

**2015 Pan American / Parapan American Games –
Capital and Showcase Program Updates**

Date:	January 8, 2015
To:	Executive Committee
From:	City Manager
Wards:	All
Reference Number:	

SUMMARY

To ensure the success of the TORONTO 2015 Pan and Parapan American Games and their ability to provide a legacy of new and improved recreation infrastructure assets and other benefits for city residents and businesses, City Council has approved expenditures of up to \$96.5 million in a Pan Am Games *Capital Program* which includes 10 projects in neighbourhoods across Toronto, and up to \$20 million for a *Host City Showcase Program* to advance City goals related to economic, social, cultural and sport development.

This report provides updates on the Capital and Showcase Programs as well as other Games related matters.

The report recommends that up to \$1.198 million of the City's share of savings on the Cycling Road Resurfacing capital project be allocated as follows:

- up to \$0.198 million for minor capital improvements to properties managed and owned by the Toronto Port Lands Company ("TPLC") that will be used by the TORONTO 2015 Pan Am / Parapan Am Games Organizing Committee ("TO2015") as a bus and fleet depot during the Games;
- up to \$1.000 million to the Prince Edward Viaduct Illumination (i.e. "Luminous Veil") project.

Second, this report recommends that savings of \$0.340 million from various Showcase Program initiatives be allocated to fund:

- enhanced parks maintenance during the Games, to be matched dollar for dollar by Ontario and TO2015 (\$0.200 million);

- enhanced Torch Relay Community Celebrations (\$0.100 million); and
- a new "Host City Permit Fee Relief" initiative in the amount of \$0.040 million to support Games related community events.

Based on the results of a recently concluded competitive tendering process -- and in anticipation of a significant private donation – this report recommends revised phasing, scope and budget for the *Prince Edward Viaduct Illumination* project to ensure maximum public value and its completion in advance of the Games.

This report also provides information and, where appropriate, makes recommendations concerning:

- the selection of City-designated Pan Am / Parapan Am Games torch-bearers;
- the receipt and distribution of complimentary tickets to provide children and youth with an opportunity to attend Games competitions; and
- a request by TO2015 for a temporary exemption from the City's ban on bottled water in certain City facilities to be used as Games venues and celebration sites.

RECOMMENDATIONS

The City Manager recommends that City Council:

1. Authorize the City Manager to execute an amendment to the existing Facility Agreement between the City of Toronto and TO2015 for the Cycling Road Race (Resurfacing) capital project to include improvements to 51 Commissioners Street and 185 Cherry Street in order to support Games transportation requirements for a bus and fleet depot.
2. Include in the 2015 Pan Am Capital Budget and the 2015 Capital Budget Interim Estimates a new capital sub-project *Bus & Fleet Depot*, with a project cost of \$0.450 million funded by redirecting \$0.198 million in City debt funding from the Cycling Road Race (Resurfacing) capital sub-project, representing 44% of the total project cost, conditional on TO2015 providing the remaining 56% of the total project cost of \$0.252 million.
3. Revise the originally proposed phasing of the *Prince Edward Viaduct Illumination* capital project, in the Economic Development & Culture Capital Budget, such that the above-deck phase (i.e. "Luminous Veil") proceeds first along with the installation of controls required for both phases, and include the following changes in the 2015 Capital Budget Interim Estimates:
 - a. Increase the total project cost for the project by \$1.000 million from \$2.800 million to \$3.800 million.

- b. Fund this \$1.000 million project cost increase by redirecting \$1.000 million in City debt funding from the Cycling Road Race (Resurfacing) capital sub-project (Pan Am Capital Budget).
4. Delegate to the City Manager authority to accept on the City's behalf any donation or contribution related to the *Prince Edward Viaduct Illumination* project; enter into any related agreements provided that such agreements are in a form satisfactory to the City Solicitor and compliant with applicable City policies; and act to apply and spend any such funds received to offset the City's approved and budgeted net contribution to the project.
5. Include in the 2015 Operating Budget Interim Estimates reallocations from under-spending on various Host City Showcase Program initiatives (as summarized in Table 2 of this report) totalling \$0.340 million, with funding from the Major Special Events Reserve Fund, and any required changes to approved divisional operating budgets to give effect thereto, for investment as follows:
 - a. \$0.400 million gross, \$0.200 million net from the Major Special Events Reserve Fund for enhanced parks maintenance services to be delivered by Parks, Forestry & Recreation, to proceed conditional on Ontario/TO2015 providing matching funding;
 - b. \$0.100 million gross and net from the Major Special Events Reserve Fund for enhanced Torch Relay Community Celebrations;
 - c. \$0.040 million gross and net from the Major Special Events Reserve Fund for a "Host City Permit Fee Relief" initiative.
6. Adopt the temporary "Host City Permit Fee Relief" policy detailed in Appendix A and direct the General Manager, Parks, Forestry & Recreation, to administer it with funding from the Major Special Event Reserve Fund in the amount of \$40,000 (as provided in #5 c above).
7. Authorize an exemption to the ban on the distribution of bottled water at the Etobicoke Olympium, Birchmount Stadium and community recreation centres, civic centres and City parks to be used as Pan Am / Parapan Am Games venues and celebration sites from June 15 to August 20, 2015, as approved by the General Manager of Parks, Forestry and Recreation.
8. Authorize and direct the Acting Deputy City Manager, Cluster A to (i) receive complimentary tickets for Pan Am / Parapan Am Games events from TO2015 or other partner organizations on the City's behalf, and (ii) ensure they are used to provide opportunities for children and youth to attend Games events at no cost, whether through City-run summer camps or distribution to community agencies.

