



PROPOSED BUSINESS PLAN FOR TORONTO'S PARTICIPATION IN FIFA 2026 | Executive Report

March 1, 2023





“Toronto has a special place on the world stage. It is an international hub of creativity in performance and visual arts, with among the most active live performance and exhibition scenes found anywhere.

It is the economic centre of a resilient and dynamic national economy, characterized by ideas and businesses with cross-border reach and global ambitions. There are few, if any, global cities with comparable cultural diversity. Toronto is a place that countless ethno-cultural communities call home. And we are one of North America’s great sports towns, with extraordinary homegrown talent and state-of-the-art facilities serving both high performance athletes and local neighbourhoods alike...

There is something special about playing host to the world and coming together in a moment of collective celebration as understood by anyone who attended the TORONTO 2015 Pan Am/Parapan Am Games in 2015, World Pride Festival in 2014 or has experienced the Caribbean Festival or the Toronto International Film Festival.”

Foreword

In 2016, Toronto City Council adopted the phrase: *“Bringing the World to Toronto: A Report from the Mayor’s Advisory Panel on International Hosting Opportunities”* following the Pan Am and Parapan Am Games. The words on the previous page are found at the beginning of this report and embody Toronto’s unique place on the world stage

FIFA 2026 is a once in this decade opportunity to again demonstrate to the world that diverse peoples can come together through a major event, creating stronger bonds and increased prosperity, especially as we recover from the global COVID-19 pandemic. While the city would share the World Cup stage with 15 other cities across Canada, the United States and Mexico, there is enough opportunity to garner a significant share of the huge worldwide audience and, more importantly, for Toronto to experience the ‘collective joy of celebration’.

Soccer is the largest participatory sport in Canada and is considered the fastest growing sport in the country. In 2019, Canada Soccer had over 784,000 registered youth and senior players playing within 1,200 clubs across the country. Additionally, over 30,000 coaches and 20,000 referees support the growth of the game across all levels. These numbers do not include the many youth and adults that play in schoolyards and parks (and streets and lanes) without formally registering in a league or club.

There are a variety of reasons for Toronto’s participation in this three-country, sixteen city mega-event that meet the criteria established by the Mayor’s Panel seven years ago and that avoids the significant challenges of typical mega-events. FIFA 2026 in Toronto will:

- 1. Excite the city, province and country.** With 48 nations competing in the World Cup, and 10 of them playing in this city, the very real sense of global celebration in a global city will be extraordinary. It will touch all neighbourhoods and build civic engagement for the next three years as more than 200 national teams vie to gain entry to the FIFA World Cup 2026. In the local psyche, it will be like having five Stanley Cup finals games or five World Series games but even more globally inclusive.

2. Provide many opportunities for significant positive legacies beginning with an opportunity to further reconciliation goals with First Nations such as Call to Action 91 of the Truth and Reconciliation Report.

Call to Action 91 states:

- i. We call upon the officials and host countries of international sporting events such as the Olympics, Pan Am, and Commonwealth games to ensure that Indigenous peoples' territorial protocols are respected, and local Indigenous communities are engaged in all aspects of planning and participating in such events.*

Other legacies include enhancing local sports facilities without huge expenditures required, boosting community recreation and public health, building better and wider local collaboration, creating a world stage for local arts and culture expressions and driving sustainability with net zero goals. And equally important, advancing and demonstrating local diversity, inclusion and combating anti-black racism.

- 3. Garner very high global visibility.** Hosting FIFA World Cup games will provide Toronto, Ontario and Canada the greatest visibility provided by a major event this decade, featuring a universally popular sports championship that appeals to a huge audience across the world. Toronto will access an estimated 4 billion viewers for the entire competition with upwards of 170 million for each of the matches in Toronto). This profile affords Toronto a great opportunity to champion and demonstrate global leadership in human rights, diversity and inclusion. We will be the leading champion in the 'Unity' aspect of the objectives of the championship.
- 4. Strengthen sport participation in Toronto.** In 2004 Canada did not have a single professional soccer team. Today there are three teams in Major League Soccer, eight teams competing in the Canadian Premier League (launched in 2019) with plans to add eight more over the next decade. Perhaps most impressively 2025 will see the launch of a new Canadian Women's league adding an additional eight professional soccer team from coast to coast. The World Cup will provide the many role models that spur the sport's growth and ambitions of young players across the country— such as the inspiring story of Canada's Alphonso Davies and the 'soccer factory' of Brampton. Not only are these aspirational stories that inspire sporting participation, but they support the explosive growth and interest in the game demonstrated by the rapid growth of professional soccer in Canada.
- 5. Generate strong impacts to the local, provincial and national economies with over:** \$400 million dollars of GDP impact, \$780 mil of topline economic activity, \$100 mil in government revenue from taxes, 3,000 jobs and 185,000 overnight visitors, mostly from outside Canada, paying for over 300,000 room nights. There is also a strong trailing impact of increased prospects for investment and immigration due to the global attention. The significant economic benefits of the World Cup is the other key aspect of the 'Opportunity' pillar in the United Bid.

- 6. Avoid the big local downsides of mega events such as the Olympics.** One important element is that Toronto's participation in 2026 FIFA World Cup will have a relatively low local negative impact with five early-stage games over three weeks. Fewer participating athletes than in multi-sport events means no dedicated athlete quarters need to be built and no new major event infrastructure to build; all reducing major costs and associated construction risks. There will be no huge influx of visitors but still a very good tourism draw with upwards of 200,000 to 300,000 visitors spread over the three weeks. This differs significantly from the inconveniences imposed by most mega sporting events on residents' mobility and other quality of life factors.

The budget numbers presented in Chapter 6 below indicate a significant need for government support to enable Toronto to be able to host FIFA World Cup 2026. The budget asks are consistent with economic impacts listed above, and informed by where government revenues will accrue, principally to provincial and federal orders of government., as incremental tax receipts alone cover a significant portion of the government assistance requested). The following Executive Report (and accompanying Business Plan material) are intended to demonstrate that government support is merited, in view of the significant benefits, and that the risks are minimized for such a large one-time event here in Toronto.

CHAPTER 1 | Introduction

In 2017, a number of Canadian cities were approached by Canada Soccer (also called the Canadian Soccer Association or CSA) to determine whether the City was interested in bidding to be one of the host cities for the FIFA World Cup 2026. Canada Soccer, and the respective USA and Mexican soccer federations, had decided to bid to host FIFA World Cup 2026 under the banner of a United Bid, defined by three pillars: 'Unity, Certainty, Opportunity'. The bid won and 23 cities were shortlisted for 16 host city designations. Four Canadian cities originally expressed enthusiasm, one of which was Toronto. Vancouver, Montreal and Edmonton also expressed interest, of which only Toronto and Vancouver were selected.

