

## Executive Committee

EX2.5		Amended		Ward: All
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### Toronto 2015 Pan/Parapan American Games Capital Facilities and Investments

#### City Council Decision

City Council on February 7 and 8, 2011, adopted the following:

1. City Council direct that this report be forwarded to the Budget Committee for its consideration as part of the Recommended 2011 Capital Budget and 2012-2020 Capital Plan, specifically with regards to recommended additional City funding of up to \$47 million, including:
  - a. up to \$1.6 million funded by debt for upgrades to the existing City-operated track at York University;
  - b. up to \$0.7 million funded by debt for the development of a bicycle moto cross (BMX) course in Centennial Park in Etobicoke;
  - c. up to \$23 million, funded by Reserve Funds, for soil remediation of the parcel of land in Scarborough to be used for the Pan Am Aquatic Centre / Canadian Sport Institute Ontario facility;
  - d. up to \$21.3 million, funded by debt, to accommodate the construction cost inflation schedule for six capital projects specified in the Pan Am Games Multi-Party Agreement (and for which Council approved capital funding contributions in 2009) and to secure the full benefit of the Province's construction cost overrun guarantee; and
  - e. \$0.464 million for capital project management between 2011 – 2014.
2. City Council approve the use of the City-operated track at York University as a Pan Am Games venue.
3. Pending the results of forthcoming community consultation, City Council approve the development of a bicycle moto cross (BMX) course in Etobicoke Centennial Park and the use of this course as a Pan Am Games venue.
4. Subject to approval of funds through the 2011 Capital Budget process for the soil remediation of the site to be used for the Pan Am Aquatic Centre / Canadian Sport

Institute Ontario (PAAC/CSIO) facility, City Council grant authority for the City to enter into the following agreements, to be negotiated to the satisfaction of the General Manager, Parks, Forestry and Recreation, the City Manager and the appropriate Deputy City Managers responsible, and in a form satisfactory to the City Solicitor:

- a. any agreements necessary for compliance with Ministry of Environment requirements imposed on the City of Toronto and the University of Toronto (U of T);
  - b. a Transfer and Land Consolidation Agreement (the "TLCA") with U of T to effect the mutual cross-dispositions of applicable City land and U of T land, at nominal value and resultant consolidation of the joint lands to be held as tenants-in-common each with a fifty percent interest share. The authority to enter into the TLCA shall include authority to enter into ancillary agreements such as license, encroachment, easement, closing or other agreements required to effect such additional site requirements related to parking, maintenance, and access;
  - c. an Environmental Cost-Sharing Agreement with U of T to provide for the required remediation of the site, to be completed by the City, prior to the commencement of construction of the PAAC/CSIO by Infrastructure Ontario on behalf of TO2015; and
  - d. such other ancillary agreements and documents as may be required to effect the intent and requirements of the PAAC/CSIO project, the terms of which shall be consistent with the intent set out herein and the financial parameters determined and approved by Council.
5. City Council require that, prior to the City entering into the TLCA, the 50 percent interest in the designated City land be declared surplus with the intended manner of disposal to be by way of nominal transfer to U of T, and that all steps necessary to comply with the City's real estate disposal process as set out in Chapter 213 of the City of Toronto Municipal Code and the City's Official Plan be carried out.
  6. City Council authorize the City Solicitor to complete any of the transactions contemplated under the TLCA on behalf of the City, including amending closing dates and other dates, and amending and waiving terms and conditions, as such terms as she considers reasonable.
  7. City Council consent to the General Manager, Parks, Forestry, and Recreation authorizing U of T to act as the City's agent, as owner of the City portion of the site, to sign any planning, development, environmental and/or other applications required for the remediation of the site and development of the PAAC/CSIO after January 1, 2010, subject to such terms as are satisfactory to the General Manager of Parks, Forestry, and Recreation and in a form satisfactory to the City Solicitor, or alternatively, as may be required, that the City execute such documentation solely in its capacity as owner of the

City land or as agent on behalf of U of T.

