse the City of Toronto's role as the host city and participant in a bid to be submitted by the Bid Corporation to host the 2015 Pan American/ParaPan American Games in Toronto and communities in the Greater Golden Horseshoe region.
2. Authorize the City Manager to negotiate, approve and execute a Bid City Agreement on behalf of the City with the Province of Ontario, Government of Canada, Canadian Olympic Committee and the Bid Corporation to define the roles and responsibilities of each of the parties, to the satisfaction of the City Manager and in a form satisfactory to the City Solicitor.

Financial Impact

There are no immediate financial implications, other than staff resources, with respect to proceeding with the bid to host the Games as outlined in this report. The City of Toronto will not be required to contribute to the cost of bidding for the Games.

The City of Toronto may elect to build new sport and recreation facilities which will be utilized by the Games in order to leverage Federal and Provincial sport infrastructure funding. Federal and Provincial sport capital funding is available only for capital projects that will be used for the Games.

There are no capital projects in the 2009 Capital Budget that have any implications for a Games bid. If any new or enhanced sports or recreation capital projects are proposed they will be put forward in the 2010 Capital budget.

A full report on the potential financial implications for Toronto of hosting the Games, should the bid be successful, will be presented to Council in February 2009 upon the development of a more specific sports venue and infrastructure plan.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Equity Impact Statement

The Bid process and hosting of a Pan Am Games provide potential opportunities for youth leadership and training, social inclusion, public transit expansion and community engagement. There is also an opportunity for some legacy projects to be focused in the 13 identified priority neighbourhoods in the City of Toronto.

DECISION HISTORY

Council has not, to this point, adopted a position on bidding for the Pan Am Games. The initial impetus for pursuing a bid for the Pan Am Games came from the Canadian Olympic Committee and the Government of Ontario. However, a successful bid to host the Games in Toronto and the surrounding region is consistent with the strategic economic development and city building directions set out in the *Agenda for Prosperity – A Prospectus for a Great City* (<http://www.toronto.ca/prosperity>), which was adopted by Council at its meeting on January 29-30, 2008 (Clause ED11.1)

The opportunity to host the Pan Am Games is also strategically consistent with the research summary and recommendations outlined in *Toronto's Premier Ranked Tourism Project Results – Making Toronto the Best it can be* (<http://www.toronto.ca/tourismstudy/final-report.htm>), which Council endorsed as a guide for strengthening Toronto's tourism sector within the context of the *Agenda for Prosperity* (Clause ED13.3, May 26-27, 2008).

ISSUE BACKGROUND

The Pan Am Games are a multi-sport event, held every four years between competitors from all nations in the Americas. The last Pan Am Games, held in 2007 in Rio de Janeiro, Brazil included 5,634 athletes, 38 sports, 332 events and 16 venues. The last North American city to host the Pan Am Games was Winnipeg, Manitoba in 1999. In 2011 the Pan Am Games will be hosted by Guadalajara, Mexico.

The Pan American Sports Organization (PASO) is the international sport organization which owns the rights to the Pan American Games. PASO represents 42 National Olympic Committees of the American continents. The Canadian Olympic Committee (COC) is the national Olympic Committee (NOC) responsible for the domestic bid process in Canada. The Para Pan American Games are a component that are to be considered within planning of future Pan American Games.

The COC initially announced its interest in pursuing a Canadian bid for the 2015 Pan Am Games in late November 2007. Following exploratory discussions with federal, provincial and municipal officials, the COC decided, in April 2008, that it would support a bid to hold the Games in Toronto and the surrounding greater Golden Horseshoe region.

Following initial discussions with the COC, in March 2008, Ontario's Ministry of Health Promotion (MHP) established a Bid Secretariat to develop the foundation for a Games bid. MHP staff engaged municipalities in the Toronto region, developed a business plan and obtained a commitment by the Government of Canada to support a bid. The Province of Ontario and the Government of Canada will contribute the necessary funds required for the bid.