Financial Impact

This report recommends that already approved funding of \$1.538 million for the City's Pan Am / Parapan Am Games *Capital* and *Host City Showcase Programs* be reallocated

to meet newly identified needs and opportunities. By adopting these recommendations, no net new funding will be committed for Games related purposes.

Proposed Reallocation of Savings on the Cycling Road Race Capital Project

At its meetings in February 2009, February 2011 and July 2013, City Council approved funding of up to \$96.5 million for 10 Pan Am / Parapan Am Games capital projects, including an investment of up to \$4.200 million for the City's 44% share of the \$9.540 million Cycling Road Race (Resurfacing) capital project.

Because the route for the cycling road race (and hence required scope of work) is different from the one that was used to determine the original \$9.540 million project cost estimate and budget, and since this project has been tendered and is more than 90% complete, it is now possible to forecast with a high degree of confidence that the final total cost for this project will not exceed \$4.000 million. The City's 44% share of the anticipated \$5.540 million in savings is \$2.438 million.

As part of the Showcase Program approved by Council in July 2013, \$1.800 million was allocated from the Major Special Events Reserve Fund as an initial contribution for the *Prince Edward Viaduct Illumination* project. In June 2014, Council approved an amendment to the 2014 Capital Budget for Economic Development & Culture to increase the funding available for this project by \$1.000 million to \$2.800 million, funded from the Public Realm Reserve Fund (XR1410).

At the end of 2014 the City received a request from TO2015 to share on a 56% (TO2015) / 44% (City of Toronto) basis up to \$0.450 million worth of improvements (e.g. upgrades to the hard surfaces or pads) to properties managed and owned by the Toronto Port Lands Company at 51 Commissioners Street and 185 Cherry Street. (TPLC is wholly-owned by the City of Toronto.) These properties will be used by TO2015 for its main bus and fleet depot during the Games in view of their proximity to the Athletes' Village in the West Don Lands.

If the recommendations in this report are approved, an additional \$1.000 million will be allocated to the *Prince Edward Viaduct Illumination* project (increasing total project funding from all sources to \$3.800 million) and up to \$0.198 million will be made available for the City's 44% contribution for upgrades to the Games bus and fleet depot site at 51 Commissioners Street and 185 Cherry Street, funded in both instances by City debt from savings on the Cycling Road Race (Resurfacing) sub-project.

Proposed Reallocation of Savings on Host City Showcase Initiatives

In July 2013 and through its adoption of the 2014 Operating and Capital Budgets, Council approved funding of \$19.098 million for various Showcase Program projects and initiatives. Due to factors such as delays in hiring staff, changes to Provincial policy, and in one case the inability of a third party organization to proceed with a planned initiative, \$0.340 million in cumulative savings on various Showcase Program initiatives has been identified.

If the recommendations in this report are adopted, instead of remaining in the Major Special Event Reserve Fund, the \$0.340 million in savings will be reallocated as follows:

(i) \$0.200 million for enhanced parks maintenance during the Games period; (ii) \$0.100 million for enhanced Torch Relay Community Celebrations; and (iii) \$0.040 million for a Host City Permit Fee Relief initiative.

DECISION HISTORY

In December 2008, City Council endorsed Toronto's participation in the Bid to host the 2015 Pan /Parapan American Games (re: EX26.6 "Toronto 2015 Pan American / ParaPan American Games").

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2008.EX26.6>

In February 2009, Council authorized the City Manager to negotiate, approve and execute on the City's behalf a Multi-Party Agreement ("MPA") with the Federal and Provincial governments and other key Games partners. An initial City funding contribution in the amount of up to \$49.5 million for six capital projects/facilities to be used as training, competition or festival venues during the Games was also endorsed by Council at this time (re: EX29.10 "Toronto 2015 Pan American / ParaPan American Games Bid").

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.EX29.10>

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 for nine Pan Am / Parapan Am Games capital projects (re: EX2.5 "Toronto 2015 Pan Am/Parapan American Games Capital Facilities and Investments"). A tenth capital project was approved in July 2013 (re: EX33.14 "West Channel 2015 Pan Am/Parapan American Games Venue Proposal").

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX2.5>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX33.14>

In July 2013, City Council also approved the creation of a new Major Special Events Reserve Fund and endorsed a Host City Showcase Program valued at up to \$20 million (re: EX33.13 "Toronto Pan/Parapan Am Games Host City Showcase Program and Major Special Event Reserve Fund"). Through its consideration and adoption of the recommended 2014 Operating and Capital Budgets, City Council approved funding for the following Showcase Program components:

- \$2.500 million for a Public Celebration & Cultural Festival in Nathan Phillips Square;
- \$2.700 million for a Host City Welcome & Engagement Program to support Games related marketing and communication activities, and enhanced visitor and business services; and
- \$13.898 million for 28 innovative projects to advance City Council endorsed objectives related to (i) economic development and tourism, (ii) sport development and healthy living, and (iii) resident engagement and cultural celebration.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX33.13>

In December 2013, Council considered a report summarizing the financial implications of the Games for the City of Toronto, including a consolidated overview of Games related expenditures and funding included in the Staff Recommended 2014 Operating and Capital Budgets of various City divisions (re: EX37.1 "2014 Capital and Operating Budget", item 1ai "2015 Pan/Parapan American Games – Investment Overview and Financial Implications"). (An equivalent report for the 2015 Budget will be brought forward for review by Budget Committee in early 2015.)

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX37.1>

In July 2014, Council considered an update on Games related capital projects (re: EX43.14 "Pan/Parapan American Games Capital Projects Update"), as well as an update on the status of certain Showcase Program initiatives, including the *Prince Edward Viaduct Illumination* project and *Pan Am Community Projects* initiative (re: EX43.15 "Update on the 2015 Pan American / Parapan American Games Host City Showcase Program").