In preparing its Business Plan, Toronto has drawn on the assistance of a number of subject matter experts familiar with large global events, playing fields and the costing of operations and facilities. The lead consultant was Organisports Consultants who were also retained by Edmonton and Montreal. Accompanying this Executive Report is Organisports' comprehensive proposed business plan for the City of Toronto. The Organisports plan was drafted in July 2021 to meet initial Canada Soccer National Hosting Concept deadlines and revised in March 2022 to align with updates in expectations and some of the pandemic-related change in economic conditions. This plan details the full scope of all the standards and expectations of FIFA, as identified at the time of its writing, including requirements embedded in agreements between FIFA and

the City when the bids were originally submitted. Notably, certain key aspects of the roles of FIFA in delivery of the Games in Toronto that may impact the scope and cost of the City's role are currently unknown, and, as such, the Organisports' plan projects maximum responsibilities and costs that will not all factor into the final event delivery model and the City's role within it. This Executive Report includes many of the key data and conclusions from the Organisports document. **City staff through this Executive Report have further refined certain elements of the Organisports report based on new information and circumstances.**

The purpose of the City's submission to Canada Soccer, to include this Executive Report and the full consultant's report, is to support the City's application for funding from the federal and provincial governments. This document and the accompanying business plan will provide all three orders of government the detail they need to evaluate the opportunity, the appropriateness of funding and the level of financial support. This Executive Report contains a summary of background information outlining the World Cup event, the main objectives for legacies and impacts for Toronto as a Host City for the World Cup, timelines in the short and longer terms, and preliminary budgeting. This document closes with a discussion of risks.

CHAPTER 2 | About FIFA 2026

BACKGROUND

FIFA World Cup 2026 is the next world championships ('World Cup') of international men's soccer (called 'football' in most of the world). It is held every four years over about five weeks, usually in a number of cities in one country. In 2026, FIFA accepted a three-country bid from Canada, Mexico and the United States of America.

The International Federation of Football Association (often referred to by the acronym FIFA) is the international sports federation of football (soccer), futsal and beach soccer. Its goal is to manage and develop soccer across the world.

FIFA currently comprises 211 federations (as for many sports, parts of countries are members separately such as Wales, Scotland and England from the UK). The federations are grouped under six continental confederations, namely AFC (Asia), UEFA (Europe), CAF (Africa), CONMEBOL (South America), CONCACAF (North America, Central America and Caribbean) and OFC (Oceania). National teams qualify for the FIFA World Cup through competitions arranged by their continental federations.

Canada Soccer is the member federation for Canada and was the Canadian partner in the United Bid. To date Canada has hosted every major soccer tournament that holds except the Men's World Cup final.

Toronto has been involved in the organization of major FIFA competitions held in Canada in the past:

- **2014 FIFA U-20 Women's World Cup (6 group matches and one quarterfinal match) at National Soccer Stadium (BMO Field);**
- **2007 FIFA U-20 World Cup (6 group matches, two rounds of 16 matches, a quarterfinal, semi-final and the final) at BMO Field; and,**
- **1987 U-17 World Cup (6 group matches, one quarterfinal, one semi-final and the final) at Varsity Stadium.**

In addition, Canada hosted the Women's FIFA World Cup in 2015 but due to timing conflicts with the Pan Am Games in Toronto, none of the competition was played in Toronto.

COMPETITION

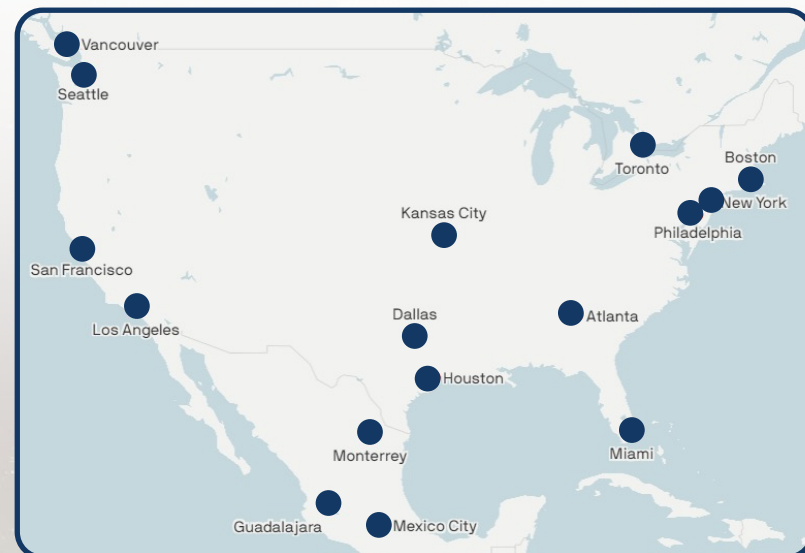
The FIFA World Cup is the most watched single-sport event in the world and the second most-watched sporting event after the Summer Olympic Games. The three FIFA World Cups preceding 2026 are Brazil (2014), Russia (2018) and Qatar (2022).

In recent years, including 2022, 32 countries vied in 64 games to decide a champion. In 2026, this is being expanded to 48 countries and 80 games. This will increase interest and excitement worldwide.

For the 2026 competition, three countries bid together ('United Bid') and were awarded the FIFA World Cup 2026: Canada, Mexico and the United States of America. Canada and Mexico will have 10 games each earlier in the competition and the USA will have 60 games, including all the latter rounds.

When the bid was awarded, 23 cities across North America were listed as candidate cities. Sixteen Host Cities were declared by FIFA on June 16, 2022, as shown in the map below with both Toronto and Vancouver being named.

FIFA has many requirements of World Cup host cities to support the competition including the obvious ones of minimum sized stadium. Toronto has committed to expand BMO Field to the necessary 45,000 seats required, while leveraging the excellent pitch at the stadium. Toronto, per FIFA direction, anticipates delivering up to four training venues for teams' use in the immediate run-up to their matches, each with two excellent pitches. Toronto is encouraged by recent discussions with FIFA that only two Venue Specific Training Sites (VSTS) may be required, coherent with Toronto plans to locate these at a single site. Team base camps, pending FIFA decisions, are outside current City costing. Participants will stay in hotels, so no athlete's village is needed. Media centres, VIP hosting and the other aspects of hosting a major sport event are also required.



FIFA FAN FESTIVAL

The World Cup is significantly more than official competition matches. One key element is FIFA Fan Festival similar to what Panamania was for the Pan Am/Parapan Am Games in 2015 but with a heavier focus on live streaming all the matches across 30+ days of the competition.

Since its inception in Germany in 2006, FIFA Fan Festival has drawn massive crowds and has been the locus of the spirit of tournament celebrations. In Qatar, FIFA Fan Festival drew 1.85 million visitors, significantly lower than historical numbers due to location, season and other factors.

FIFA confirmed that the Russian edition of the FIFA Fan Festival welcomed 7.7 million visitors at 12 sites across the country. This compares to 5.2 million fans at the 2014 edition in Brazil. Attendees watched a total of 917 hours of live football and enjoyed music and cultural entertainment program featuring 646 bands playing 323 hours of live music when games were not being played, all free of charge. It is important to note that the initial FIFA Fan Festival in Germany drew an estimated 21 million visitors across 12 host cities. Due to the expansion of the tournament and its location in North America it is plausible that there will be significant growth in attendance in 2026 compared to recent tournaments.

