

F. G. Gardiner Expressway and Don Valley Parkway Closure - "Ironman 5150 Event" - 2012 - Supplementary Report

Date:	September 30, 2011
To:	Public Works and Infrastructure Committee
From:	General Manager, Transportation Services
Wards:	Wards 13, 14, 19, 20, 26, 28, 29, 30 and 31
Reference Number:	P:\2011\Cluster B\TRA\Toronto and East York\row\pw11073te.row

SUMMARY

This report responds to the request of Public Works and Infrastructure Committee, at its meeting of September 7, 2011 for further information related to Item PW7.13, titled "F.G. Gardiner Expressway and Don Valley Parkway Closure - Ironman 5150 Event – 2012". The proponent, Sports Focused Consulting (SFC) International, has requested a closure of the eastbound lanes of the Gardiner Expressway, from the Humber River, and the northbound lanes of the Don Valley Parkway to Eglinton Avenue East, for an inaugural Toronto event in the international Ironman 5150 series, on Sunday morning, July 22, 2012, to accommodate the bicycle race leg of the competition.

The aspects referred by the Committee which are addressed in this report include a review of the feasibility of requiring a letter of credit from event organizers of for-profit events to secure their obligations for payment of any City costs incurred, comments on collecting a percentage fee of gross revenues generated by the for-profit organizations, as well as a framework for assessing expressway closure requests for third party events, in an effort to minimize the impact on the public. In addition, the applicant has provided further information with respect to potential benefits to the City economy.

RECOMMENDATION

The General Manager, Transportation Services recommends that:

1. The Public Works and Infrastructure Committee consider the supplementary information contained in this report in its deliberations with respect to Item

PW7.13, "F.G. Gardiner Expressway and Don Valley Parkway Closure – "Ironman 5150 Event" – 2012";

2. City Council direct the General Managers of Economic Development and Culture, and Transportation Services, to report to Public Works and Infrastructure Committee on the outcomes and any concerns related to the 2012 event, if approved and completed, should the proponent apply for similar expressway closures in subsequent years; and
3. City Council endorse a framework for assessing applications to close the F.G. Gardiner Expressway and Don Valley Parkway for the staging of private events, comprising the following considerations:
 - i) Expressway closures for the purpose of staging a private event generally not be contemplated, unless unique and exceptional circumstances can be demonstrated by the applicant, to the satisfaction of City Council, taking into account the below-noted provisions;
 - ii) The General Manager of Economic Development and Culture clearly identify and endorse the positive aspects in terms of the event's potential for significant enhancement or community building effects on Toronto's economy, profile or image, including any significant charitable benefits and the number of participants or potential for growth of the event;
 - iii) No expressway closures for an event be permitted during long weekends, Honda Indy, Caribbean Festival, Pride or Marathon weekends, or any other significant events as determined by the General Manager;
 - iv) Closure for events cannot interfere with planned maintenance work on the expressways;
 - v) Closures only between the hours of 2:00 a.m. and 2:00 p.m., with Sunday mornings highly preferable;
 - vi) Closures for Gardiner Expressway only be between the Humber River and the Don Valley Parkway;
 - vii) Closures of the Don Valley Parkway only be between Gardiner Expressway and York Mills Road;
 - viii) No scheduled closures of Lake Shore Boulevard, Victoria Park Avenue, Bayview Avenue, Don Mills Road, Leslie Street and The Queensway during an expressway closure for an event;
 - ix) Application would be subject to all applicable regulations pertaining to street events set out in Municipal Code Chapter 743 – Streets and Sidewalks, Use of; and any other regulation, including proponent paying all costs incurred by the City as a result of the event;
 - x) In 2015, all closures of the City's expressways will have their dates reviewed and possibly rescheduled or cancelled due to potential conflicts with the dates of the Pan Am Games from July 10-26; and
 - xi) City Council acknowledges that the annual Ride for Heart event satisfies these criteria, and its permits will continue to be processed through the usual process of staff seeking Council's authority to issue.

FINANCIAL IMPACT

The potential financial benefits to the city economy related to this event, estimated in the range of \$1.5 million to \$5 million, were outlined in the previous staff report (Item PW7.13). Any direct costs to be incurred by the City, in the order of \$15,000 to carry out the road closures, would be the responsibility of the applicant, as would all other costs related to staging the event.

DECISION HISTORY

The Public Works and Infrastructure Committee, at its meeting of September 7, 2011 deferred consideration of Item PW7.13 "F.G. Gardiner Expressway and Don Valley Parkway Closure - Ironman 5150 Event – 2012" until its meeting of October 5, 2011 and requested the General Manager of Transportation Services to submit a further report, commenting on:

- (a) requiring a letter of credit from the organizers of the "Ironman 5150 " event to cover the estimated costs to the City;
- (b) a review of permit fees be undertaken on for-profit organizations requesting City permits to include a percentage fee of gross revenues collected by the for-profit organizations; and
- (c) report to the Public Works and Infrastructure Committee on criteria for determining under what circumstances the Gardiner Expressway and the Don Valley Parkway will be closed for third party events.