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX43.14>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX43.15>

In August 2014, Council authorized the Executive Director of Social Development, Finance and Administration to administer an application process for the Pan Am Community Projects initiative, with \$1.760 million in funding approved through the Host City Showcase Program, and to report back on recommended allocations in early 2015 (re: EX44.11 "2015 Pan Am Games Community Projects Initiative").

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX44.11>

ISSUE BACKGROUND

The TORONTO 2015 Pan American / Parapan American Games are expected to draw 10,000 athletes and officials and up to 250,000 visitors to the Toronto region. Training and competition venues for the 51 sports to be featured at the Games will be located in more than a dozen municipalities across the Greater Golden Horseshoe. A not-for-profit organization called the Toronto Organizing Committee for the 2015 Pan American and Parapan American Games ("TO2015") has the mandate to plan, organize, promote, finance, and stage the TORONTO 2015 Games.

City of Toronto's commitments under the Multi-Party Agreement: Infrastructure and Operations

The Pan Am Games Multi-Party Agreement ("MPA") defines the rights and responsibilities of TO2015, the Canadian Olympic and Paralympic Committees, the Provincial and Federal governments, and the City of Toronto and other Games partners with respect to the governance, funding and delivery of the Games. As per the MPA and corresponding Council approvals, Toronto is committed to:

- *Infrastructure*: Funding a share (typically 44%) of the cost of ten (10) capital projects in Toronto, up to a maximum total City contribution of \$96.5 million.
- *Operations*: Providing, at the City's cost, normal levels of municipal services (e.g. emergency medical services, garbage and recycling collection, police, etc.) and allocating normal levels of staff resources in a way which best meets Games requirements, with the proviso that if additional services are deemed to be required by TO2015 such services shall be subject to the approval of both parties and include a specific mechanism for payment in compensation.

Host City Showcase Program

While the MPA sets out clear roles and funding commitments for the infrastructure (i.e. training, competition, and festival venues) and operations which are needed for the Games, it does not directly address the (non-sport infrastructure) legacy, public celebration, cultural festival or promotion activities which are typically undertaken by host communities of major international multi-sport events. As a result, it is effectively up to each Games partner and host jurisdiction to decide what level and type of additional investment it wishes to make to further enhance the quality of the Pan Am / Parapan Am Games experience or to leverage the Games to advance its own strategic objectives and priorities.

Acknowledging the importance of its role as the official Host City of the Games and the broader opportunity which they offer to advance Toronto's strategic goals related to sport, cultural, economic and social development, City Council endorsed an investment of up to \$20 million in a Host City Showcase Program in July 2013 and confirmed funding for it through the adoption of the 2014 Operating and Capital Budgets.

COMMENTS

Pan Am / Parapan Am Games Capital Program

The City's most significant financial contribution to the TORONTO 2015 Games is its investment of up to \$96.5 million in a ten project *Capital Program*. These projects are cost-shared with Games Partners (primarily the Government of Canada), typically on a 56% (partner) / 44% (City) basis. Consequently, the City's investment has leveraged up to \$247 million in partner funding for a total investment of up to \$343 million in City assets.

The Capital Program includes new construction and significant upgrades to Toronto's recreation infrastructure assets and areas of the public realm that will operate as venues and celebration sites during the Games. The deliberate "Pan-city" distribution of these Pan Am projects – from Etobicoke in the west to Scarborough in the east and from the central waterfront to North York – will allow residents from all parts of Toronto to enjoy the Games in (or near) their own backyard this summer and benefit from a legacy of outstanding facilities for decades to come afterwards.

An overview of the financial commitments and projected variance from approved budget for the City's Pan Am Games Capital Program is provided in Table 1.

Table 1: Current Status: Capital Program Projects (in millions)

Project	Total Approved Budget	Budgeted City Contribution (typically 22% or 44%)	Projected Variance from Budget	Projected Variance to City Contribution	Status
Toronto Pan Am Sport Centre ("TPASC")	\$248.93	\$54.77	-\$43.93	-\$9.67 *1	Complete
TPASC Site Remediation	\$52.00	\$23.00	-\$21.97	-\$10.01	Complete
Etobicoke Olympium Retrofit	\$20.00	\$8.80	\$0.00	\$0.00	Complete
Centennial Track Resurfacing	\$1.66	\$0.73	\$0.00	\$0.00	Complete
Birchmount Track Resurfacing	\$1.04	\$0.46	\$0.00	\$0.00	Complete
Toronto Track & Field Centre	\$3.63	\$1.60	\$0.00	\$0.00	Complete by spring 2015
BMX Track Project	\$1.55	\$0.68	\$2.86	\$1.51 *1	Complete by spring 2015
West Channel Project	<i>Not included / budgeted in original capital program.</i>		\$5.50	\$2.42 *1	Complete by early 2015
Nathan Phillips Square	\$4.15	\$1.83	\$0.00	\$0.00	Complete
Road Resurfacing (Cycling)	\$9.54	\$4.20	-\$5.54	-\$2.44	90% complete. Final 10% to be done in spring 2015
Capital Program management (1 FTE)	\$0.46	\$0.46	\$0.00	\$0.00	
TOTAL	\$342.96	\$96.53	-\$63.08	-\$18.19	

*1: In July 2013 (re: EX33.14) & July 2014 (re: EX43.14), Council amended the Capital Budget for Pan Am Games by redirecting \$3.92M in savings from TPASC as follows: A) \$2.42M to create the West Channel project (representing the City's 44% share of the total \$5.5M project budget); and B) \$1.50M for the BMX Track project, including \$1.05M to fund the City's 44% share of an increase of \$2.41M to the core cost-shared elements of the BMX Track project and \$0.45M for a 100% City-funded enhancement to the BMX Track project.