FIFA Fan Festival requirements are:

- Stage an official public viewing event, to be free for attendees, to watch live matches across the competition. Minimum capacity for Edmonton and Toronto of 15,000 spectators
- Offer programming for a minimum of each match day during the competition
- Hosted in a central, accessible location to allow for fan travel without impacting stadium flows
- Presentation space for FIFA Commercial Affiliates to showcase their commercial activities
- Ancillary merchandise, broadcast studios and similar elements to enhance the overall FIFA Fan Festival location

** These requirements and who will manage the FIFA Fan Festival are currently under review*

CHAPTER 3 | Vision, Legacies and Impacts

Toronto's Host City goals for FIFA World Cup 2026 are driven by the legacies and positive impacts which the successful hosting of World Cup matches would bring to the city and its residents. The vision is drawn from the FIFA priorities ("Equity, Accessibility to Sport, Human Rights and Sustainability"), those of Sport Canada and Canada Soccer combined with local priorities. Given that Vancouver is also a Host City, vision and legacy priorities should be similar, but tailored to local realities, needs and aspirations. Toronto's position globally as a leading arrival city with strong commitments to equity and inclusion present a great platform to realize the equity and inclusion goals sought by FIFA and all government partners. The journey of developing the vision and targeted legacies is just beginning and needs to be informed by consultations with Toronto communities and with our funding partners at the Provincial and Federal Governments. The legacy decisions should also be rooted in metrics and outcomes and this work will also be part of the journey.

VISION AND MISSION

Full consultation with key partners and stakeholders is underway, including working with the Mississaugas of the Credit, as local treaty holders, the urban Indigenous community and other First Nations. Thus, the following paragraphs are expressed here as possible starting points for those negotiations and consultations and are not final recommendations nor decisions

A starting point for the Vision draws on the fact that soccer is the most global of sports and Toronto is the most global of cities, exemplified by the City's motto "Diversity our strength" could be:

In 2026, Toronto will be especially energized by hosting part of a huge global sporting event and will demonstrate to the world how all of us can be stronger by embracing all backgrounds and ways of life. Neighbourhoods will celebrate their international cultures and connections with passions rooted in sport, especially 'the Beautiful Game'.

There is no bigger opportunity in this decade for such a celebration and international spotlight. Therefore, the mission statement shared locally could be to:

Enhance the prosperity, economic growth and global reputation of Toronto, Ontario and Canada while inspiring our residents and visitors to unite in celebration and to further adopt healthy lifestyles.

LEGACIES AND IMPACTS

Discussions and consultations will soon begin on establishing exactly what the legacies should be for Toronto in Hosting matches in the 2026 World Cup. These deliberations are likely to be concentrated in five areas with a cross-the-board theme always influencing the other five. Ideas listed here are starting points for consultations and deliberations and for gauging possible estimates of needed funding.

LEGACIES | RECONCILIATION

This is the common theme that will help inform and drive the five themes listed below Toronto recognizes that the competitions are being held on the traditional territories of several First Nations, notably the Mississaugas of the Credit and that Indigenous peoples' territorial protocols will be respected, and the Indigenous communities will be engaged in all key aspects of planning and participating in Toronto's activities as a Host City and in doing so will further the reconciliation process. Rather than be one separate legacy pillar, these collaborations will also be a key component of the next five legacy themes.

SOCCER, SPORT AND ACTIVE LIVING

1. Advance equity on the field as well as in the coaching, officiating and administrative ranks
 - Initiatives could include training programs targeted at equity seeking groups that taught youth skills in training, coaching and refereeing. Similar programs could be co-developed with First Nations partners for indigenous youth. These programs could lead to entry level employment and improved access to physical activity.
2. Enhance soccer facilities and infrastructure
 - This will support the growth in both the participant base and fan base, as well as in the skill levels and competitive opportunities. In Toronto, this could include improved training facilities, a better stadium and inspiration for aspiring athletes.
3. Enhance human infrastructure
 - Provide opportunities for individuals, particularly youth, to train as coaches and referees so there are ample supports for those that want to participate.

4. Grow engagement and awareness with soccer fans

- Attending games and watching games in community festivals as well as incredible media coverage will raise the image and commitment to the sport.

5. Encourage active living through sport

- The visibility of many role models from around the world will inspire youth (and older) aspiring athletes to commit more strongly to active and healthy living. Many of the players on the Canadian Men's National Team are from the GTA and featuring them would inspire the youth of Toronto.
- The City could hold a series of school-based programs in the run-up to 2026 to leverage the attention on the World Cup to foster fitness, a healthy lifestyle and international co-operation.

Environmental Sustainability

1. Promote sustainable operations across event delivery

- A key goal for FIFA and the City. Drawing on expertise from the City's Sustainability and Resiliency plans as well as the innovative "green screen" programs for film production in Toronto, specific environmental 'light touch' principles will be applied.

2. Align FIFA sustainability strategies with Canadian objectives where matches, training sessions, fan fests and live sites are zero waste, carbon neutral and water smart.

- Make strong efforts to offset carbon emissions.

3. Pursue innovative and progressive actions and policies towards urban green spaces

- Toronto could partner with indigenous groups, local authorities, non-profits, and environmental action community groups to use last mile journeys to all events to highlight innovations in urban sustainability.

Human Rights, Equity, Inclusion, Diversity and Anti-Black Racism

1. Enhance inclusion and opportunities for under-represented populations

- Equity, access and inclusion will be key drivers for Toronto's participation in FIFA World Cup 2026, supporting FIFA's emphasis on human rights. The City could pursue equity gains from the Games through programs that address barriers to sport participation, creating opportunities for diverse suppliers for the World Cup, and ensuring local project staff and officials are representative of Toronto's diversity. Special consultations will be undertaken to guide this legacy planning.

2. Advance opportunities and Reconciliation with Indigenous Peoples (Note that this is also an umbrella theme cutting across all pillars)

- As above, the City has many activities regarding reconciliation with Indigenous peoples and there are many opportunities in a major event and associated activities such as FIFA Fan Festival to further these objectives. Specifically, Calls to Action 87, 88 and 91 of the Truth and Reconciliation Commission deal with sport development for Indigenous peoples. Special consultations will also be undertaken to guide this legacy planning.

3. Maximize event engagement across Toronto and the region with unique and accessible activations.

- Sports and cultural events in support of the World Cup can start before and occur during the FIFA World Cup 2026. The City could work with regional authorities and the Province to maximize impacts by coordinating programs, such as emphasizing the role of Ontario's tourism gateway cities. The City could also leverage existing programs to support the legacy goals.
- Bolster voluntary sector (as was achieved with the Pan Am Games), especially as it relates to amateur sport.

