



## STAFF REPORT ACTION REQUIRED

### Hosting the 2017 World Police and Fire Games

<b>Date:</b>	May 20, 2016
<b>To:</b>	Executive Committee
<b>From:</b>	General Manager, Economic Development and Culture Fire Chief and General Manager, Fire Services
<b>Wards:</b>	All
<b>Reference Number:</b>	

### SUMMARY

The World Police and Fire Games (WPFG) is a multi-sport and recreation event for full-time and retired professional firefighters and sworn law enforcement officers (police, customs, and corrections). The Games are an international and community celebration of individuals and organizations involved in community safety, protection and engagement. The WPFG happens every two years and generates positive economic and social impacts on the host community.

In 2011, Toronto lost the City Council supported bid for the 2017 World Police and Fire Games to Montreal. However, in April 2016, Montreal cancelled the Games, due to local political reasons. The World Police and Fire Games Federation, which owns the event and grants host cities, approached the City of Toronto about hosting the Games in 2017.

The WPFG Federation requested a response from Toronto by mid-May 2016 about whether Toronto has the organizational, financial and venue capacity to host the Games and be operational for registration in the fall of 2016.

This report examines the feasibility of hosting the event. At the time of writing this report, it is unclear whether the Federal or Provincial governments plan to financially support the Games. Similarly, if City Council does wish to proceed with supporting the Games, a source of City financing needs to be secured prior to the 2017 budget cycle, which is not currently available.

## **RECOMMENDATIONS**

The General Manager, Economic Development and Culture and the Fire Chief and General Manager, Toronto Fire Services recommend that:

1. Provided firm funding commitments are received from the Federal and Provincial Governments as outlined in Attachment #1 – Operating Budget by June 10, 2016, City Council direct the Fire Chief and General Manager, Toronto Fire Services, to negotiate, approve and execute, on behalf of the City of Toronto, the Operating Games Agreements required by the World Police and Fire Games Federation to host the 2017 World Police and Fire Games.
  - a. If commitments from the Federal and Provincial Governments are received, the City of Toronto contribution of in-kind services will be made of up to a maximum of \$3 million CDN to support the 2017 World Police and Fire Games.
2. City Council direct the City Manager, or his designate, to negotiate, approve and execute on behalf of the City of Toronto, and in a form satisfactory to the City Solicitor, firm financial commitments from the Federal and Provincial Governments by June 10, 2016.

### **Financial Impact**

It is recommended that hosting of the 2017 World Police and Fire Games will only proceed once funding is confirmed from the Federal and Provincial governments (approximately \$10.6 million CDN), the City of Toronto and private sources. The remaining portion of the budget will be generated through registration fees.

In the event the Provincial and Federal governments do not commit to funding the event would not proceed.

### **Bidding Costs and Hosting Fee**

Due to the unique situation, a formal bid is not required. There are no "bid costs", other than staff resources, with respect to developing the feasibility of hosting the games. The host city fee is normally \$800,000 USD however the Federation needs the final outstanding payment of \$175,500 CDN. The rest was paid by Montreal. This fee will be paid out of Federal or Provincial or private funding commitments in 2016, or will be asked to be waived by the World Police and Fire Games Federation in 2017.

### **Operating Budget**

A draft Games operating budget of approximately \$14.16 million CDN has been developed for the 2017 WPFG. This amount is based on venue operating cost collected and the final budgets of both the 2009 British Columbia WPFG and 2015 Fairfax, VA WPFG.

The draft operating budget is attached as Attachment #1.

The \$14.16 million CDN operating budget is to be covered by contributions from public sponsorship, private sponsorship and games revenue. No capital costs are anticipated.

<b>GAMES REVENUE SOURCES</b>	<b>AMOUNT (in Canadian Dollars)</b>
City of Toronto	\$3,000,000 (in-kind)
Province of Ontario	\$6,000,000
Government of Canada	\$1,300,000
Corporate Sponsorships	\$1,360,000 (cash and in-kind)
Participant Revenue	\$2,496,000
<b>TOTAL</b>	<b>\$14,156,000</b>

The City of Toronto's investment in the 2017 Games, comprised of in-kind contributions, will be capped at \$3 million CDN. Proposed in-kind contributions will be in the form of reduced or waived rental fees for City facilities and staff assigned from Toronto Police Services and Toronto Fire Services to work with the 2017 Toronto WPGF host corporation.

Operating budget implications, including the "backfilling" for seconded positions, will be absorbed by the Divisions and Agencies concerned.

A full report on the establishment of the not-for-profit hosting organizations will be presented to City Council in the fall of 2016 should Toronto be confirmed as the host city.

