## **TORONTO**

### REPORT FOR ACTION

# FIFA World Cup 2026 Toronto: Economic Benefits of Hosting, Soccer for All Legacy Fund, and Community Benefits Plan Updates

**Date:** March 4, 2025

**To:** FIFA World Cup 2026 Subcommittee

From: Executive Director, FWC26 Toronto Secretariat

Wards: All

### SUMMARY

This staff report shares data reflecting the economic, social, and cultural opportunities for the Greater Toronto Area, province, and nation associated with hosting the FIFA World Cup 2026 (FWC26), with a particular focus on leveraging the event for long-term benefits. As a designated host city, Toronto is poised to experience significant economic growth, including boosts in tourism, job creation, and local business activity.

This report also introduces a framework for quarterly reporting on community benefits, emphasizing inclusivity, engagement, and transparency. Key initiatives include tracking local employment opportunities, equity-deserving communities, and fostering community-based events aligned with the global tournament. Being a key component, social procurement ensures that the event contributes to the city's social goals, such as promoting diversity, sustainability, and equity. This report highlights the City's approach to utilizing the procurement process as a tool for positive social impact, benefiting local suppliers, underrepresented groups, and sustainable practices. Through these initiatives, Toronto aims to deliver a FIFA World Cup that leaves a lasting legacy of cultural enrichment and economic vitality.

This report is a coordinated response, providing updates and addressing directives from City Council March 2024 (EX12.2), led by the FWC26 Toronto Secretariat, in collaboration with Social Development, Finance & Administration, Purchasing & Materials Management, and Parks & Recreation.

### **RECOMMENDATIONS**

The Executive Director, FWC26 Toronto Secretariat recommends that:

- 1. City Council increase the 2025 Operating Budget for Non-Program by \$10.7 million gross, fully funded by the Major Special Event Reserve Fund, for the purposes of advancing the Host City Commercial Hospitality Program as a key revenue generation strategy for the FWC26 Toronto, with funds to be replenished to the reserve fund following the sale of hospitality packages.
- 2. City Council authorize the Executive Director, FWC26 Toronto Secretariat, in consultation with the General Manager, Parks and Recreation, to negotiate and enter into agreements to accept donations as part of the Champions Table private sector fundraising program to be provided to the Soccer for All (SFA) Legacy Fund, including for up to 12 (twelve) soccer "mini-pitches" across the city, generally in accordance with the City's Donations to the City of Toronto for Community Benefits Policy, outlining the agreed-upon uses of the donated funds and donor recognition, on such terms and conditions necessary in the opinion of the Executive Director, FWC26 Toronto Secretariat and in a form satisfactory to the City Solicitor.
- 3. City Council authorize the Executive Director, FWC26 Toronto Secretariat, in consultation with the General Manager, Parks and Recreation, to solicit and negotiate a naming rights agreement for the new "Soccer Hub" at Centennial Park generally in accordance with the City of Toronto Individual and Corporate Naming Rights Policy and on such terms and conditions necessary in the opinion of the Executive Director, FWC26 Toronto Secretariat, and a form satisfactory to the City Solicitor and direct the Executive Director, FWC26 Toronto Secretariat to report back to Executive Committee through the FIFA World Cup 2026 Subcommittee for approval to enter into the agreement.

### FINANCIAL IMPACT

It is proposed that City Council authorize the withdrawal of funds from the City's reserves, up to a maximum amount of \$10.7M, to address the need to secure and protect sellable hospitality assets as a key component of the FWC26 Toronto revenue generation strategy. Exercising the option to pre-purchase hospitality assets and secure the inventory will ensure the City mitigates the risk of consumers potentially buying the assets through other sales agents, resulting in lost revenue opportunities for the City. An upfront amount of \$10.7M is required to pre-purchase FWC26 hospitality assets at Toronto Stadium, including a combination of suites, lounges and tickets, with funds to be replenished to the reserve fund upon the sale to Host City Supporters and Hospitality Partners with no impact to the FWC26 budget.