COMMENTS

The event proponent, Sports Focused Consulting (SFC) International, has indicated that the proposed competition involves a triathlon comprising a total distance of 51.5 kilometres. Three elements are included. The first leg is a 1.5 k swim in Lake Ontario at Ontario Place. Participants will exit Lake Ontario, West Channel, at "Parking Lot 1" into a transition area. Upon leaving the swim portion, the athletes would commence the bike race, utilizing Ontario Place western most bridge, "Bridge 7", cross over to Exhibition Place and completely by-pass Lakeshore Boulevard West. At the Exhibition Place grounds they would access the Gardiner Expressway (eastbound lanes only) by way of the Jameson Entrance ramp and race for a 40 k distance along the section from the Humber River to Don Valley Parkway, then onto Don Valley Parkway (northbound lanes only) to Eglinton Avenue East. The athletes would return through the same route, then disembark from their bikes for the final 10k run which would utilize City parks. This last leg of the competition would be coordinated through Parks, Forestry and Recreation Division.

In terms of impacts on travel access and circulation for the general public not involved with the event, Lake Shore Boulevard would remain fully open for the duration to ensure that all downtown and area destinations have unobstructed access as well as unobstructed access for Harbourfront residents on Queens Quay. In addition, southbound Don Valley Parkway and westbound Gardiner Expressway would not be impacted by the proposed

closure. Alternate routes such as Bayview Avenue and Victoria Park Avenue can also be utilized.

Timing of the Expressway Closure Application

Recognizing that this application would be the inaugural event, much detailed logistical work remains to be done. The requested expressway closures are clearly fundamental to the organizer's plans. Under current regulation, all closures of the expressways for any private endeavour require explicit City Council approval. Council's direction is necessary at this early stage prior to the organizer committing the required time, expenses and resources needed to pursue the continued planning and marketing of the event. If this request is endorsed, City staff would work with the applicant on developing the detailed operations plan as well as terms and conditions of a formal permit.

Consideration as a Pilot – Monitoring of Impacts

In view of the concerns that have been raised with respect to possible impacts, both positive and negative, staff recommend that should Council grant approval, it be done on a pilot basis. Prior to holding the competition in subsequent years, staff would report back to Committee on the outcomes and any concerns with the pilot. The report would include analysis from the General Manager of Economic Development and Culture assessing, among other parameters:

- actual participation rates in terms of participants and spectators compared to promoter's forecasts, as well as prospect for further growth;
- measurable dollar value impacts on Toronto's economy; and
- extent and value of media coverage to Toronto as a result of the event.

In accordance with the Municipal Code provisions all expressway closures for events will continue to require specific Council approval.

Additional Material – Event Assistance and Economic Opportunities

As was noted in the August 19, 2011 staff report, it is estimated that the Ironman 5150 event could generate in the range of \$1.5 million to \$5.0 million in positive economic impact. This would consist of spending for hotel stays, airline travel, restaurants and retail. The applicant has identified a charitable donation forecast in the range of \$30,000 to refurbish or build a multi-sport facility in an at-risk community in Toronto.

The attachment to this report provides a self-explanatory Memorandum (September 22, 2011) from the proponent elaborating on the event, its economic opportunities, charitable ties, and includes letters of endorsement.

City Staff from Economic Development and Culture, Cultural Services, Special Events have been providing event expertise to SFC on the various race venues and course options. It was felt the proposed closure for the bike portion of the triathlon would provide the least amount of impact to the residents of Toronto but still yield a significant highlight for the triathlon to potential sponsors, participants and the international triathlon community. Unlike previous triathlons that have been produced in Toronto by locally

known companies, the Ironman Brand associated with this event brings with it a status of instant international recognition due to 30 years of producing triathlons.

Marketing this event will fall upon SFC and World Endurance Canada (WEC) with input from the City of Toronto. WEC has 20 plus years experience in staging and marketing endurance events in the Canadian marketplace and first started in the Province of Ontario. WEC was recently purchased by the parent company of Ironman, World Triathlon Corporation. The expectation is that advertising will occur in triathlon specific magazines, websites and an outreach to athletic clubs throughout North America. Since triathlon is not an everyman sport, elite international athletes will be used to spread the word of the Toronto event to other cities throughout the world. Ironman 5150 races have in the past been shown on NBC and the Life Network.

Tourism Toronto expects an Ironman 5150 triathlon will produce 1500 room nights in its first year, 3000 in year two and 5000 in year three. Foreign media are expected because the Toronto race would become part of the international Ironman 5150 series thus providing the much sought after international exposure all cities crave. This projection is based on economic data collected from the New York City and St. Petersburg, Florida Ironman 5150 races.