The Capital Program, as originally approved in 2011, included an investment of up to \$4.200 million for the City's 44% share of a \$9.540 million Cycling Road Race (Resurfacing) capital project. The budget estimate for this project was based on an assessment of the then current condition of roads along the cycling road race route proposed in the 2009 bid book. On the advice of City staff, TO2015 selected a different route for the cycling road race event. The new route meets the technical requirements of the sport but will result in significantly fewer adverse impacts on City residents and businesses than the originally proposed route.

Tenders were issued and contracts awarded for the required road resurfacing work for the new route in 2014, and the work itself is now more than 90% complete. As a result, it is now possible to forecast with a high degree of confidence that the final total cost for this project will not exceed \$4.000 million.

The City's 44% share of the anticipated \$5.540 million in savings is therefore projected to be \$2.438 million. As discussed in further detail below, less than 50% of this amount – \$1.198 million – is recommended in the 2015 Capital Budget to be reallocated for other

Games related projects, including (i) \$0.198 million for improvements to TPLC managed properties that will be used as the Games' main bus and fleet depot, and (ii) \$1.000 million for the *Prince Edward Viaduct* illumination project.

Host City Showcase Program

The objectives of the Host City Showcase Program endorsed by City Council in July 2013 are to:

- i. increase the type, quantity and geographic distribution of Games-related benefits for Toronto residents and businesses – with a focus on advancing the City's economic development and tourism; sport development and healthy living; and cultural celebration and resident engagement goals – in order to complement and diversify the benefits associated with the Games beyond the core infrastructure investment in new sport and housing facilities;
- ii. increase public awareness of, engagement with, and support for the Games; and communicate City business related to the event;
- iii. enhance elements of the Games for which the City is responsible in order to augment the overall Games experience, thereby protecting and strengthening Toronto's international brand and reputation and its ability to attract future events;
- iv. leverage additional funding from Games partners, sponsors and other public, private and community based organizations, and/or strengthen partnership opportunities with such entities (e.g. leverage the goodwill, profile and accelerated deadlines associated with the event to advance City priorities).

To achieve these objectives, the Showcase Program includes funding in the amounts indicated in Table 2 below for a Public Celebration & Cultural Festival in Nathan Phillips Square; a Host City Welcome & Engagement Program to support Games related marketing and communication activities, and enhanced visitor and business services; and for 28 innovative projects to advance City goals related to economic development and tourism, sport development and healthy living, and resident engagement and cultural celebration.

Management or “lead” responsibility for each Showcase Program initiative rests with the City division or agency best positioned to deliver it effectively, given its own expertise and mandate. Funding for individual Showcase Program projects is therefore included within the approved Operating and/or Capital Budget of the division or agency managing its delivery. At the same time, staff from the City's corporate Pan/Parapan Games Unit in the City Manager's Office and other corporate divisions (e.g. Financial Planning, Communications, etc.) monitor and support Showcase Program activities as needed.

A recent review of Showcase Program initiatives indicates that most are tracking toward on-time, on-budget implementation. However, cumulative savings of \$0.340 million by six projects was identified. Depending on the specific initiative, the realized or forecast savings are a result of a delay in hiring staff, changes to Provincial policy resulting in project scope reduction or, in the case of the People Powered Music Festival, the inability of a third party to proceed with their project.

Table 2: Current Status of the Host City Showcase Program Budget (in millions)

Host City Showcase Program Element	Lead City Division/Agency	Total Approved Funding	Projected Variance
Public Celebration and Cultural Festival in Nathan Phillips Square	EDC	\$2.500	\$0.000
Host City Welcome and Engagement Program	EDC / Strat. Comm.	\$2.700	-\$0.128
28 Showcase Program Initiatives (sub-total)		\$13.898	-\$0.212
Bike Share Toronto (formerly Bixi) Expansion	Trans. Svs.	\$0.667	\$0.000
Discovery Walks Program	PFR	\$0.200	\$0.000
Enhanced Protocol Svs. & Dignitary Hosting Program	EDC / Protocol	\$0.997	-\$0.016
Event Hosting Strategy & Test Event Support	EDC	\$0.286	-\$0.026
Exhibition Place (Pan Am Park) Splash Pad	Exhibition Place	\$0.500	\$0.000
Export Development to Latin America	EDC	\$0.195	\$0.000
Horticultural Services & Landscaping Enhancements	PFR	\$0.514	\$0.000
Let's Get Coaching	PFR	\$0.255	-\$0.010
Outdoor Viewing Sites in Tower Neighbourhoods	SDFA	\$0.060	\$0.000
Pan Am Community Projects Fund	SDFA	\$1.760	\$0.000
Pan Am Path	PFR	\$1.900	\$0.000
Pan Am Poetry Slam	TPL	\$0.178	\$0.000
Pan Am Spectator Jam	TPL	\$0.158	\$0.000
Pan Am/Parapan Am Sport Development Fund – “Game on Toronto!”	PFR / SDFA	\$0.610	\$0.000
ParaSport First Contact Program – “Play On! PARASPORT”	PFR	\$0.085	-\$0.010
People Powered Music Festival	EDC	\$0.125	-\$0.125
PrideHouse TO	The 519	\$0.291	\$0.000
Prince Edward Viaduct Illumination	EDC	\$1.800	\$0.000
Rio De Janeiro Friendship City	EDC	\$0.138	\$0.000
Salsa on St. Clair Expansion	EDC	\$0.500	\$0.000
Speakers Series at the Toronto Global Forum	EDC	\$0.700	\$0.000
Sport Literacy Development Program	PFR	\$0.205	\$0.000
Tobacco Free Games	TPH	\$0.086	-\$0.026
Torch Relay Community Celebrations	TOP	\$0.400	\$0.000
Toronto Global Forum	EDC	\$0.190	\$0.000
Toronto Sports Hall of Honour	PFR	\$0.097	\$0.000
Wayfinding Strategy Pilot	Trans. Svs.	\$0.800	\$0.000
Youth Sport Incubator (YSI)	SDFA	\$0.201	\$0.000
Recommended Reallocation (sub-total)			+\$0.340
Enhanced Parks Clean-up & Maintenance Services	PFR	N/A	+\$0.200
Torch Relay Community Celebrations (Enhancement)	TOP	N/A	+\$0.100
Host City Permit Fee Relief Initiative	PFR	N/A	+\$0.040
Total		\$19.098	\$0.000