As part of the overall Host City Commercial Revenue Strategy, MLSE is acting as the City's Commercial Rights Sales Agent on the Hospitality Program. Outreach to a long list of prospects is underway with several parties showing strong interest in purchasing hospitality packages. With authority to proceed, sales agreements will be drafted and payments to replenish the reserve funds will be made over the next 12 months, starting in Q2 of 2025. Incremental revenue associated with the acquisition and sales will be retained by the City as part of the overall revenue generation strategy.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as contained in the Financial Impact Section.

### **DECISION HISTORY**

On February 5, 2025, City Council adopted EX20.19, "Authorization to Enter into Agreements to Deliver a Successful FIFA World Cup 2026", granting staff the ability to execute agreements with FIFA's exclusive vendors in a timely manner is essential to staying on track and delivering an event that meets both FIFA's standards and our city's expectations.

https://secure.toronto.ca/council/agenda-item.do?item=2025.EX20.19

On November 4, 2024, City Council adopted EX18.17, "FIFA World Cup 2026 Toronto: Revenue Opportunities to Support Hosting Obligations, Procurement Plan Revisions, and Social Procurement and Community Workforce Development Updates", which reflected changes to the procurement plan and goals for social procurement. https://secure.toronto.ca/council/agenda-item.do?item=2024.EX18.17

On July 24, 2024, City Council adopted EX16.21, "Governance, Community Benefits Plan, Legacy and Program Advisory Framework, FIFA Fan Festival", which provided a general overview of planning, granted authority to enter in agreements with third party groups to receive funds, and accelerate RapidTO transit priorities, all associated with supporting the FIFA World Cup 2026 in Toronto.

https://secure.toronto.ca/council/agenda-item.do?item=2024.EX16.21

On July 24, 2024, City Council adopted EX16.32, "FIFA World Cup 2026: Toronto Host City Procurement Plan", which provided approval to proceed in accordance with the procurement plan to procure the goods and services required for the delivery of FIFA World Cup 2026 set out in Confidential Attachment 1.

https://secure.toronto.ca/council/agenda-item.do?item=2024.EX16.32

At its meeting on July 5, 2024, the FIFA World Cup 2026 Subcommittee considered Item FWC1.3 which directed the Executive Director, FIFA World Cup Hosting 2026 to conduct a line-by-line review of the City of Toronto's FIFA World Cup 2026 budget, in consultation with the FIFA Subcommittee Chair, City Divisions and Agencies engaged in delivering the games, and other relevant stakeholders, to identify opportunities to reduce the impact of the games on the City's property tax base and report back to the Subcommittee on the results of this review by October 2024.

### https://secure.toronto.ca/council/agenda-item.do?item=2024.FWC1.1

On June 18, 2024, Executive Committee adopted EX15.13, "Amending FIFA World Cup 2026 Subcommittee Mandate", which renamed the subcommittee as "FIFA World Cup 2026 Subcommittee" to broaden its mandate to consider all FIFA related matters including the oversight of the budget, and further consider and make recommendations on procurement plans.

https://secure.toronto.ca/council/agenda-item.do?item=2024.EX15.13

### **COMMENTS**

### **Economic, Social and Cultural Benefits**

FIFA has released the findings of its first ever pre-tournament FIFA World Cup™ Economic Impact Assessment, conducted by Deloitte Canada the assessment includes the estimated economic output for Canada ahead of the FIFA World Cup 26™, set to take place across 16 host cities in Canada, Mexico, and the United States.

The findings, which cover the period from June 2023 to August 2026, estimate that preparing for and hosting the FIFA World Cup 26 will contribute up to \$3.8B in positive economic output for Canada as a host nation. The data also estimates positive contributions of \$2B to Canadian gross domestic product (GDP), \$1.3B to Canadian labour income and \$700M to government revenue, as well as the creation and preservation of 24,100 jobs across the country over the period under analysis.