Economic Impact and Tourism Recovery

In addition to the economic and tourism impacts that will occur directly as a result of FIFA holding part of the World Cup 2026 in Toronto (which are described below under the Impacts section), Toronto could work with its partners in the private and public sector to leverage the World Cup to create additional and ongoing legacies. These could include:

- In addition to social procurement and strategic hiring mentioned above under Human Rights, Equity, Inclusion and Anti-Black Racism, special training programs could be established to train future generations in major event management and/or production,
- A special conference could be launched around FIFA that would attract incubation experts from across Canada and other countries on how to leverage sport to create new businesses in festival management/production, virtual reality, metaverse, gaming, etc. and the conference would continue in future years
- The World Cup could be used to attract potential foreign investors to come to Canada from the countries Toronto is hosting
- A special arts and crafts retail operation could be set up near or in a key venue (stadium or FIFA Fan Festival) to feature local indigenous and other artisans

Supporting and Promoting Arts & Culture

With global leadership as Toronto as a creative city, Toronto sees the World Cup an opportunity to strengthen and exhibit artistic talents and cultural heritage during FIFA World Cup 2026 will be a key element to making the World Cup successful, for FIFA, the world and Toronto. This could happen by leveraging the following strategies:

- **Provide unique opportunities to showcase Canadian talent and culture, coast to coast to coast:**
 - *In Toronto this could happen as the main driving focus of the entertainment elements of FIFA Fan Festival – and not just live acts but also exhibitions of art, photography, sculpture, multi-cultural displays, etc.*
 - *The approach to FIFA Fan Festival could mirror other City Arts and Culture projects with targets set for inclusion. One notable strategy would be to set its targets at 25% Indigenous artists and 75% overall artist from equity deserving groups or BIPOC artists.*

- Build on the cultural ties to global participants by celebrating the countries that come to play in Toronto with focused ethnic and cultural celebrations:
 - *Toronto likely will have 5-8 other countries actually playing here and possibly some ‘friendlies’ (exhibition matches) ahead of time, so that programming can be tailored to feature these countries. Options will exist for international exchanges in sport, academics and culture, on a model where we go there ahead of the World Cup and they come here during the World Cup.*
- Develop cross regional and cross provincial initiatives to showcase artists from region to region across the province and across Canada, possibly to include
 - *Organized ‘tours’ of artists.*
 - *Friendly competitions across the province on key themes associated with the World Cup.*
 - *A network of ‘live site’ public viewing areas for people across the province to participate in the World Cup.*

For all the above legacies, it will be important to set targets, establish accountability and develop a mechanism for reporting post World Cup to assess the advancements made towards the targets. These, as mentioned earlier, must be grounded in broad community consultations.



IMPACTS | ECONOMIC DEVELOPMENT & TOURISM RECOVERY

Given the global nature of the FIFA World Cup and Toronto's strong economic and cultural ties with every member country in FIFA, there are many opportunities to leverage the FIFA World Cup for economic and tourism growth. Simply holding the World Cup and attracting visitors will have major impacts. The following impacts have been calculated using a variety of standard econometric tools (Sport Tourism Canada's STEAM 2.0 model, and Destination International's Economic Impact Calculator model).

When the United Bid was being prepared in 2017, the Boston Consulting Group (BCG) was commissioned to look at the likely economic impacts across the host cities and countries. The key findings of BCG's analysis included:

- Toronto's share of \$1.5 billion CDN in visitor spending across North America
- Toronto's share of \$7.2 billion CDN and 400,000 jobs from total new economic activity
- Strong public support- 81% of North Americans surveyed for United Bid saying FIFA World Cup 2026 is "good for their country"
- Share of a global viewership likely to exceed 4 billion people
- 4,000 global media visiting
- Projected 2 million FIFA Fan Festival visitors in Canada with 14.5 million total across North America
- Over 800,000 local and tourist visitors to FIFA Fan Festival activities
- 500,000 spectators in Canada (with 5.8 million spectators total expected) - the largest attendance in the history of the world cup
- 3,000+ volunteers across Canada with 25,000+ total

More recently, further econometric modelling has been undertaken based on estimates for the spending locally by FIFA, Canada Soccer, hosting partners and the teams and fans and other participants. International tourism could still be recovering from the pandemic and so this boost will be an important part of the recovery plan for this sector.

Estimates of 'visitor' numbers for 5 matches are:

- 9,000 participants (players, officials, sponsors and media), almost all non-local
- 175,000 overnight/non-local fans
- 335,000 commercial room nights
- 385,000 day/local fans



In combination with the economic activities generated by the spending of the above 'visits', the running of the operations associated with all local World Cup activities, and, in the case of the STEAM model, the capital expenditures, the following economic impact projections have been estimated based on \$300M cost for Toronto Host City delivery:

Projected Economic Impacts of FIFA World Cup 2026

Uses Canada Soccer Scenario for Inputs (About \$450 Mil Spent in Toronto)
(Millions of 2026 CDN \$)

	Sport Tourism Canada STEAM 2.0 (4)			Destination International Economic Impact Calculator <i>(Region except where noted)</i>
	Toronto (CMA)	Ontario	Canada	
Direct Industry Output/Business Sales (1)	\$325M	\$325M	\$325M	\$485M
Total Direct, Indirect and Induced Industry Output/Business Sales	\$590M	\$645M	\$780M	\$875M
Incremental Industry Output/ Business Sales (2)	\$315M	\$315M	\$315M	\$475M
Total Direct, Indirect and Induced Incremental				
Industry Output/Business Sales (2)	\$575M	\$635M	\$765M	\$855M
Gross Domestic Product (GDP)	\$280M	\$335M	\$410M	Not Estimated
Government Taxes <i>(for Toronto it is the Municipal Accommodation Tax only)</i> (3)	\$3M	\$50M	\$70M	\$3M (TO) \$55M (P) \$60M (CA)
Employment <i>(Full Year Equivalents)</i> Persons	3,100	3,400	4,200	6,500
Personal Income/Wages and Salaries	\$185M	\$210M	\$255M	\$290M

- 1) The STEAM Model combines Direct and Indirect. Impacts for this category were split out using same ratio as for EIC). It is the same for all three geographies because all the direct spending is assumed to be done in the Toronto CMA.
- 2) The models were run a second time without day visitor spending since all other spending categories are incremental.
- 3) Both models estimate an econometric value of taxes 'supported' at the local level. In this case, an estimate was put in separately from the models for the MAT which is a 'real' tax received which is more the case for the Provincial and Federal estimates in these models.
- 4) A significant difference between the two models is that Destination International does not factor in Capital Spending whereas STEAM does.

The Economic Impacts are significant and reflect the modest capital spending and solid tourism appeal. Total business activity associated with FIFA World Cup 2026 in Toronto is estimated at \$485 mil by the Destination International's Economic Impact Calculator (EIC) Model, with no specific geographic allocation and about \$325 mil for Toronto CMA in the Sport Tourism Canada STEAM model. When combined with the ripple effects of indirect and induced activities these numbers rise to \$875 mil and \$590 mil respectively. Notably, given the revenue tools available to various orders of government, proposed provincial investments are wholly recouped through taxation and the federal government is a net beneficiary.