To insure the endorsement of this event, all the associated triathlon venues have shown their support through letters and e-mails. A charitable partner has been identified, through Maple Leaf Sports and Entertainment's "Team Up" Foundation which invests funds to refurbish sports facilities in at risk youth neighbourhoods.

Thinking long term, this closure could also be considered to be the potential bike course for the Olympic distance triathlon for the Pan Am Games in 2015.

Letter of Credit

Costs associated with the closure, including Transportation Services staff and equipment based on 2011 figures are estimated in the amount of \$15,000. The applicant is responsible for all costs incurred by the City associated with the closure. Should City Council approve the closure of the expressways and the event does proceed, the payment of these costs is required before a permit is issued. Thus, there would be no need to secure the City's costs through a letter of credit.

In addition to the above costs, the applicant has been advised that it will be responsible for all costs associated with the installation and removal of advance and event day traffic signage, barricades, security and policing services, emergency services, which would be arranged privately, as deemed necessary by the General Manager of Transportation Services.

Subject to Council approval, Transportation Services along with other City Divisions and agencies such as the Toronto Police Service, Fire Service, and Emergency Medical Services, Toronto Transit Commission, Solid Waste Management, Go Transit and the

organizer will convene a series of meetings in a manner similar to the coordination of all large events in the City, to arrange details of the event.

Include a percentage fee of gross revenues collected by for-profit organizations

The current requirement with respect to fees for road closures necessary to stage a street event is set out in Municipal Code Chapter 441 – Fees and Charges. Specifically, the applicable road closure permit fee is \$71.97 plus tax (2011).

In May 2010, Executive Committee requested the City Manager to report back to the Committee on a proposed customer service strategy that addresses permitting requirements, fees, inter-divisional coordination, and supports for applicants in organizing special events, and that the report examine the possibility of establishing a one-window event office. A report on this matter will be forthcoming from Economic Development and Culture.

<http://www.toronto.ca/legdocs/mmis/2010/ex/decisions/2010-05-17-ex44-ds.htm>

In addition, street event fees are currently being reviewed as part of the City's comprehensive User Fee review.

It is noted that a fee based on a percentage of revenue generated by an event could be quite difficult to ascertain and would be subject to the general legal requirements under the *City of Toronto Act, 2006* that the amount of a fee must be a reasonable approximation of the costs of providing the service and cannot be computed by reference to the income of the person. Nonetheless, Transportation Services staff will, if directed, review the legality and feasibility of a percentage fee of gross revenues collected by the for-profit organizations and other approaches for street event permits, in consultation with Legal Services, Finance and Economic Development and Culture officials, and in accordance with the guidelines of the User Fee Review Study once these are adopted by Council.

Framework for Closure of the F. G. Gardiner Expressway and the Don Valley Parkway for Private Events

Current regulations of Municipal Code Chapter 743 - Streets and Sidewalks, Use of, require an applicant to apply for a street closure for an event on an expressway at least 52 weeks prior to the proposed closure of the expressway. Full or partial closure of an expressway for the purpose of an event requires approval by City Council. All costs associated with the closure must be paid by the applicant.

In practice, however, the staff approach has been to deny applications for private closure of the expressways, with the one exception being the annual Ride for Heart. This recognizes the vital function the expressway network plays in the mobility and economy of the city, and that the transportation network generally is already subject to many demands and constraints. We believe this stringent practice should continue to form staff's initial response and any event organizer seeking exemption continues to require Council approval.

Any requests for expressway closures related to private events by their nature would involve very unique circumstances that must be assessed pursuant to their own context and merit. As such, staff suggests that rather than detailed prescriptive criteria, a general framework under which Council might consider "one-off" requests may be more practical. This framework might take into account the considerations as set out in Recommendation No. 4.

In the event future requests for expressway closures are received and exhibit some merit for further consideration, staff would take the above factors into consideration with all other relevant specifics of the application in our recommendations to Committee and Council.

In practical terms, the feasibility of facilitating additional expressway closures is extremely limited regardless of the merits of a given proposal. Recognizing the need for full maintenance closures of the Don Valley Parkway and Gardiner Expressway twice yearly, not including nightly closures; closures that may be required for other major capital work that arises from time to time; and the number of significant events already sanctioned on major arterial streets, including Ride for Heart; there is almost no window for further expressway closures.

Economic Development and Culture Division, and Legal Services have been consulted in the preparation of this report.

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SIGNATURE

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LIST OF ATTACHMENTS

Attachment 1 – Memorandum dated Sept. 22, 2011 from Sports Focused Consulting

Attachment 2 – Letter dated June 29, 2011 from Tourism Toronto

Attachment 3 – Letter dated July 8, 2011 from Ontario Place

Attachment 4 – Letter dated July 11, 2011 from Waterfront Toronto

Attachment 5 – Letter dated June 27, 2011 from Harbourfront Centre

Attachment 6 – Letter dated June 27, 2011 from Maple Leaf Sports and Entertainment,
Team Up Foundation

Attachment 7 – Letter dated June 13, 2011 from Nike Canada

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