



**STAFF REPORT
ACTION REQUIRED**

**West Channel 2015 Pan/Parapan American Games
Venue Proposal**

Date:	June 13, 2013
To:	Executive Committee
From:	General Manager, Parks, Forestry and Recreation Division
Wards:	All
Reference Number:	P:\2013\Cluster A\PFR\EX33-070313-AFS#17838

SUMMARY

This report advises of a new 2015 Games venue request from the Toronto Organizing Committee for the 2015 Pan and Parapan American Games (“TO2015”) and seeks authority to pay for the venue from approved PF&R 2015 Games capital project funding.

In addition, this report provides an update on the status of the Parks, Forestry and Recreation (“PF&R”) 2015 Pan and Parapan American Games (“2015 Games”) capital projects.

Specifically, the City has received a request from TO2015 for the use of the waterways between Ontario Place and Marilyn Bell Park (the “West Channel”) (please refer to Appendix “A”) for the purposes of hosting Water Ski and Wakeboard, Open Water Swimming and the swim segment of the Triathlon during the 2015 Games. Certain capital works must be completed for the waterways to meet international competition standards (the “West Channel Project”).

In 2011, City Council approved a capital project called Pan Am Aquatic Centre/Canadian Sport Institute for Ontario (the “PAAC”), which is now the Toronto Pan Am Sport Centre (TPASC”). The approved TPASC project cost is \$248.93 million, \$54.765 million of which represents the City's contribution. However, the guaranteed price of the TPASC contract, project managed by Infrastructure Ontario (“IO”), is \$205 million. Consequently, the City’s contribution has been reduced to \$45.10 million, resulting in projected Budget Savings of \$9.67 million (the “TPASC Budget Savings”). The TPASC contract cost is guaranteed; if project exceeds \$205 million, the City’s contribution will not increase. Council’s authority is sought for the General Manager of PF&R to redirect \$2.42 million of the projected TPASC Budget Savings to fund the new West Channel Project.

RECOMMENDATIONS

The General Manager, Parks, Forestry and Recreation, recommends that:

1. City Council amend the Council-approved 2013 Capital Budget for Pan Am Games to create a new capital project called West Channel in the amount of \$2.42 million funded by redirecting \$2.42 million in savings from the Toronto Pan Am Sports Centre capital project.

Financial Impact

In February 2009, City Council approved investments totalling \$49.5 million in six City-owned assets to be used as training, competition or festival venues during the Games. In February 2011, City Council approved additional funding of up to \$47 million and three additional projects, for a total City investment of up to \$96.5 million in a total of nine Pan Am Games capital projects. City of Toronto share for the PF&R 2015 Games capital projects is \$67.025 million. The remaining projects account for \$29.475 million and include such projects as Nathan Phillips Square as Festival Site, Resurfacing of Cycling Course and PAAC Site Remediation.

The cost of the West Channel Project that was proposed by TO2015 has been capped at \$5.5 million. Under the 2015 Games cost sharing formula, the City's 44% portion would be a maximum of \$2.42 million. This amount would be required in 2014 and 2015 budget years.

As noted above, the TPASC contract costs are guaranteed and the City's TPASC Budget Savings are estimated to be \$9.67 million. Hence, after redirecting \$2.42 million required for the West Channel Project, more than \$7.2 million of the TPASC Budget Savings would remain.

Future year operating impacts of the West Channel Project would be negligible as the required capital works are merely repairing and reconstructing a pre-existing seawall and breakwater for 2015 Games purposes.

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

DECISION HISTORY

In December 2008, based on the below Staff Report, City Council endorsed the City's participation in a bid for the Pan Am Games to be held in Toronto and the Greater Golden Horseshoe.

<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-16632.pdf>

In February 2009, based on the below Staff Report, City Council approved investments totalling \$49.5 million in six City-owned assets to be used as training, competition or festival venues during the Games.

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-18591.pdf>

In February 2011, based on the below Staff Report, City Council approved additional funding of up to \$47 million and three additional projects, for a total City investment of up to \$96.5 million in a total of nine Pan Am Games capital projects.

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

ISSUE BACKGROUND

Toronto is the official host city of the 2015 Games, and a signatory to the Pan Am Games Multi-Party Agreement (the “MPA”), which defines the rights and responsibilities of TO2015; the Canadian Olympic and Paralympic Committees; and the City, Provincial and Federal governments regarding the governance, financing and delivery of the Games.