The incremental business activity which removes spending that likely would have incurred somewhere else in the local economy even if FIFA was not here, is not much lower (\$855 mil according to the EIC calculation). This also assumes that all the events that normally would happen in Toronto at locations being used by FIFA at that time will get relocated or rescheduled, which may not entirely happen.

A pure econometric calculation of Gross Domestic Product by STEAM shows a contribution of \$280 mil at the local level, rising to \$335 mil for Ontario and \$410 mil for Canada when factoring in direct and ripple impacts.

Taxes to government are shown to be significant for the Province and Federal governments (estimated by STEAM at \$50 mil and \$70 mil respectively and in the same rough order of magnitude for the EIC model). The City would receive roughly \$3 mil in Municipal Accommodation Tax (MAT) as its only tax receipt. This difference is typical in major events. A partial offset for the City is the job gains and wage impacts

that are mostly local as are the enjoyment and participation impacts and many of the potential legacies.

In addition to the impacts of the matches themselves in Toronto, there are also a number of added ways to leverage Toronto's visibility on the world stage to increase inward investment, international students and immigration to the city and region.

Targeted talent and investment activities will accompany the Games, such as special conferences, invited familiarization trips, foreign media coverage, B2B opportunities, etc. These opportunities will be designed in partnership with regional, provincial and federal authorities such as Ontario Creates, Toronto Global, Invest Ontario, and Invest in Canada.

The number of fans coming to Toronto can be strongly influenced by marketing campaigns of Destination Toronto, Destination Ontario and Destination Canada. These should also include leveraging attractions in Toronto such as the Ontario Science Centre, the CN Tower and local major cultural institutions.

Targeted economic impacts should be achieved by delivering employment and procurement opportunities through event delivery. As mentioned earlier, these tactics would focus on diversity and inclusion goals, with a key metric being youth employment for those facing barriers to labour market participation and ensuring access to procurement opportunities for diverse suppliers.

GLOBAL MEDIA EXPOSURE

The largest economic and tourism impacts will likely come in the future indirectly through the worldwide exposure of Toronto. Key facts and figures drawn on the experience from Russia are:

- 1.1 billion people saw the final match live, and an estimated 3.6 billion watched at least some official broadcast coverage.
- Attracted an audience of over half (51.3%) of the global population (age 4+ years).
- The average live match audience for group stage matches (in-home viewers) was 162 million people (an increase of 3.8% from 2014) while the average live audience for “Round of 16” matches was 246 million people which reflects strong interest during the early part of the tournament.
- The percentage of the population that saw televised FIFA World Cup 2018 coverage on any platform reached 56.0% in North, Central America and Caribbean.

FIFA is still working on compiling and releasing information from Qatar 2022 but so far we know:

- The final match was viewed by close to 1.5 billion viewers, with the opening match capturing over 550 million
- 24% more fans engaged on social media than the 2018 tournament in Russia

In Canada Bell Media has released their viewership numbers:

- The Argentina-France Final was the second-most-watched broadcast event of the year, behind the Super Bowl. It is also the most watched FIFA World Cup match in Canadian history.
- Canada’s three matches at the tournament ranked 3, 4 and 5 for 2022, more than any game of the Stanley Cup Final.
- The 2022 World Cup tournament reached 24 million Canadians overall, 62% of the country’s population

All the above data is just for **television** screen viewing of matches. Add to this the social media exposure and the written and other mentions in the press, etc. and the overall exposure for Toronto is huge. It would be Toronto’s challenge to maximize its opportunities when 15 other cities are also vying to do the same.

CHAPTER 4 | Decision Processes & Timeline

There are just over three years to the first match in Toronto of the 2026 FIFA World Cup. Much is still needed to be organized and key timelines are described below.

DECISION PROCESSES

The City of Toronto is wholly committed to delivering an amazing World Cup experience. FIFA provided a number of documents and agreements which contained significant commitments (the accompanying Organisations Consultants report outlines these in detail) being asked of the Host City, key venue owners such as the Greater Toronto Airport Authority, the Stadium Authority (City signed this as owners of the property) and training venues if not owned by the City.

Since 2018, Council has approved continued participation in the bid process and allocation of funding to advance the development of a dedicated Staff Secretariat and key agreement initiatives and procurement. These various approvals from City Council were received in March and July 2022 and in the adoption of the City's 2023 budget in February 2023.

The next significant decision is to obtain funding approval from the provincial and federal governments. To advance this process, the CSA will submit a Canada-wide National Hosting Concept document to Sport Canada and the two provinces likely in March 2023, along with detailed plans

from both Vancouver and Toronto. This will begin the formal funding request process, building upon the considerable planning efforts to date of all government partners. City Council's approval will be required in future years to continue to commit the City's financial and other contributions for the World Cup, but since the City's bid depends on other government support (funding and key services such as security), a final approach to Council will include an update on federal and provincial funding neither of which has been secured yet. In the interim, the City has approved early planning and an overall permission to proceed with various planning and negotiating initiatives.

An important key element in costing and funding is how security is to be organized and funded. With respect to the overall tournament, the tri-national government dynamic, combined in Canada with two cities spread far apart and an evolving role for the rights holder, all mean that this is a new situation for government authorities to plan. Notably, there are few major games precedents to follow here. The multi-country, multi-province nature of the event will certainly require the federal government to assume a more central

role than in most previous major games, such as Pan Am 2015. The other aspect of security is that the actual costs are hard to determine now when the threat level closer to the date of the matches will be a primary cost driver. Given this variability, the City is seeking some upside protection on security costs from the federal government.

Funding and other organizational arrangements for large special events such as the World Cup are often documented in a Multi-Party Agreement (MPA) and/or Contribution Agreements since multiple governments and other organizations are needed to pay for and deliver the local hosting functions. Work is currently underway with the other governments to finalize the MPA. For the City of Toronto, this hopefully leads to a significant indication of support and funding willingness from the federal and provincial governments.

A third major decision is the establishment of a governance and consultation framework, both locally and nationally. Since the CSA acted as the official bid agency for Canada, no formal Bid Organizing corporation was needed (as usually happens for major events such as an Olympics, Pan Am Games and a World's Fair). The bidding organizations then typically transition into a delivery corporation. FIFA will be the delivery organization for the 2026 World Cup and Host Cities with the support of the provincial and federal governments will provide facilities and government services to support FIFA.

A local steering committee has helped co-ordinate the preparation of the Toronto FIFA World Cup 2026 Business Plan to date. The City has also authorized the establishment of a Secretariat operating out of the City Manager's Office, which is being actively resourced.