In October 2008, MHP established a not for profit bid corporation (BIDCO) to assume the management of the bid process. The Hon. David Peterson was appointed as chair of the Board of BIDCO and Jagoda Pyke, the former publisher of the Toronto Star, was appointed President and CEO of BIDCO. The board of directors of BIDCO will include representatives from the Province, COC, Government of Canada, the City of Toronto and the private sector. The size and structure of the Board have not yet been determined. BIDCO's immediate next steps are:

1. Fully establish the Corporation and appoint a Board of Directors.
2. Work with Toronto and other municipal partners in the Greater Golden Horseshoe to finalize a venue plan.
3. Negotiate agreements with partners.
4. Commence the development of the formal bid submission document.
5. Continue international bid promotion to PASO members.
6. Promote the Games bid opportunity domestically.

A Toronto region bid will be competing against Lima Peru and Bogota Colombia to host the 2015 Pan Am Games. PASO is expected to announce its decision on the successful candidate in October 2009.

COMMENTS

A Toronto region bid for the Games aligns with COC, provincial and City interests. The COC has been advocating for major improvements to sports infrastructure in Central Canada in order to serve the needs of athletes and coaches who are in the high performance and competitive sport system which feeds the Canadian National Teams for international competition. Provincial officials have indicated that the Ministry of Health Promotion views the Games as an opportunity to advance a number of sport, recreation, fitness and active living objectives provincially. The Games present Toronto with an opportunity to reinforce or even expedite the development of capital facilities, including Transit City investments and to raise the City's profile internationally.

The Games are one of the largest multi-sport events in the world and thus any bid to host the Games will require partnerships with other orders of Government, municipalities in the Greater Golden Horseshoe and the private sector. Nevertheless, the bid process requires the identification of a host City. It is recommended that Council endorse the City of Toronto's role as the host city and participant in a bid to be submitted by the Bid Corporation to host the 2015 Pan American/ParaPan American Games in Toronto and communities in the Greater Golden Horseshoe region.

The Province of Ontario has agreed to invest \$621 million and assume responsibility as guarantor for any deficit. The funding commitment is net new dollars and does not take funding from any existing previously announced program. The Government of Canada has confirmed funding of \$500 million at the present time.

A number of key agreements must be developed during the bid process and in anticipation of being successful in obtaining the Games. The agreements are for specific purposes and each agreement will have different parties involved.

A Bid City Agreement, between the COC, BIDCO, the Provincial Government and the City of Toronto, is required in order for the COC to formally announce the Toronto Bid. It will identify the City of Toronto as the Bid City and set out the roles and responsibilities of all the parties involved in the Bid development, including the Province as the deficit guarantor. The Bid City Agreement will ensure that all aspects of the bid are developed, managed and presented in the best possible manner and in compliance with the guide for Pan Am Games candidate cities. There will be no financial implications for the City of Toronto related to signing the agreement.

Because it lays the foundation for subsequent bid development activities, the Bid City Agreement must be in place by the end of January 2009. Therefore, it is recommended that Council authorize the City Manager to negotiate, approve and execute a Bid City Agreement on behalf of the City with the Province of Ontario, Government of Canada, Canadian Olympic Committee and BIDCO to define the roles and responsibilities of each of the parties, to the satisfaction of the City Manager and in a form satisfactory to the City Solicitor.

A Multi-Party Agreement between all funding partners in the bid will need to be in place in June 2009. It will build on the terms of the Bid City Agreement and include a finalized venue strategy and will identify all commitments, obligations and benefits for contributors (funders, in-kind etc).

A Council mandate to enter into the Multi-Party Agreement will be sought in February 2009, when the City Manager will bring forward a detailed report on aspects of the bid affecting Toronto including a venue plan and analysis of the financial, social, economic and infrastructure implications for the City.

Conclusions

Hosting international amateur sport events offers Toronto the opportunity to welcome visitors, internationally showcase the City, and supports the City's prosperity, inclusion, recreation and social development objectives.

The 2015 Pan American Games represents an opportunity for the City of Toronto to position itself as the lead destination for an important city region throughout the Americas and internationally. The City of Toronto can leverage investment in public infrastructure via programs that might otherwise not be available except for the Pan Am opportunity.

Ontario stands an excellent chance of winning a bid to host the Pan Am Games. The Games would be held in Toronto and communities across the region and would create numerous economic and social benefits in Toronto. Toronto will be the centrepiece and the international brand for the bid and thus the bid will advance the internationalization objectives advocated in the *Agenda for Prosperity*.

SIGNATURE

Joseph P. Pennachetti
City Manager