Specific to the Greater Toronto Area, the findings estimate that preparing for and hosting the FIFA World Cup 26 could contribute \$940M in positive economic output in the Greater Toronto Area alone. The report also estimates positive contributions of \$520M to the GDP of the Greater Toronto Area, \$340M to labour income and \$25M to government revenue, as well as the creation and preservation of more than 6,600 jobs over the period under analysis (June 2023 to August 2026).

The economic impact estimates are based on an analysis of capital, operational and visitor expenditure associated with preparing for and hosting the tournament. The estimates were calculated based on data provided by FIFA World Cup 26 and Canada's two FWC26 Host Cities - Toronto and Vancouver. They were supplemented by projected or sourced data provided by the Deloitte Canada economists conducting the assessment.

### **Community Benefits Plan Updates**

### **Community Workforce Development through FWC26 Procurement**

Further to <u>2024.EX18.17</u>, six competitive procurements each valued over \$5M are being targeted to include workforce development requirements. Of the six competitive procurements:

- The Centennial Park Soccer Facilities Refresh was recently awarded to Mopal Construction Limited and included the requirement for a workforce development plan.
- The Centennial FWC26 East Venue Specific Training Site Building solicitation recently closed and has yet to be awarded. The procurement included workforce development requirements and targets.
- The procurement for Construction Management Services at Toronto Stadium is currently being finalized. The procurement included enhanced workforce development language. Staff have shared a preliminary list of Indigenous, Black and Diverse Suppliers and Social Enterprises to engage with for upcoming subcontracting opportunities.
- The procurement for Temporary Hospitality Structures at the Toronto Stadium is currently being finalized. The solicitation included enhanced language requiring a workforce development plan. Staff will work with the vendor to share a preliminary list of Indigenous, Black and Diverse Suppliers and Social Enterprises to engage with for potential subcontracting opportunities as they are identified.
- The procurement for event management services for the FIFA Fan Festival is currently being developed by the FWC26 Toronto Secretariat. In addition to the enhanced workforce development requirements, staff will include advanced notice scheduling provisions.
- The procurement for security guard services is currently being developed by the FWC26 Toronto Secretariat. In addition to the enhanced workforce development requirements, staff will include advanced notice scheduling provisions.

Workforce Development Plans include the following activity areas:

- Non-construction related employment;
- Opportunities for registered apprentices;
- Training and work-based learning opportunities;
- Other employment-related activities, such as participation in job fairs.

As contracts are awarded, City staff work with the successful supplier to support the achievement of workforce development requirements. To date, across those contracts the following workforce development achievements have been reported:

- 3 (three) co-op student placements;
- 2 (two) mentorship opportunities;
- Participation in 1 (one) networking session; and
- Participation in 1 (one) job fair.

As noted above, the majority of major contracts are still in the process of being finalized. The FWC26 Secretariat will continue to track workforce development achievements across all contracts and work with the Community Benefits and Social Procurement Program Advisory Body to improve and refine the approach to reporting.

### Business Opportunities for Local and Diverse Suppliers through FWC26 Procurement

#### Invitational Solicitations

For solicitations valued under \$133,800, the Social Procurement Policy requires staff to include a quotation from a minimum of one Indigenous, Black or Diverse Supplier or Social Enterprise, where feasible. Award is to the supplier with the lowest quote meeting specifications.

In addition to the requirements of the Social Procurement Policy, for FWC26 invitational solicitations, when three or more Indigenous, Black or Diverse Suppliers or Social Enterprises are identified, these solicitations are set aside and only those suppliers are invited to quote. In addition, if the second lowest quote meets specifications, is within 10% of the lowest quote and the supplier is an Indigenous, Black or Diverse Supplier or Social Enterprise, the award is to the Indigenous, Black or Diverse Supplier or Social Enterprise.

### Open Competitive Procurements

For all open competitive procurements, staff identify Indigenous, Black and Diverse Suppliers and Social Enterprise that can be invited to bid. The current certification process for Indigenous, Black and Diverse Suppliers and Social Enterprises is a known barrier. PMMD is reviewing opportunities to expand the current definitions used to certify suppliers.