Although Ontario Place was the proposed venue for Triathlon in the 2015 Games Bid Book, the Welland International Flatwater Centre was the proposed venue for Open Water Swim and the proposed venue for Water Ski and Wakeboard was Long Pond – Toronto Island. As the concept of transforming Exhibition Place into Pan Am Park was developed, however, the ideal nature of the West Channel for all three sports became increasingly clear to 2015 Games organizers.

Both Open Water Swim and the Triathlon swim can occur in the West Channel in its current state. In contrast, Water Ski and Wakeboard require a glass-like surface for competition. Hence, the waves created by the motorboat must dissipate/attenuate so they do not affect the skier or boarder being towed by the boat. Significant wave-attenuating seawall and breakwater reconstruction is required in order for the West Channel to meet standards set by the International Waterski and Wakeboard Federation. This work involves changing the seawall/breakwater from emerging vertically from the lake bottom at a 90-degree angle (against which waves crash and return to the water) to emerging on an inclined plane (against which waves dissipate). This is the reconstruction that is required along both the North and South walls of the West Channel.

COMMENTS

1. Parks, Forestry and Recreation 2015 Games Capital Projects

The approved PF&R related projects to which the City is contributing financially in support of the Games include:

- The development and construction of the TPASC (formerly the PAAC),
- Upgrades to the Etobicoke Olympium
- The refurbishment of tracks in Birchmount and Centennial parks and at the Toronto Track and Field Centre at York University
- The development of a BMX cycling course in Centennial Park

Among its key provisions, the MPA requires TO2015 to employ the services of IO as the project manager for various Pan Am capital projects, unless otherwise agreed upon. As a result, all of the aforementioned projects are project managed by IO except the BMX cycling course; the BMX project is being managed by the City. The MPA also prescribes the cost-sharing arrangement between the Government of Canada and all 2015 Games partners, which is 56% and 44% for the Government of Canada and the partners respectively. In the case of the TPASC, the facility will be co-owned by the City of Toronto and the University of Toronto; therefore, each institution will contribute 22% of the capital costs.

The table below provides an overview of each Parks, Forestry and Recreation 2015 Games capital project.

CAPITAL PROJECT	DESCRIPTION	TOTAL PROJECT BUDGET	CITY OF TORONTO SHARE (22% or 44%)	PROJECTED ACTUALS	CITY OF TORONTO SHARE OF PROJECTED ACTUALS	PROJECT STATUS
Toronto Pan Am Sport Centre (formerly the PAAC)	Aquatic Centre and Field House plus CSIO Offices	\$248.93M	\$54.765M	\$205.00M	\$45.10M	Construction began July 2012 and will end July 2014.
Etobicoke Olympium Retrofit	Retrofit of existing facility	\$20M	\$8.800M	\$20M	\$8.800M	Design and development stage in 2012 with construction from July 2013 to July 2014.
Centennial Track Resurfacing	Track resurfacing and upgrades to meet national specifications at both facilities and development of new throwing and jumping areas at Birchmount.	\$1.658M	\$0.730M	\$1.658M	\$0.730M	Construction to be completed in 2014.
Birchmount Track Resurfacing		\$1.036M	\$0.456M	\$1.036M	\$0.456M	Construction to be completed in 2014.
Toronto Track and Field Centre Retrofit	Upgrades to the existing City-operated track at York University	\$3.628M	\$1.596M	\$3.628M	\$1.596M	Construction to be completed in 2014.
BMX Track	Creation of a new Bicycle Moto Cross (BMX) track in Centennial Park	\$1.547M	\$0.678M	\$1.547M	\$0.678M	Construction to be completed in 2014.
TOTALS		\$276.80M	\$67.025M	\$232.87M	\$57.36M	

2. West Channel Venue Proposal

Although this venue request was officially received by the City on May 31, 2013, City staff have been working with TO2015 staff to determine the feasibility of the West Channel as a Water Ski and Wakeboard venue for many months. In September 2012, City staff were invited to meet with representatives of TO2015, Water Ski and Wakeboard Canada and the Toronto and Region Conservation Authority (the “TRCA”) to discuss the prospect of using the West Channel as the venue for Water Ski and Wakeboard at the 2015 Games. The scope of work required for the West Channel to meet international competition standards was also discussed. Since that time, the parties have been working together and meeting regularly to ascertain whether the proposed venue plan should continue to move forward. If approved, TO2015 would project manage the West Channel Project.