Consistent with Showcase Program objectives to enhance the Games experience for residents, protect Toronto's international reputation, and leverage partner funding, it is recommended that the \$0.340 million in savings be reallocated and reflected in the Staff Recommended 2015 Operating Budget as follows:

- a. \$0.400 million gross, \$0.200 million net for enhanced Games time parks maintenance services to be delivered by Parks, Forestry & Recreation, conditional on Ontario/TO215 providing matching funding of \$0.200 million;
- b. \$0.100 million gross and net for enhanced Torch Relay Community Celebrations;
- c. \$0.040 million gross and net for a "Host City Permit Fee Relief" initiative.

The proposed \$0.200 million for enhanced parks clean-up and maintenance services represents the City's 50% share of a \$0.400 million cost-shared (with the Province and TO2015) initiative through which the City will deploy additional parks maintenance crews to high-profile and heavily trafficked areas during Games this summer.

Providing a \$0.100 million enhancement for the already approved Torch Relay Community Celebration initiative will ensure higher quality event outreach, marketing, and (music focussed) programming for six key celebrations in neighbourhoods across Toronto just prior to the Pan Am and Parapan Am Games.

The recommendation to reallocate \$0.040 million for a new Host City Permit Fee Relief initiative is detailed later in this report.

Prince Edward Viaduct Illumination

Council endorsed, by amendment, the inclusion of the *Prince Edward Viaduct Illumination* project as a part of the Showcase Program in July 2013. The initiative is managed by the City's Economic Development & Culture ("EDC") division as a public art project.

The Prince Edward Viaduct is one of the most important heritage structures and infrastructure assets in Toronto. Its construction in 1919 represented a major achievement in city building, connecting the central city on the west side of the Don River to the vibrant community developing along Danforth Avenue.

In 2003, a safety barrier known as the "Luminous Veil," designed by Dereck Revington Studio, was added to the bridge following a national design competition. The original design for the Luminous Veil included an innovative lighting scheme that was not realized at the time due to budget constraints. However advances in LED programmable lighting technology in recent years (with corresponding decreases in operating costs) helped to renew interest in completing this iconic project.

Based on the results of cost and engineering studies undertaken in 2013-2014, the project's total cost was estimated to be \$4.648 million. Because full funding was not available in July 2014, Council approved a plan to split the project into two phases, to allocate \$2.8 million to proceed with Phase 1 of the project (CAC093-08), and to report

back through the 2015 Operating Budget process on options for funding the remaining \$1.848 million required for Phase 2.

As originally scoped, Phase 1 included the three lighting elements below the bridge deck (i.e. illumination of the five piers, TTC chronometer and the under-deck area) as well as control mechanisms needed for both the below and above deck lighting elements.

The City issued a tender for the project on October 23, 2014, requesting prices for the entire project as well as for each of the two phases. Four bids were received by the tender closure date of November 20, 2014. All four bids significantly exceeded the Council-approved budget for Phase I (\$2.800 million) and the estimate for the project as a whole (\$4.648 million). Analysis of the bids showed much higher than expected labour costs attributed to the challenge of accessing and installing the below bridge deck lighting elements in proximity to the TTC tracks.

With the agreement of Purchasing and Materials Management staff and the project designers, EDC prepared a revised scope and on January 5, 2015 issued a new tender for the project. This new tender includes components from each of the two phases, namely installation of the above bridge deck "Luminous Veil" lighting elements as well as control mechanisms for both above and below deck lighting elements to enable completion of the project at a later date, subject to available funding.

Focusing at this time exclusively on the above bridge deck lighting elements (i.e. just the "luminous veil" itself) removes the most significant technical complication and associated labour cost driver from the project, and will allow – subject to Council confirmation of funding and the results of the revised tender – for completion prior to the Pan Am / Parapan Am Games. A bridge lighting ceremony coinciding with the running of the Torch Relay and a City organized Torch Relay Community Celebration is tentatively planned for July 4, 2015.

Based on the revised scope of work described above, project staff and engineers now estimate that total funding in the amount of \$3.800 million – or \$1.000 million more than is currently budgeted -- is needed for the project. It is therefore recommended that the total budget for the *Prince Edward Viaduct Illumination* be increased from \$2.800 million to \$3.800 million, funded from a reallocation of \$1.000 million in City debt funding from the Cycling Road Race (Resurfacing) capital sub-project.

Efforts to secure private donations or sponsorships to offset project costs have been underway for over a year. Working with Evergreen Inc., City officials are close to finalizing a donation for \$0.250 million. Once secured, this significant contribution will be used to reduce the final net cost of the project to the City. As such, it is recommended that Council delegate to the City Manager authority to accept on the City's behalf any donation or contribution related to the Prince Edward Viaduct Illumination project; enter into any related agreements provided that such agreements are in a form satisfactory to the City Solicitor and compliant with applicable City policies; and act to apply and spend any such funds received to offset the City's approved and budgeted net contribution to the project.