### Subcontracting Opportunities

Staff have identified Indigenous, Black and Diverse Suppliers and Social Enterprises for potential subcontracting opportunities and will continue to work with suppliers to help support the advancement of supply chain diversity as part of the workforce development process.

Initial detailed reporting on outcomes related to business opportunities for Indigenous, Black and Diverse Suppliers and Social Enterprises will be included in the next quarterly report.

### Going Beyond FWC26 Procurement to achieve Community Workforce Development, Skills Training and Employment Readiness

As part of the FWC26 Community Benefits Plan, the City continues to prioritize supporting Indigenous, Black and equity-deserving youth through a Community Workforce Development Program, which will provide youth job seekers with career development resources and supports, training, and employment opportunities before, during, and after FWC26. The Program is intended to ensure that youth job seekers have the opportunities to gain transferable skills for long-term career growth. The Community Workforce Development Program is an important addition to the City's inventory of youth programs and contributes to the City's ambitious goals to empower youth and strengthen youth employment programs.

The Community Workforce Development Program focuses on a variety of industries including, but not limited to, FWC26-related sectors such as sports, broadcasting, hospitality, tourism, and event management. This program will leverage the City's long standing youth employment programs, particularly Toronto Youth Job Corps (TYJC) and Toronto Youth Partnerships & Employment (TYPE).

Program development, partner engagement and community consultation have provided valuable insights into workforce challenges, and opportunities for collaboration have shaped the Program's approach. Ensuring community workforce development goals are in alignment with employer priorities and business needs is critical to the success of the Program.

More recent consultations with City of Toronto employment programs, the FIFA Secretariat-led Community Benefits and Social Procurement Program Advisory Body, Better Way Alliance, as well as local Business Improvement Areas (BIA's) have been focused on engaging small and medium-sized businesses. Other City and community partners, community organizations, employment service providers, sector groups, and advisory tables will further develop Program components.

### Community Benefits Employer Champions

Community Benefits Employer Champions will play a key role in the success of the Program. Employer Champions have the opportunity to build their capacity and profile as community-connected employers and corporate leaders in inclusivity.

Groups such as the FWC26 Toronto Secretariat-led Program Advisory Bodies will play crucial roles in supporting the official launch of the Community Workforce Development Program, as well as facilitating invitations and outreach to additional Community Benefits Employer Champions. To that end, City staff have developed a Community Benefits Employer Champion Invitation Package, to formally invite employers across Toronto to enroll in the Program. The invitation package outlines clear expectations, opportunities and incentives for employers. It invites them to deepen connection and engagement with local community groups and lean into a leadership employer role to achieve meaningful employment, mentorship and training opportunities for Indigenous, Black and Equity-deserving youth across Toronto. City Staff are in early discussions with potential Community Benefits Employer Champions.

The City of Toronto's Community Benefits Workforce Intermediary model will be integrated into the Community Workforce Development Program. This integration will enable the provision of direct supports to Community Benefits Employer Champions on pre-hiring activities such as labour forecasting and recruitment planning, as well as making connections with youth employment programs and youth-focused Employment Service Providers (ESPs) across Toronto. The select group of Employer Champions will be supported by a dedicated City of Toronto Community Benefits Workforce Intermediary.

City staff are also developing a monitoring and evaluation framework to support data tracking, reporting, and measuring of the FWC26 Community Benefits Plan's progress and achievement.

### Soccer for All Legacy Fund

The FIFA World Cup 2026 Champions Table (FWC26 CT) plays a critical role in developing support for the event across the city throughout the business community, and with initiatives that will benefit the city for years to come.

The Champions Table will raise funds through private donations to help offset event costs, but more so to develop a strong legacy for Toronto through improvements to local sports infrastructure and increasing access to community youth programs.