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

## **DECISION HISTORY**

On May 3, 2016 Toronto City Council requested a report to the next Executive Committee meeting on the feasibility of Toronto hosting the World Police & Fire Games in 2017; including information on the proposed budget, organisation requirements, funding sources, and availability of venues.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.MM18.41>

In 2011, Toronto City Council endorsed the bid for the 2017 WPGF, which was ultimately lost to the City of Montreal, and authorized the Fire Chief and General Manager, Toronto Fire Services to enter into a contractual agreement and committed \$3 million in support to the event.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX6.1>

Additionally, a report to Economic Development Committee on May 17, 2016 titled "City of Toronto Bidding and Hosting Strategy for Significant Special Events" references

the 2017 World Police & Fire Games, and addresses strategies to supporting and funding this category of events:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.ED12.4>

## **ISSUE BACKGROUND**

The World Police and Fire Games (WPFG) is a multi-sport and recreation event for full-time and retired professional firefighters and sworn law enforcement officers (police, customs, and corrections). The Games are an international and community celebration of individuals and organizations involved in community safety, protection and engagement.

The World Police and Fire Games (WPFG) is owned by the World Police and Fire Games Federation, a not-for-profit organization governed by an international Board of Directors out of San Diego, CA. The WPFG occur every two years and the host is selected through a competitive bid process. Previous and future host cities include:

Barcelona, Spain (2003); Quebec City (2005); Adelaide, Australia (2007); Metro Vancouver (2009); New York City (2011); Belfast, Northern Ireland (2013); Fairfax, VA (2015); Chengdu, China (2019); and Rotterdam, Netherlands (2021).

Toronto bid for the WPFG twice, in 2009 for the 2015 Games which were awarded to Fairfax, Virginia and in 2011 for the 2017 Games which were awarded to Montreal. On both occasions a "Toronto Bid Committee" was established. This Committee was co-chaired by Toronto Fire Services and Toronto Police Services and included representatives from Toronto Professional Fire Fighters Association, Toronto Police Association, Toronto Police Amateur Athletic Association, Tourism Toronto, City of Toronto and the Government of Ontario.

In October 2010, the WPFG Federation visited Toronto for a technical visit and Toronto received an outstanding evaluation. The delegation was greatly impressed with the facilities shown and the City's hosting expertise.

## **COMMENTS**

### **Economic Impact**

Toronto can expect a positive economic impact based on the experience of past host locations. An estimate has been completed using TREIM (Ontario Ministry of Tourism, Culture and Sport – Tourism Regional Economic Impact Model) estimates total visitor spending of \$28 million with further indirect and induced spending of \$11.5 million in Toronto. Overall, total economic impact to Toronto and the surrounding area is estimated to be \$55 million. City staff believe this is a conservative estimate based on the economic impact reported by other host locations in the past and that which was projected by Montreal prior to the boycott.

Montreal reported an estimated overall economic impact for the 2017 WPFG of \$101 million.

Fairfax County, Washington reported that the 2015 Games brought in about \$83.85 mil (US) in economic benefit to the Washington region. This included \$49.24 million (US) in direct economic benefits, plus about \$34.61 million (US) in “induced effect”. Belfast, Ireland reported an estimated economic impact of £25 million (approximately \$46.5 million US) from hosting the 2013 Games.

## Hosting and Bidding Assessment

The following is a comparison of the 2017 World Police and Fire Games to the Bidding and Hosting Assessment included in " Implementation of the Mayor's Advisory Panel Recommendations for Future "Mega" International Event Bidding and Hosting in the Toronto Region" being considered at Executive Committee on May 24, 2016.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX15.7>

<b>1) Start from a Position of Strength</b>	
Does the event have the necessary support of government partners?	Medium: In conversation but not yet fully approved
Does the event have the necessary support and commitments from Toronto's corporate community?	Medium: Secondary funder for bid/event secured
Does the event engage the community in a meaningful way and respond to their interests and concerns?	Medium: Engaged in a limited way with plans for more
Is there a high degree of confidence in the success of a bid?	Strong: Understand process, strong concept and confident of success
<b>2) Optimize Toronto as a Host City and Region</b>	
Do the investments in both the bid and hosting concept have public value?	Medium: Only the hosting concept has public value
Is the event built on (i) existing capacity, (ii) strong/diverse leadership and (iii) a regionally-coordinated approach?	Strong: Achieves all three aims
<b>3) Advance Key City Building Priorities</b>	
Will the event advance key city building priorities such as transportation infrastructure, community development and/or affordable housing?	Medium: Achieves one or two city building objectives
<b>4) Responsibly manage hosting costs, resources and risks</b>	
Do the City and its partners have confidence that they can manage costs/resources and avoid or mitigate	Strong: Plans are in place to ensure all costs and risks are well managed

for risks associated with hosting the event?	
<b>5) Generate Benefits and Legacies for all Torontonians</b>	
Will the event generate broadly shared benefits and will it leave a meaningful legacy for local communities after the event has ended?	Strong: Honours service personnel. Strengthens the relationship between Police, Fire and EMS with the public.

Toronto has the capacity to host the 2017 WPFG, building on the successful hosting of the 2015 PanAm/Parapan Am Games and other signature events. Hosting the WPFG would celebrate dedicated police and fire professionals and their achievements through sport, build stronger camaraderie, and support social cohesion within Toronto.

Material presented in this report is based on the 2011 bid document, analysis and research conducted by the 2015 and 2017 Bid Committees.

The dates proposed for the Games are June 23 to July 2, 2017. These dates were selected based on venue and hotel availability, and to avoid most major annual events. The conclusion of the Games overlaps with Canada Day and sesquicentennial celebrations which could provide an opportunity to partner with these activities and to showcase a true Canadian celebration to an international audience.