(a) North Wall and South Wall Works

City North Wall Works

The seawall located on the North shore of the West Channel along Lake Ontario was already scheduled for replacement due to its failing condition and for public safety. In 2012, the City retained an engineering consultant to develop the design for the replacement of the seawall along the North shore of the West Channel at Marilyn Bell Park and Coronation Park. The accepted design was similar in concept to the current wall design; it emerged from the lake bed vertically at a 90-degree angle.

After the September 2012 meeting, TO2015 asked PF&R Capital staff to revisit the design for the seawall in order to introduce wave attenuation/dissipation into the design. At TO2015’s expense, the City’s engineering consultant revised the wall design to include the replacement of the existing vertical (90-degree) concrete seawall with an angled concrete wall supported by a stone covered slope that would extend approximately 6 meters into the lake (the “North Wall Works”).

Ultimately, the revised design is less intrusive and less costly than the original design. Therefore, the North Wall Works, which is already within the scope of the PF&R Capital Budget, will proceed with the revised design, irrespective of whether the West Channel is approved as a 2015 Games venue.

Pan Am South Wall Works

The seawall located on the South shore and breakwater of the West Channel (the “South Wall”) was not scheduled for repair as a City capital project. Consequently, any reconstruction along the South Wall is a Pan Am capital project as the 2015 Games are the sole impetus for the works.

Since much of the South Wall has water on both sides, there are differences in the structure and composition of the North and South Walls. Still, the wave attenuation solution for the South Wall is virtually identical to the North Wall solution. At its expense, TO2015 retained its own engineering consultant to determine the state of the

South Wall, propose a repair and reconstruction solution, cost out the proffered repair and reconstruction solution and advise of all regulatory authorizations required to proceed with the South Wall Works. The official request from TO2015 to host Water Ski and Wakeboard at the West Channel is based on their engineering consultant's report.

(b) Other Matters

Fish habitat is a serious concern along the City's waterways, including the West Channel. Project planning has included consultation with fish habitat experts who have indicated that the proposed sloping wall design is better for fish spawning and habitat than the current 90-degree vertical walls. The TRCA concurs with this view.

City Legal has determined that the City owns all of the real property that falls within the scope of this project.

City staff have consulted with the local rowing club and other local stakeholders and users of the channel; all support the proposed Works.

3. Financing the West Channel Project

TO2015 has capped the cost of the West Channel Project at \$5.5 million. The recent engineering consultant's report indicates that the proposed South Wall Works will not exceed the budgeted \$5.5 million. Therefore, the maximum the City would be required to contribute is \$2.42 million.

As noted above, this report proposes diverting \$2.42 million of the \$9.67 million of projected TPASC Budget Savings to fund the West Channel Project. This amount would be required in 2014 and 2015 budget years.

CONCLUSION

The 2015 Games have provided a unique opportunity to build and improve a number of City facilities with assistance from the Government of Canada. Like the other Pan Am Games capital projects, the West Channel Project would leave an exciting legacy for Toronto residents as the city could host more international calibre events at that site. The Project has a direct and positive impact on West Channel users who see the benefits of wave attenuation on their respective sports. Also, the West Channel project would also augment the fish habitat in that area.

Should the West Channel Project not obtain approval, TO2015 would either be required to install a costly temporary solution along both sides of the Channel or it would be required to seek out another municipality's assistance. Both would pose a significant challenge in light of the time and money that TO2015 has invested in the West Channel. Further, the alternatives provide no long-term benefit for Toronto residents or for West Channel stakeholders. The alternatives may also be detrimental for the 2015 Games athletes as they could be required to travel great distances to an alternate municipality.

Finally, were Water Ski and Wakeboard to move to another municipality, not only would Toronto miss the economic benefit of hosting that event at the 2015 Games, but also it would lose the economic benefit from hosting other high calibre events in the future.

CONTACT

Catherine Meade, Director, Pan Am Games Capital Projects and Legacy, Parks, Forestry and Recreation, Tel: 416.392.6727, Email: cmeade@toronto.ca

SIGNATURE

Jim Hart
General Manager, Parks, Forestry and Recreation

ATTACHMENT

Appendix A – West Channel Map