Upgrading the Site of the Games Bus & Fleet Depot

Given its proximity to the Athletes' Village in the West Don Lands, TO2015 intends to use TPLC managed properties situated at 51 Commissioners Street and 185 Cherry Street for its main bus and fleet depot. To enhance the effectiveness and efficiency of the high volume bus and vehicle operation required during the Games, TO2015 recently offered to upgrade the hard surfaces / parking pads on the site(s) on a 56% (TO2015) / 44% (City) cost-sharing basis, via an amendment to the Facility Agreement for the Cycling Road Race (Resurfacing) project which is already in place, up to a maximum project value of \$0.450 million. Post-Games, these proposed upgrades would enhance the range of uses and tenants which TPLC may be able to attract to the site(s).

In view of these benefits, it is recommended that Council (a) authorize the City Manager to execute the required amendment to the Facility Agreement for the Cycling Road Race (Resurfacing) capital project to include improvements to 51 Commissioners Street and 185 Cherry Street; and (b) approve the creation of a new capital sub-project *Bus & Fleet Depot* for \$0.450 million gross with City funding of \$0.198 million, representing 44% of total project costs, funded by redirecting \$0.198 million in City debt funding from the Cycling Road Race (Resurfacing) capital sub project, conditional on TO2015 providing the remaining 56% of total project costs of \$0.252 million.

TORONTO 2015 Pan Am / Parapan Am Games Torch Relays

The Pan Am Torch Relay will run for 41-days (May 30 to July 10, 2015) to selected cities across Canada and around Ontario. The torch is scheduled to arrive in Toronto on Saturday, July 4 and is expected to pass through all 44 city wards over the following six days before igniting the cauldron at the Games' opening ceremony on Friday, July 10. A total of 3,000 torchbearers will be involved in the relay, and about 750 will have the honour of carrying the flame through Toronto.

The Parapan Am Torch Relay will run for five days (August 3-7, 2015) and will involve about 150 torchbearers. It will take place in Ontario only, primarily along the Waterfront Trail. Two torches, from the east and west, will converge in Toronto on Aug. 6 and be carried to York University for the Parapan Am Games' opening ceremony on July 7.

While TO2015 is responsible for organizing the torch relays, City officials from Transportation Services, the TTC, Toronto Police, Economic Development & Culture, the Toronto Office of Partnerships and other divisions are providing advice and support to ensure the relays do not conflict with planned construction, events, or otherwise create undue impacts. The full route will be announced by TO2015 in late spring.

Torch Relay Community Celebrations

As part of the Showcase Program, Council earmarked \$400,000 to support six City-produced Torch Relay Community Celebrations (5 Pan, 1 Parapan). To ensure fuller resident participation in these important celebrations, especially by youth, through higher quality event outreach, marketing, and (music focussed) programming a further \$100,000 is recommended, funded from Major Special Event Reserve Fund through a reallocation of savings on other Showcase Program projects.

The anticipated dates and locations of the celebrations are as follows:

- Saturday, July 4: Prince Edward Viaduct (evening)
- Sunday, July 5: Toronto Pan Am Sport Centre, University of Toronto Scarborough campus (daytime)
- Tuesday, July 7: Albion Arena (evening)
- Wednesday, July 8: Mel Lastman Square (daytime)
- Thursday, July 9: Nathan Phillips Square (evening)
- Thursday, August 6: David Pecaut Square (daytime)

These events will provide opportunities to promote resident engagement and cultural celebration in neighbourhoods across the city right before the Games. Each will showcase the diverse culture and identity of the Americas (including Aboriginal participation) through music, food, dance, and sport activities, and all will include a cauldron lighting ceremony.

City-Designated Torchbearers

In recognition of Toronto's support for the Games, TO2015 has provided the City with the opportunity to nominate 15 torchbearers (10 + 5 alternates) for the Pan Am Torch Relay and 3 torchbearers (2 + 1 alternate) for the Parapan Am Torch Relay.

The City's process for selecting torchbearer nominees must respect guidelines developed by TO2015 – i.e. torchbearers must be 13 years or older, pass a security check, and cannot be elected officials. Furthermore, in order to avoid confusion or conflict with the public torchbearer contest run by TO2015, the City is not able to hold a public competition to identify its nominees.

In keeping with the Games' focus on excellence and dedication, the nomination of City-designated torchbearers offers a way to celebrate the achievements of a diverse and exceptional group of local "difference makers." Through the Toronto Office of Partnerships, the City approached previous winners of prestigious City awards and asked them to serve as City-designated torchbearers. Recipients of the following City award categories were contacted:

- Live Green Toronto
- Community Safety
- Identify and Impact (Youth Cabinet Award)
- Public Health
- Access Equity and Human Rights (5): Aboriginal Affairs, Access, Pride, Constance Hamilton (women), William P. Hubbard (race relations).

The City's torchbearer nominees reflect the diversity of Toronto's population in terms of gender, age and ethno-cultural identity, in addition to having a demonstrated track record of outstanding service to the community. Prior to being officially notified by TO2015 of their selection as a torchbearer, the names of individual nominees will be kept confidential. The successful nominees for the City's designated torchbearers will be announced in the late spring.

Host City Permit Fee Relief Policy

As the Host City, Toronto can expect to see numerous Pan Am / Parapan Am related or inspired local events and celebrations taking place before and during the Games. Such activities are essential to building the profile and “buzz” that is needed to make the Games memorable and successful.

Some events, like the Torch Relay or PANAMANIA cultural program, will be directly organized by TO2015 or the City itself and will enjoy a city-wide profile. Many other celebrations and activities, however, will be put on by local organizations with limited resources. While the City will directly fund a number of these Games related celebrations through the Host City Showcase Program, a fair, effective and affordable means to support an even wider range of local events in 2015 is by covering the cost of otherwise applicable City-levied permit fees by divisions such as Parks, Forestry & Recreation (PFR), Transportation Services, etc.