### **Government Funding**

In the 2011 bid, the Government of Ontario committed to a \$6 million CDN investment in the games operating budget if the bid was successful. Discussions with the Provincial government are underway.

The Federal government has made investments to the previous three WPFG held in Canada, traditionally in the year in which the Games occurred. Montreal secured \$1.3 million in a Federal funding agreement that was not received. Toronto would pursue a similar agreement.

With the City of Toronto investment, and commitments from the Provincial and Federal governments, \$10.3 million, or two thirds of the Games operating budget would be secured, close to the 75% required to proceed. The remaining funds would be generated through the registration fees.

### **Sponsorship**

A consultant's report in 2011 confirmed that corporate sponsorship for the WPFG was favourable. An expression of interest has been received from a private corporation to be a premier sponsor of this event.

**Event Guarantor**

In addition to the funding, the City of Toronto will pursue an agreement with the Province to cover any cost over-runs or revenue shortfalls.

**Host Organization**

A not-for-profit organization would be established by the City of Toronto to host the Games. The Board would include majority representation from the City as well as representatives from the Toronto Police Association, Toronto Professional Firefighters Association and Toronto Police Amateur Athletic Association, the private sector and other community organizations.

There is a requirement for the Host Organization to sign the World Police and Fire Games Federation's (WPFGE) "Games Operating Agreement" which articulates roles and responsibilities and specific financial obligations of the host city and host organization.

**Organizational Requirements**

A working group, comprised of members from the Toronto Fire Services, Toronto Professional Fire Fighters Association, Toronto Police Services, Toronto Police Association, Toronto Police Amateur Athletic Association, Tourism Toronto and Economic Development and Culture Division, many of whom were on the 2011 Bid Committee, has been meeting to explore the possibility of hosting these Games. Uniquely, this event is led by Police and Fire members.

A draft organization chart is attached as Attachment #2.

Staffing allocations will be based on the operating segments of the organization to ensure that workflow is smooth and efficient. Key to the success of the planning and execution of the 2017 World Police and Fire Games (2017 WPFGE) is identification and fulfilment of staffing needs and matching skill sets.

It is proposed that staffing be fulfilled through four main sources to ensure the best match of skill sets while balancing financial resources:

- Seconded Individuals (Police, Fire, Police and Fire Associations and the City)
- Hired/Agency/Contracted Services
- Volunteers
- Services (Police, Fire, and Ambulance)

There are three main stages of the 2017 WPFGE which require differing staffing levels. The following is a brief description of the anticipated requirements of the 2017 WPFGE with respect to staffing:

## **Development and Planning Stage**

Development and Planning will run from June 2016 to May 2017. During the 12 months of this stage staffing of approximately 18 full-time positions may be required. The contracting of a CEO will take place and staffing will include positions to manage each of the operating areas as identified in the organizational chart as well as support or specialized staff within each of the operating areas.

The organization will also require members for the Board of Directors, which is anticipated to consist of up to 12 members. Members from Police Services, Fire Services, Police and Fire Associations, Tourism Toronto and the City are anticipated to fill about half of the board positions.

During development and planning Information Technology and Sponsorship Sourcing services are expected to be contracted out.

Given the large number of sports that will be hosted, 70 volunteers will act as sports coordinators during this stage as well.

## **Delivery of the Games**

Delivery of the games will require all hands on deck including seconded personnel, volunteers, contractors and service providers such as Police, Fire and Paramedics. Based on up to 60 sports and up to 25 venues, it is anticipated that approximately 4,000 volunteers will be required to assist in many operating areas of the games. The final staffing requirements for the delivery of the games will be determined in the winter of 2016-2017.

## **Post Games and Closure**

The final stage will require all of the initial development and planning staff for 2 weeks post-games to gather feedback and wrap up loose ends. A post project evaluation will be required as well as a final financial accounting of the games. This will require a small team of approximately 4 staff, including the CEO for approximately 3-4 months, with final deliverables expected in the winter of 2017.

## **Venue Requirements**

There is ample housing and hotel room capacity in Toronto during the proposed Games dates and Tourism Toronto has held space for the Games. Over 10,000 participants and their families are projected to attend the WPGF.

There are over 60 sports proposed to be held at 25 venues across the City of Toronto and the Greater Toronto Region. Outreach has occurred to all venues secured for the previous bid in 2011 and space confirmed. New venues built for the PanAm Games, such as the Pan Am Aquatic Centre and Field House and the National Cycling Centre in Milton,

which were not part of the previous bid, have also been engaged. There is capacity to hold all mandatory sports required by the Federation. Please see Attachment #5 for a list of venues.

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## ATTACHMENTS

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| Attachment #1: | Operating Budget   |
| Attachment #2: | Organization Chart   |
| Attachment #3: | Letter of Support from the Toronto Professional Fire Fighters Association (TPFFA – Local 3888) |
| Attachment #4: | Letter of Support from the Toronto Police Association  |
| Attachment #5: | List of World Police and Fire Games Venues   |