8. City Council authorize the City Manager and the General Manager, Parks, Forestry and Recreation to negotiate and enter into a Memorandum of Understanding (MOU) and related agreements containing contractual obligations in connection with the Pan Am Aquatic Centre/CSIO project with the Ontario Infrastructure Projects Corporation, the Toronto Organizing Committee for the 2015 Pan/Parapan American Games and the University of Toronto, on terms and conditions satisfactory to the City Manager and the General Manager, Parks, Forestry and Recreation, and in a form satisfactory to the City Solicitor.
9. City Council authorize the Public Works and Infrastructure Committee to exercise its delegated authority to approve the award of the remediation tender in accordance with the Municipal Code, Chapter 195, Purchasing, irrespective of whether or not the MOU has been finalized at the time the recommendation to award is before the Public Works and Infrastructure Committee.
10. City Council request the City Manager to conduct a timely investigation into the benefits of involving third party entities through their investment in renewable and/or clean energy infrastructure at the facility.
11. City Council request the City Manager to report to the Executive Committee on the following:
  - a. any estimated capital cost avoidance that would occur from third party entities through their investment in renewable and/or clean energy infrastructure at the facility;
  - b. any estimated operating cost savings that would occur over the life of the facility from third party entities through their investment in renewable and/or clean energy at the facility;
  - c. any estimated environmental benefits that would occur over the life of the facility from third party entities through their investment in renewable and/or clean energy at the facility; and
  - d. existing transit, planned transit and options for new transit for all of the proposed Pan/Parapan American Games sites in the City of Toronto.
12. City Council request the City Manager to provide to City Council, through the Economic Development Committee, continuous economic impact updates, as this project proceeds.

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## Committee Recommendations

The Executive Committee recommends that:

1. City Council direct that this report be forwarded to the Budget Committee for its consideration as part of the Recommended 2011 Capital Budget and 2012-2020 Capital Plan, specifically with regards to recommended additional City funding of up to \$47 million, including:
  - a. up to \$1.6 million funded by debt for upgrades to the existing City-operated track at York University
  - b. up to \$0.7 million funded by debt for the development of a bicycle moto cross (BMX) course in Centennial Park in Etobicoke
  - c. up to \$23 million, funded by Reserve Funds, for soil remediation of the parcel of land in Scarborough to be used for the Pan Am Aquatic Centre / Canadian Sport Institute Ontario facility,
  - d. up to \$21.3 million, funded by debt, to accommodate the construction cost inflation schedule for six capital projects specified in the Pan Am Games Multi-Party Agreement (and for which Council approved capital funding contributions in 2009) and to secure the full benefit of the Province's construction cost overrun guarantee, and
  - e. \$0.464 million for capital project management between 2011 - 2014
2. City Council, approve the use of the City-operated track at York University as a Pan Am Games venue.
3. Pending the results of forthcoming community consultation, City Council approve the development of a bicycle moto cross (BMX) course in Etobicoke Centennial Park and the use of this course as a Pan Am Games venue.
4. Subject to approval of funds through the 2011 Capital Budget process for the soil remediation of the site to be used for the Pan Am Aquatic Centre / Canadian Sport Institute Ontario (PAAC/CSIO) facility, City Council grant authority for the City to enter into the following agreements, to be negotiated to the satisfaction of the General Manager, Parks, Forestry and Recreation, the City Manager and the appropriate Deputy City Managers responsible, and in a form satisfactory to the City Solicitor:
  - a. Any agreements necessary for compliance with Ministry of Environment requirements imposed on the City of Toronto and the University of Toronto (UofT);
  - b. a Transfer and Land Consolidation Agreement (the "TLCA") with UofT to effect the mutual cross-dispositions of applicable City land and UofT land, at nominal value and resultant consolidation of the joint lands to be held as tenants-in-common each with a fifty percent interest share. The authority to enter into the TLCA shall include authority to enter into ancillary agreements

such as license, encroachment, easement, closing or other agreements required to effect such additional site requirements related to parking, maintenance, and access;

- c. an Environmental Cost-Sharing Agreement with UofT to provide for the required remediation of the site, to be completed by the City, prior to the commencement of construction of the PAAC/CSIO by Infrastructure Ontario on behalf of TO2015; and
  - d. such other ancillary agreements and documents as may be required to effect the intent and requirements of the PAAC/CSIO project, the terms of which shall be consistent with the intent set out herein and the financial parameters determined and approved by Council;
5. City Council require that, prior to the City entering into the TLCA, the 50 percent interest in the designated City land be declared surplus with the intended manner of disposal to be by way of nominal transfer to UofT, and that all steps necessary to comply with the City's real estate disposal process as set out in Chapter 213 of the City of Toronto Municipal Code and the City's Official Plan be carried out;
  6. City Council authorize the City Solicitor to complete any of the transactions contemplated under the TLCA on behalf of the City, including amending closing dates and other dates, and amending and waiving terms and conditions, as such terms as she considers reasonable; and
  7. City Council consent to the General Manager, Parks, Forestry, and Recreation authorizing UofT to act as the City's agent, as owner of the City portion of the site, to sign any planning, development, environmental and/or other applications required for the remediation of the site and development of the PAAC/CSIO after January 1, 2010, subject to such terms as are satisfactory to the General Manager of Parks, Forestry, and Recreation and in a form satisfactory to the City Solicitor, or alternatively, as may be required, that the City execute such documentation solely in its capacity as owner of the City land or as agent on behalf of UofT.