Therefore, it is recommended that Council adopt a temporary "Host City Permit Fee Relief Policy" to take effect immediately and expire upon the conclusion of the Games in August, supported by funding of up to \$0.040 million from the Major Special Event Reserve Fund using savings from other Showcase Program initiatives.

Although it is proposed that relief may be provided for fees levied by any City division, this temporary policy will be administered by the General Manager of Parks, Forestry and Recreation and structured around the existing Council-approved fee reduction policy for PFR, adopted in 2006. The following conditions will guide the implementation of the Host City Permit Relief Policy:

- only events held in advance of or concurrent to the Pan Am and Parapan Am Games for the purposes of promotion, engagement and celebration of the Games within Toronto communities will be considered under the policy;
- competition, training and test events held in City venues will not be eligible for consideration under the policy;
- each recipient organization will be eligible for a maximum benefit of \$10,000 through the policy;
- costs associated with staffing and material necessary to meet permit requirements (e.g., paid duty officers, signage, etc.) are not eligible for relief under the policy.

The proposed Host City Permit Fee Relief Policy is consistent with the existing policies governing City permits and user fees more generally (for details see Appendix B). When Council adopted the City's User Fee Policy in September 2011, which included City permits, its core principle was to promote equity by recovering the cost of services from those who receive direct benefits from City services. At the same time, the policy explicitly recognizes that in certain cases it would be appropriate to waive user fees in full or in part, including in situations where granting relief from full cost recovery promotes or advances economic or social benefits, specific City policy goals and objectives, including the following:

- supporting non-profit organizations in the development of projects or activities with clear societal benefits; and
- intergovernmental events that benefit society as a whole.

Upon conclusion of the Games, a report will be brought forward for information to Council which summarizes the beneficiaries and benefit amounts associated with the policy.

Temporary Exemption to the Ban on Bottled Water for Games-related Events

At its meeting in December 2008, City Council approved a ban on bottled water which took effect in January 2012. The ban prohibits the sale or distribution of bottled water in all Civic Centres, City-owned facilities and parks. Exemptions to the ban apply if a site does not have potable water or a sufficient number of functioning water fountains; there are public health or safety concerns; or there is a pre-existing lease/agreement with a vendor who sells bottled water. Exemptions can also be authorized for special events held in City-owned facilities and parks.

Parks, Forestry & Recreation has received a request from TO2015 for an exemption from the ban on bottled water at City parks and facilities for Games-related events from June 15 to August 20, 2015. Various City parks and facilities, including sites that are subject to the ban, will be utilized as competition venues, training sites, celebration sites and Torch Relay event locations.

TO2015 plans to distribute bottled water to athletes, workforce, volunteers, media and technical officials. The bottled water is required for hydration and performance purposes. Specifically related to athletes, sealed bottled water is required for safety purposes to ensure knowledge of water source. Further, through its food vending contract, bottled water will be sold at concessions to spectators at competition venues.

TO2015 has advised that it will encourage bulk water solutions where viable. This effort will include providing recycled water bottles to its workforce and volunteers along with bulk water solutions where there is no access to potable water. TO2015 will also encourage volunteers, spectators, media and its workforce to utilize bulk water solutions. Finally, TO2015 will adopt site specific waste management practices which include recycling to mitigate disposal impacts.

Several other municipalities and private institutions which are hosting Pan/Parapan Am events have water bottle bans in effect. TO2015 has similarly requested (and in each case been granted) an exemption from the ban in these locations.

To provide a consistent experience for Games participants and spectators and to assist TO2015 with its operations, it is recommended that Council authorize an exemption to the ban on the distribution of bottled water at the Etobicoke Olympium, Birchmount Stadium and other community recreation centres, civic centres and City parks to be used as Pan Am / Parapan Am Games celebration sites from June 15 to August 20, 2015, as approved by the General Manager of Parks, Forestry & Recreation.

Distribution of complimentary Pan Am / Parapan Am Games tickets to children and youth

The City of Toronto is eligible to receive a certain number of complimentary tickets to Pan Am / Parapan Am Games events. These tickets are assigned through a Municipal Designation Program (“MDP”) established by TO2015. Under this program, Toronto and other host municipalities are placed in one of three tiers – Gold, Silver or Bronze – corresponding to the municipality’s level of investment in Games-related promotional, engagement and celebration activities.

At present, Toronto has been advised by TO2015 that it qualifies for “Gold Tier” benefits, with a corresponding complimentary allocation of 1,000 tickets (800 for Pan Am; 200 for Parapan Am). Five other municipalities – Hamilton, Markham, St. Catharines/Welland, Ajax and Caledon – have qualified for Gold Tier benefits.

TO2015 is responsible for determining the per session/event allocations of complimentary tickets. All tickets designated to the City will be assigned for events taking place at venues within Toronto. The City is responsible for determining the recipients and distribution model for complimentary tickets.

Building on its extensive involvement in the Games, the City’s Parks, Forestry and Recreation (“PFR”) division has developed a proposal for all children and youth (over the age of 6 years old) registered in City-administered summer day camps, with schedules running concurrently to the Games, to attend one Pan Am or Parapan Am event. Each camp would be responsible for providing transportation, supervision and meals to recipients, using existing budget allocations planned for 2015 camp day trips. Also, because City-administered day camps have a City-wide distribution and subsidized cost structure, this proposal would ensure inclusiveness of children and youth from underserved communities in Toronto.