TIMELINE

A summary of relevant milestones and decisions is outlined below:

<p>July 2021 Canada Soccer delivers a draft National Hosting concept (NHC) document to Sport Canada,.</p>	<p>April 2023 IFA Canada establishes a local Toronto office to begin their preparations for 2026</p>
<p>November 2021 FIFA Candidate Host City site visits.</p>	<p>Summer 2023 Government funding partners indicate the degree of their financial support, subject to contract and senior level approvals</p> <p>All governance and consultation entities identified and with Terms of Reference agreed locally and nationally</p>
<p>June 2022 FIFA Host City Selection broadcast and announcement FIFA Host City Workshop in New York City</p>	
<p>July 2022 Update to Toronto City Council with adoption of funding, governance, and procurement</p>	<p>Late 2023 Construction planning processes underway for the stadium and training sites</p> <p>Full Safety and Security Plan agreed amongst all the parties</p>
<p>August 2022 FIFA Host City Stadium and Host City visits</p>	<p>2024 and 2025 Construction and detailed operational plans undertaken</p>
<p>March 2023 Partial draft Multi-Party Agreement presented to the relevant parties in Canada, with funding allocations still to be determined</p>	<p>June/July of 2026 FIFA World Cup 2026</p>



CHAPTER 5 | Roles and Responsibilities of Organizers, Venue Owners and Stakeholders

The current status of the operational and other planning for the FIFA 2026 World Cup is as follows:

- As described earlier and using the new operational model, FIFA has assumed overall operational responsibility for the FIFA World Cup 2026 and will soon staff up a FIFA local entity (FWC 2026) in Toronto.
- FIFA requires certain services to be provided by Toronto and federal and provincial governments without payment by FIFA for most of the expenses incurred by these governments (in effect, the price of being the host).
- Venue owners/operators (stadium/training venues/airport) are not only providing the venues, they must provide and pay for some of the services as outlined in the relevant agreements: Stadium/training site/airport will receive some rental payments which will not cover all the required costs due to the high specifications set by FIFA.
- FA takes the overall responsibility for the finances of the World Cup event operations and does not ask for any guarantee against operating losses (which are highly unlikely for FIFA in the new model).
- FIFA does require an individual be assigned as the City's point person – called the 'Host City Manager'. Toronto has appointed an Executive Director of the FWC2026 Secretariat to fulfil this role, starting at the end of February.
- General outline of the governance entities at the local level is shown below followed by a similar diagram for the national coordinating entities.

KEY STAKEHOLDERS

CORE ENTITIES

The development and delivery of an international event the scale and scope of a FIFA World Cup requires the cooperation, coordination and communication between a wide variety of constituent groups. Including:

FIFA – The rights holder and main organizer – FIFA has established a North American non-profit to administer the World Cup, with a regional headquarters in Canada and Mexico and then a Local FIFA Entity in each host City.

Canada Soccer – The Member Association of FIFA’s Congress and one of the three partners that bid on the World Cup. It will largely be responsible for Canada’s team entry in the World Cup as well as maximizing the positive impacts on the sport of soccer in Canada.

Federal Government – This is the national government (and its many departments and agencies that are involved) of the Host Country. In Canada, this, as usual is led by Sport Canada, a branch within the federal Department of Canadian Heritage.

Provincial Government – For the Province of Ontario, the lead Ministry is the Ministry of Tourism, Culture and Sport.

Mississaugas of the Credit First Nation - Local Indigenous governance and the prime treaty holder.

Host City Authority – This is the government authority of any Host City in which matches will be staged. In the City of Toronto, the FIFA World Cup Secretariat is delegated to fulfil this role under the auspices of the City Manager’s Office.

Stadium Authority/Training Site Authorities – This is the owner and/or operator of any Stadium or Training Site being used to host any match or official training session. In Toronto, The City through Exhibition Place owns the grounds of BMO Field (the Stadium) but the building and operations are the responsibility of Maple Leaf Sports and Entertainment (MLSE). MLSE also runs the Toronto Football Club’s (TFC) training facility at Downsview Park which is a possible location for a Base Training Camp. The City owns the likely location (s) for Visitor Specific Training Sites (training grounds used by teams in the few days before a match) which are planned to be situated in City park(s).

Airport Authority – This is the owner and/or operator of the airport(s) that are used in connection with the Competition and has entered into an Airport Agreement. The Greater Toronto Airport Authority (GTAA) has signed an agreement with FIFA and it is unclear at this stage whether one will be needed with Billy Bishop Toronto City Centre Airport.

Hotel Authority – This is the owner and/or operator of any Hotel in the Host Country that has entered into a Hotel Agreement and has been designated as an Official Hotel by FIFA. In the new operating model, FIFA is responsible for arranging accommodation. There is no need to build an athlete’s village as for the Olympics and Pan Am Games.

Site owner – The legal entity that owns a Site, with which FIFA and/or the Member Association should have entered into a Site Agreement not covered above, such as for FIFA Fan Festival for which no site has been confirmed as of February 2023.

Destination Tourist Boards – Governmental or quasi-governmental agencies tasked with marketing Host Cities and attracting marquee event hosting opportunities. Destination Toronto is the organization for Toronto.

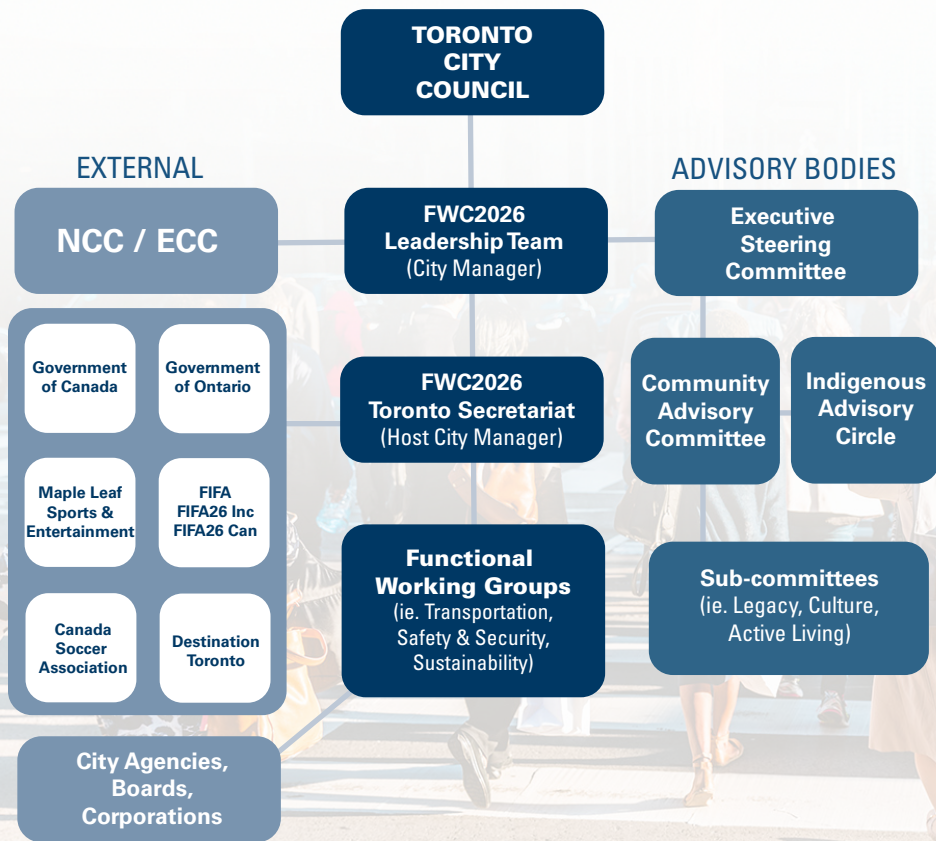
Other Important Stakeholders

- Community associations and residents
- Commercial Affiliates (Sponsor category)
- FIFA Partners
- FIFA World Cup Sponsor (Sponsor category - global)
- Regional Supporter of FIFA (Sponsor category)
- National Supporter of FIFA (Sponsor category)
- General participating public at paid or free FIFA events
- Host broadcaster
- Licensee (FIFA marked products)
- Media Rights Licensee.
- Service provider
- VIPs & VVIPs
- Volunteers