Promoting civic investment, the Champions Table, FWC26 Toronto Secretariat and the City's Commercial Rights Sales Agent (MLSE) will work to secure donations aligned with FIFA's Commercial Rights Guidelines with one hundred percent of donations going to the City of Toronto.

Leveraging the FIFA World Cup 2026 to build a transformative legacy for Toronto, the Champions Table, led by Mayor Chow and Larry Tanenbaum, will secure donations from the private sector that will be directed equally to legacy infrastructure and programs and to offset tournament expenses. Specifically, donations will fund the creation of the Soccer for All (SFA) Legacy Fund which includes the creation of up to 12 mini-pitches across the city, an endowment for ongoing maintenance and 5-years worth of free community-based programming at those spaces. Funds will also go to supporting the Soccer Hub at Centennial Park, inclusive of a full-size soccer pitch and amenities. This is part of the 20-year master plan to revitalize the park.

The City of Toronto is committed to high standards of donor stewardship, ensuring appropriate acknowledgment and recognition for contributions to the SFA Legacy Fund. Donor benefits will be tiered, with varying levels of recognition and benefits based on contribution amounts. Depending on the level of contribution, donors will be provided experiential benefits related to FIFA World Cup 2026 events and name recognition on donor walls and mini-pitch installations.

The SFA Legacy Fund will create lasting opportunities for Toronto's youth through development of play spaces and free programming in equity-deserving communities, addressing barriers to sport, ensuring all youth—regardless of background—have access to safe, inclusive spaces to play, learn, and grow.

Sport is a powerful tool for addressing systemic barriers and fostering personal growth. It promotes physical health, social connection, and leadership skills, empowering youth to thrive both on and off the field. However, many youth, particularly in underserved communities, face significant barriers to participating in sport, including financial constraints, limited access to safe play spaces, and lack of inclusive programming.

- 2x less likely to play sports due to financial constraints
- 31% of youth report exclusion or discrimination
- 61% do not meet daily physical activity guidelines

The location of the mini-pitches will prioritize high-need, underserved neighborhoods across Toronto, ensuring equitable access to safe play spaces for youth. Led by Parks & Recreation (P&R), site selection is underway, aligning with identified community needs and priorities outlined in Toronto's Parks & Recreation Facilities Master Plan.

### FIFA Fan Festival

As a Host City for the FIFA World Cup 2026<sup>™</sup>, Toronto will be hosting FIFA Fan Festival<sup>™</sup>. An announcement on the location is forthcoming in the coming weeks.

This vibrant celebration will be active with free access to the general public for up to 28 days between June 11 and July 19, 2026. It will feature live broadcasts of matches throughout the tournament and be complemented with multifaceted stage and site programming, a variety of activations, and curated food experiences.

Key strategies for the delivery of the event include strategic and pro-active Community Outreach and Engagement Plans to not only inform community stakeholders, but to promote involvement by Torontonians in all programmatic areas.

To deliver this ambitious event, staff will launch a public nRFP process for Event Management Services including multiple awards in areas of Programming Delivery and Site Production Delivery. The current process targets an award date by end of June 2025. As key deliverables, proponents will need to demonstrate comprehensive strategies for the engagement of the Indigenous community as well as Toronto based event coordinators, arts organizations, and cultural groups to ensure broad inclusion and dynamic representation of the talent and unmatched diversity of the Greater Toronto Area.

### CONCLUSION

The FIFA World Cup 2026 represents a considerable opportunity for Toronto to bolster its economic landscape, enhance social cohesion, and celebrate cultural diversity. To fully leverage the anticipated benefits, it is crucial that the City of Toronto, as a collective, take the necessary steps to support and facilitate Toronto's participation as a host city.

The Champions Table and the Soccer for All Legacy Fund will harness the energy of Toronto hosting the FIFA World Cup 2026, tackling standing systemic issues through investing in more soccer play spaces and free programming, breaking down barriers to access, promoting inclusion, and creating opportunities for youth to lead and succeed.

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### **SIGNATURE**

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