Given anticipated enrollment figures, PFR estimates that approximately 8,000 tickets would be required for the summer camp proposal to be viable; well above the 1,000 currently committed to Toronto through the MDP. Accordingly, City staff will continue to work with TO2015 and the Toronto Foundation, which is responsible for managing TO2015’s Patrons Program (through which additional tickets can be donated and distributed for community use), to identify whether additional complimentary tickets can be made available to the City for use by children and youth enrolled in summer programs or other children and youth-serving programs.

Providing opportunities for children and youth to attend Games competitions would advance City goals related to sport and youth development and support TO2015’s commitment (as stated in various documents) to “foster an environment of inclusion” and make the TORONTO 2015 Pan Am / Parapan Am Games “the most youth friendly ever.”

It is also worth noting that the distribution of complimentary tickets in the manner and scale proposed herein would position TO2015 and the City to carry on the practice of community ticketing programs found at other recent international multi-sport events such as the 2014 Commonwealth Games in Glasgow, the London 2012 Olympic and Paralympic Games, and the Vancouver 2010 Olympic and Paralympic Games. The

“Celebrate 2010” program in Vancouver, for instance, distributed over 50,000 free and donated tickets to disadvantaged groups through community organizations and social agencies.

It is therefore recommended that the Deputy City Manager, Cluster A be authorized to receive any complimentary tickets made available to the City and that, in turn, these tickets be used by children and youth enrolled in City of Toronto recreation programs during the summer of 2015 or otherwise be made available to community organizations serving children and youth, inclusive of those from underserved communities.

CONCLUSIONS

Both locally and abroad, interest in and excitement for the TORONTO 2015 Pan Am / Parapan Am Games is building. This is due in no small part to the contributions -- financial and operational – provided by the City of Toronto, with repeated endorsement from City Council, since planning for the Games started in 2008.

With the Games set to begin in just over six months, this report provides Council with timely updates and recommendations to support Games-related planning and implementation. These recommendations represent no net new cost to the City beyond what has previously been approved by Council for Games purposes; yet, if approved, will enhance the experience and legacy of the Games this summer.

In the case of recommended investments to support the Games’ main *Bus & Fleet Depot* and the *Prince Edward Viaduct Illumination* project, the proposed City funding contributions would come from savings on another Pan Am / Parapan Am Games capital project. Upgrades to the site used for the Games’ bus and fleet depot in the Port Lands will support Games transportation needs and help attract new uses and users to the site afterwards, while the viaduct illumination project will improve one of Toronto’s most visible and iconic infrastructure and public realm assets and help create a unique and beautiful location for community celebration.

Recommended reallocations under the Host City Showcase Program – for enhanced parks maintenance services, enhanced torch relay community celebrations and a Host City Permit Fee Relief initiative – will ensure that Toronto upholds its reputation for cleanliness when the world visits next summer and provide support for Games-related activations, events and celebrations in neighbourhoods across the city. The budget for these new initiatives (cumulatively no more than \$0.340 million) is entirely funded through savings from other Showcase Program initiatives.

The recommendation included in this report for a temporary exemption to the ban on bottled water at City sites hosting Pan Am / Parapan Am Games events is an example of the City working cooperatively with other Games partners, in this case TO2015, to provide a consistent high-quality experience for Games athletes, officials and spectators.

Finally, this report’s recommendation to distribute all complimentary tickets received by the City of Toronto to children and youth will, if adopted, help to ensure that the TORONTO 2015 Pan Am / Parapan Am Games are truly inclusive of, experienced by, and leave a positive legacy for young people in Toronto.

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ATTACHMENTS

Appendix A: Host City Permit Fee Relief Policy

Appendix A

Host City Permit Fee Relief Policy

<p>Policy Statement</p>	<p>Local events and celebrations hosted as a part of or inspired by the TORONTO 2015 Pan Am / Parapan Am Games are essential to building the profile and “buzz” that is needed to make the Games memorable and successful. As the Host City, Toronto has a responsibility to support these events.</p> <p>A fair, effective and affordable means to support Games-related local events in 2015 is by covering the cost of otherwise applicable permit fees levied by City divisions such as PFR, Transportation Services, etc.</p> <p>The "Host City Permit Fee Relief" initiative is time-limited and will take effect immediately upon approval by Council and expire upon the conclusion of the Games in August, 2015.</p> <p>The "Host City Permit Fee Relief" initiative is also funding-limited and will expire once the allocated budget is fully committed.</p>
<p>Guiding Principles</p>	<p>This policy is consistent with the terms of the User Fee Policy adopted by Council in September 2011, which stipulates that granting relief to groups (otherwise subject to fees) must promote or advance economic or social benefits, specific City policy goals and objectives including supporting projects or activities with clear societal benefits.</p>
<p>Authority/Administration</p>	<p>This policy will be administered by the General Manager of Parks, Forestry and Recreation. However, relief may be granted for permit fees levied by any City division.</p>
<p>Conditions</p>	<p>The following will guide the implementation of the Host City Permit Relief Policy:</p> <ul style="list-style-type: none"> • Only events held in advance of or concurrent to the Pan Am and Parapan Am Games for the purposes of promotion, engagement and celebration of the Games within the City of Toronto will be considered under the policy; • Competition, training and test events held in City venues will not be eligible for consideration under the policy; • Each recipient organization will be eligible for a maximum benefit of \$10,000 through the policy; • Costs associated with staffing and material necessary to meet permit requirements (e.g., paid duty officers, signage, etc.) are not eligible for relief under the policy.

Requests	<p>Requests for consideration under the fee waiver policy must be submitted to the General Manager, Parks, Forestry and Recreation in writing no later than one month prior to the permitted event.</p> <p>Requests submitted after an event has taken place will not be considered.</p>
Reporting	<p>Staff will track and record all beneficiaries and benefit amounts provided under the policy and will report these to Council following the conclusion of the Games.</p>