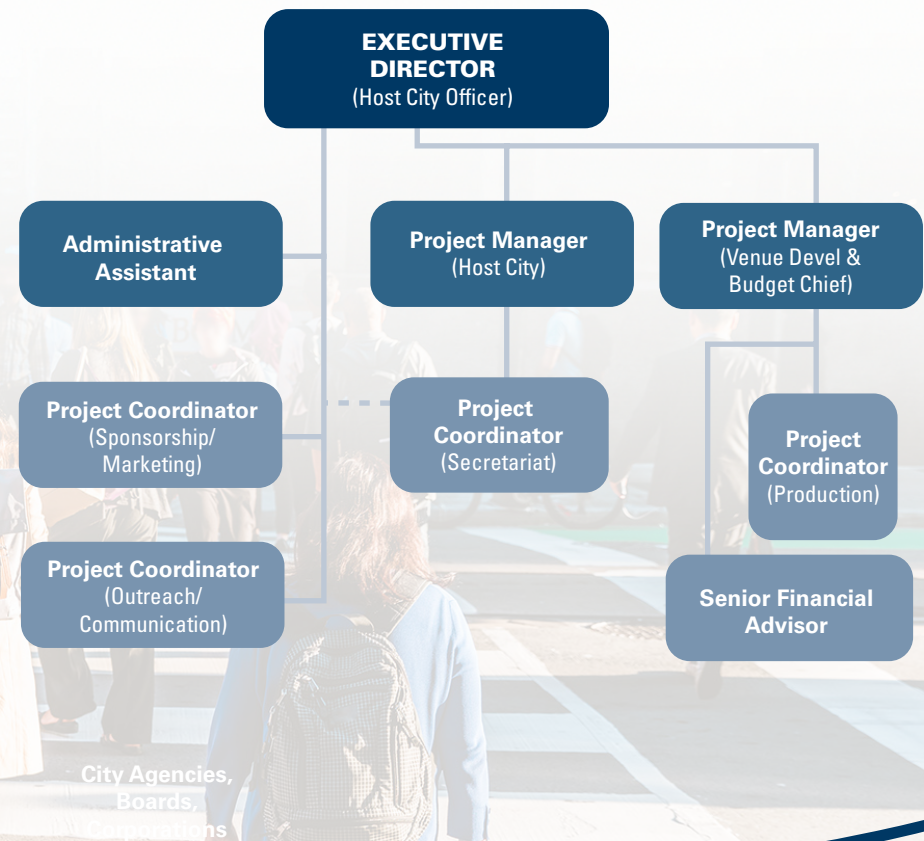
GOVERNANCE

The following two charts briefly outline how the current governance within the Host City of Toronto operates. This needs to be refined as more resources are committed and the activity level ramps up. The first chart describes the overall local situation and the second chart describes the Secretariat currently being formed within the City of Toronto government.

GOVERNANCE MODEL
FIFA WORLD CUP 2026 - TORONTO



FWC2026 TORONTO SECRETARIAT
FIFA WORLD CUP 2026



CHAPTER 6 | Budget

Significant detailed work has been undertaken to estimate the budget for the FIFA World Cup 2026 activities in Toronto. Organisations Consultants made a variety of assumptions as to the split of responsibilities based on their understanding of agreements and public descriptions of roles. It is still unclear exactly what the FIFA Local Entity's responsibilities will be compared to the other key entities in Toronto as Host City participants.

A second challenge is the role of 'value in kind (VIK)' which is where incremental resources are used to deliver certain aspects of the World Cup (a government service that provides extra support in addition to their daily assignments, etc. but is not paid separately by FIFA). The size and nature of this has changed significantly since Organisations did their work

A third component is: what is capital and what is operating. Venues often need adjusting to accommodate FIFA matches (often called 'overlay') and these can be temporary and are often seen as part of operating costs. Building a new facility or substantially improving one permanently, are usually capital costs. These often need to be separated since funding formulas used by the other orders of government may treat them differently as in fact does the City of Toronto. This does not impact the total cost but the allocation by cost centres and thus possibly funding allocations.

Estimating spending five years out from when most detailed costing was done has the added complexity of inflation and setting aside contingencies. The numbers presented in this report include inflationary factors as well as a contingency factor.

As mentioned earlier, it is not completely clear who will be responsible for various costs. FIFA is currently finalizing their rental structure and defining exactly what is and is not included. Whatever they decide, the vast majority of local hosting costs for facilities and municipal and other government services will need to be covered by governments and the leveraging of commercial rights (in Canada, this latter element will be a relatively small amount).

What is not yet known is how the governments will decide on their allocations (assuming they all do). The federal government has a formula tied to Total Event Costs and what other governments are contributing but the base numbers for their calculations are not yet known. The provincial approach has not yet been decided. The City has taken the approach consistent with its government partners in western Canada and the parameters of the National Sport Hosting Policy, that the federal government would bear 50% of Toronto's core hosting costs, with the Province and City composing the remaining 50%. This split has not, as yet, been agreed to with any government and the experience

with other major events indicates that a different split could well be the result of negotiations. The actual sorting out of all this will occur in the negotiations for a Multi- Party Agreement and Contribution Agreements. The federal and provincial governments will have their own added costs, only to be defined once their essential services secretariats are fully engaged, and these costs will be added to the local hosting costs as part of the calculations and negotiations.

The expense budget presented below has been based on the Organisations estimates from 2021 with adjustments made for known changes since then. Contingencies for items not specified such as the recent inflation experience, leveraging legacies (legacy expenditure not specifically required by FIFA but which make sense in the context of FIFA) and any specification adjustment invoked by FIFA are being considered with the federal government and may not all yet be included in the budget. City staff will continue to work with local partners and FIFA to identify costs savings as well as to understand cost risks. Staff are required by Council to keep Council informed as to how the budget is developing.