### **Committee Decision Advice and Other Information**

The Executive Committee requested the City Manager to report directly to Council outlining the financial and other risks associated with potential remediation and capital cost overruns, and providing options to mitigate these risks.

The Executive Committee recessed its public session to ask questions of staff on this item as it relates to:

- the security of the property of the municipality; and
- the receiving of advice that is subject to solicitor-client privilege.

### **Origin**

(January 4, 2011) Report from the City Manager

### **Summary**

In December 2008 Council endorsed the City of Toronto's participation in a bid for the 2015 Pan / Parapan American Games to be held in Toronto and the Greater Golden Horseshoe.

In February, 2009 Council approved investments totalling \$49.5M (in 2008 dollars, subject to adjustments for construction cost inflation) in six City-owned assets to be used as training, competition and festival venues during the Games. Council also authorized the City Manager to negotiate, approve and execute on behalf of the City of Toronto a Multi-Party Agreement (MPA) and supporting agreements with various bid partners, including the Government of Ontario, Government of Canada, and the Canadian Olympic and Paralympic Committees.

In November 2009, the Pan American Sports Organization awarded Toronto the right to host the 2015 Games. Shortly thereafter, a not-for-profit organization, the Toronto Organizing Committee for the 2015 Pan American and Parapan American Games (TO2015) was established with a mandate to plan, organize, promote, finance, and stage the 2015 Games.

This report:

1. updates Council on key elements of the Pan Am Games Multi-Party Agreement (MPA);
2. outlines recent activities of TO2015, including its plan to establish clusters of training and competition venues in Scarborough, North York, Etobicoke and downtown Toronto which will enable residents from across the city to participate in the Games and benefit from its legacy of community and recreational infrastructure improvements;
3. advises that Council will be asked to consider as part of the 2011 Capital Budget process additional Pan Am Games related capital investments of up to \$47 million; and
4. seeks Council authority for appropriate City officials to enter into agreements related to the soil remediation of City-owned and University of Toronto land located on top of a portion of the lands known as the Morningside landfill site that will be used for the Pan Am Aquatic Centre / Canadian Sport Institute Ontario (PAAC/CSIO) facility in Scarborough, as well as agreements related to the facility's ownership, management and operations.

### **Background Information (Committee)**

(January 17, 2011) Staff Report - Toronto 2015 Pan/Parapan American Games Capital Facilities and Investments

<http://www.toronto.ca/legdocs/mmis/2011/ex/bgrd/backgroundfile-34833.pdf>

(January 4, 2011) Placeholder Report - Toronto 2015 Pan/Parapan American Games Capital Facilities and Investments

<http://www.toronto.ca/legdocs/mmis/2011/ex/bgrd/backgroundfile-34923.pdf>

**Background Information (City Council)**

(February 4, 2011) Supplementary report from the City Manager (EX2.5a)

<http://www.toronto.ca/legdocs/mmis/2011/cc/bgrd/backgroundfile-35762.pdf>

**Communications (Committee)**

(January 17, 2011) Presentation from Pan/Parapan Am Games Toronto 2015 -  
Presentation (EX.Main.EX2.5.1)

(January 17, 2011) Presentation from University of Toronto Scarborough -  
Presentation (EX.Main.EX2.5.2)

**Speakers (Committee)**

Mr. Franco Vaccarino, Principal, University of Toronto Scarborough

Mr. Andrew Arifuzzaman, Chief Strategy Officer, University of Toronto Scarborough

Mr. Ian Troop, CEO, Toronto 2015 Pan/Parapan American Games

Councillor Pam McConnell, Toronto Centre-Rosedale

Councillor Paula Fletcher, Toronto-Danforth