Budget Description		Toronto-Based Expenses (000's of 2026 Dollars)		TOTAL	COMMENTS
		Cash	VIK*		
1	Executive management	\$9,427	\$1,247	\$10,674	Includes HR, Contracted staff, consultants
2	Protocol, international and government relations	\$229		\$229	
3	Venue Management	\$33,129	\$783	\$33,912	Includes City wide support – overlay, policing, beautification
4	Stadium (operating costs)	\$58,210	\$1,676	\$59,886	Includes security, rental fees, overlay, staffing, operational costs
5	Training Sites (operating costs)	\$4,336		\$4,336	Includes security, rent and hourly staff, overlay, other operational costs
6	Finances and administration	\$6,405	\$1,928	\$8,333	Includes insurance
7	Communications	\$1,048	\$1,949	\$2,997	
8	Official Languages	\$306		\$306	
9	FIFA Fan Fest™ (operating costs)	\$23,513		\$23,513	Includes security, rental fees, overlay, operational costs
10	Workforce & Volunteers	\$589		\$589	
11	Transportation (operating costs)	\$1,252	\$1,828	\$3,080	
12	Event Safety & Security	\$9,205	\$1,273	\$10,478	Includes planning & training costs
13	Technology (during event)	\$477		\$477	
14	Overlay	\$1,069		\$1,069	
15	Commercial Rights expenses	\$994		\$994	Set against Revenues when cost splitting calculated
16	Contingency	\$11,249		\$11,249	Approx. 6% of operating
17	Inflation (2021 – 2026)	\$12,091		\$12,091	Total 6.4% of operating
18	Legacy	\$5,000		\$5,000	
Total Operation		\$178,529	\$10,684	\$189,213	
19	Capital – BMO Field	\$72,669		\$72,669	
20	Capital – Training venues	\$35,245		\$35,245	Represents 2 VSTS
21	Contingency	\$10,000		\$10,000	Approx. 7.5% of capital
22	Inflation (2021 – 2026)	\$9,500		\$9,500	Total. 7.9% of capital
Total Capital		\$127,414		\$127,414	
Total Event Costs		\$305,943	\$10,684	\$316,627	

FUNDING AND REVENUE

The Government of Canada, through Sport Canada, has a well-documented approach to guide its funding of major events and sets some key parameters for federal funding:

- Funding will not exceed 50% of total public sector contribution
- Funding will not exceed 35% of total event costs Will not undertake to guarantee deficit funding
- Will not be the sole funder of legacy programs

Not all federal funding for all elements of the World Cup need flow through this major event funding program. For instance, some as yet to be identified legacy projects might be eligible under other programs such as stimulus programs tied to economic recovery.

Budget Description	Funding Requests and Third Party Revenues (000's of 2026 Dollars)		TOTAL	COMMENTS
	Cash	VIK*		
Public Financing Sought	\$283,238	\$10,684	\$293,922	
1 Government of Canada	\$146,961		\$146,961	
2 Government of Ontario	\$73,481		\$73,481	
3 City of Toronto	\$62,796	\$10,684	\$73,480	Includes Other below
3A Base funding	\$60,091	\$4,458		
3B Commercial Rights	\$2,705			Sponsorships World Cup
3C Other Stakeholders		\$6,226		Counted as part of City contribution
4 Fees Paid by FIFA	\$22,705		\$22,705	These are flow through to the stadium lessee
TOTAL	\$305,943	\$10,684	\$316,627	

As with costs, City staff will continue to seek added revenues from commercial rights and other sources. Unfortunately, the scope for increased revenue (fees and sponsorships) from direct FIFA 2026 sources is very limited.

CHAPTER 7 | Risks

As of February 2023, there are a number of significant risks associated with Toronto's bid to host part of the FIFA World Cup 2026.



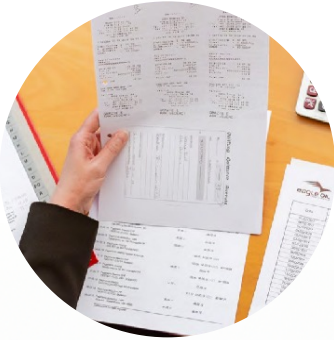
GOVERNMENT FUNDING SUPPORT APPROVALS

No clear statement of financial support has been received from either Ontario or Canada (Canada has said that FIFA 2026 qualifies for federal support but no amounts have been committed) to date due to ongoing uncertainties around costs. This means that there is significant uncertainty about what the actual cost to the City of Toronto could be. The clear advice from the 2016 Mayor's Advisory Panel on International Hosting Opportunities is that the City should get funding certainty before committing to host major events. Unfortunately, there was not enough time to obtain such certainty in 2017/18. City Council has approved initial funding through 2023 and are aware of the costs indicated above. The Federal government has stated that this 'event' qualifies for funding by Sport Canada up to the upset limits of equal share to other public sector partners or 35% of Total Event Cost. The Province of Ontario has not made any financial support indication but have been observers to the process and planning throughout.



SECURITY

Security costs can vary according to the perceived risks at major events. While recent practices have sought to make these events safe for participants and visitors/attendees, it is impossible to determine now what the actual security threats will be in 2026. Also, established precedents for managing security in Canada at major events are not applicable in this situation (Vancouver Olympics was federal, Pan Am was provincial and security at the 2016 Women's Soccer World Cup was coordinated by the CSA). For the FIFA World Cup 2026, the fact that three nations are involved in hosting, two provinces are involved, and the global attention is higher than for any of the other events, a new approach is being developed.



COSTING

With the exception of security discussed above, given the exhaustive approach taken by Organisations and given that there is no exposure to large revenue and cost swings since ticketing and media rights are not a local responsibility and no new major infrastructure, such as stadiums or athletes village, is being constructed, many of the largest reasons for major variations are removed, noting that the largest capital outlay will be the temporary expansion of BMO Field seating.

Notwithstanding this, costing for the future is always a risk, especially inflation and costs that have not been identified or costed correctly.



LOCAL ROLES OF FIFA AND CANADA SOCCER

As previously mentioned, this is a new operating model for FIFA and for Canada for a major event with as much global attention as this one will have. Therefore, sorting out respective roles and responsibilities carry with it some organizational dissonance risk leading to poor coordination, higher net costs and poor operational results. How significant this could be will not be known until all parties clearly define their operations in Toronto.

The Multi-Party Agreement will help bring the necessary clarity.

CHAPTER 8 | Next Steps

At this point in time, the most important next steps are:

Establish a committed relationship between the City of Toronto and local Host First Nations.

Seek Federal Government committed support for their role in organizing and and paying for security.

Seek approval from the Federal Government and Province for a 'framework' agreement (or other mechanism) to provide assurance to Toronto of their financial participation in the FIFA World Cup 2026.

Peer review the present budget calculations and seek clarity with the FIFA on additional opportunities for change in scope and resultant cost reductions, including clarity on who pays for what.

Validate how the City will manage its responsibilities for FIFA World Cup 2026 in terms of alignment, structure and resourcing.

Transition the Executive Steering Committee to a FWC2026 Toronto Leadership Committee and establish clear terms of reference.

Establish a community advisory committee to seek input on Legacy and some non-FIFA controlled priorities for the City in hosting the FIFA World Cup 2026.

Develop a communications plan addressing the potential costs and benefits of Toronto's participation in FIFA World Cup 2026 and ensure a coordinated approach with key partners to any media enquiries in the interim.