

**THE REGIONAL MUNICIPALITY OF YORK**

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**REPORT NO. 1  
OF THE REGIONAL CHAIR**

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**For Consideration by  
The Council of The Regional Municipality of York  
on September 22, 2005**

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2014 COMMONWEALTH GAMES BID**

**1. RECOMMENDATIONS**

It is recommended that:

1. Regional Council endorse a bid for the 2014 Commonwealth Games as outlined in this report.
2. This report be circulated to the Area Municipalities for their endorsement of the bid.

**2. PURPOSE**

This report seeks Regional Council endorsement to continue with the preparation of a formal bid to host the 2014 Commonwealth Games and recommends that the report be circulated to the Area Municipalities for their information and endorsement.

**3. BACKGROUND**

The 2014 Commonwealth Games will be 10 days of elite athletic competition and associated events. It is the third largest multi-sport event in the world: the 2002 Commonwealth Games in Manchester attracted over 5,900 athletes and accredited officials from 72 countries.

Hosting the Commonwealth Games brings a range of immediate and long range economic, and community benefits that will be felt throughout York Region, the GTA and the nation as a whole for years to come.

The Games have a large economic impact. While a detailed Games economic impact analysis has not yet been worked up, a conservative estimate would be an estimated economic impact of over \$3.0 billion in buildings and transportation infrastructure, along with subsequent business investment and visitor spending. There could be up to 4,000 person years of employment in facility preparation and construction. By comparison, the 2002 Manchester Games generated the equivalent of almost 6,100 FTE jobs in the broader urban area around Manchester and attracted some £477 million (equivalent to \$1.02 Billion CAN.) in transportation infrastructure, recreational facility and urban regeneration investment.

In terms of tourism impacts, the Region would receive international branding and hundreds of hours of international broadcast media exposure. The 2002 Manchester Games generated over 51,000 room nights for the accommodation industry from both a domestic and international audience of sponsors, media and spectators. The York Region Games would likely draw more because of our location close to the heart of the North American market and our transportation infrastructure.

The Games will attract substantial federal and provincial government commitment as well as corporate support. Hosting the Games will enable access to Federal funding for infrastructure development. It is believed that over \$500 million of Federal funding was to be committed to the Hamilton 2010 Commonwealth Games Bid if it had been successful. In the case of the 2010 Vancouver Olympic Games, over 2.0 billion dollars of infrastructure investment from senior levels of government has been committed.

Hosting the Games will accelerate plans for YRT and VIVA Rapid Transit and also the Regional roads construction and streetscaping capital programme. The extension of TTC subway service into York Region will almost certainly become a reality sooner if we win the Games. GO Transit will also be likely to increase capacity and service as a result of the winning the Games.

The legacy of substantial investment in road and transportation infrastructure would be immediate and hugely beneficial in supporting sustainable and smart growth initiatives at the local and GTA level.

The bid would be a catalyst for new athletic facility construction in all of the Area Municipalities and the development of a National Sports Institute facility. Both competition and practice venues will be developed in schools and other public facilities throughout the Region, and the Games would also result in new equipment and enhancements to the sports programmes within the schools in York Region.

These legacy facilities would be a long term benefit to developing amateur sports and athletics across the Region, a critical part of building and sustaining the quality of life for regional residents.

The reputation of York Region and its Area Municipalities as a location for major world-class events would attract future large scale sporting and cultural events as well as new commercial and industrial business investment.

Moreover, the Games will be a unifying force and create a sense of pride among York Region residents and businesses, creating a broader awareness of York Region as one of Canada's premier communities in which to live, work and play.

#### **4. ANALYSIS AND OPTIONS**

##### **4.1 The Bid Process**

On July 8, 2005, Commonwealth Games Canada (CGC) released a call for bids from Canadian Cities to bid as the host municipality for the 2014 Commonwealth Games. Four other Canadian cities initially indicated their interest in bidding for the 2014 Commonwealth Games: Hamilton (the Canadian Candidate Bid City for the 2010 Games), Ottawa, Calgary and Halifax. Calgary has since withdrawn.

An Intent to Bid letter and supporting documentation was prepared and sent to the CGC on July 21, 2005 over the signature of the Regional Chair to meet the July 22, 2005 deadline imposed by the CGC.

A non-refundable bid deposit of \$55,000 is required to be submitted by all prospective bid municipalities: \$5,000 upon submission of the intent to bid, the balance of \$50,000, when the formal Bid Book is submitted on November 1, 2005.

##### **Bid Timeline (as currently set out subject to change from CGC)**

**November 1, 2005:** is the date by which all formal bids to become the Canadian Candidate Bid City must be received by CGC.

**November 16-25, 2005:** Bid City site visits by CGC Bid Review Committee

**December 13-14, 2005:** Bid City presentations to Bid Review Committee

**December 15, 2005:** is when the Canadian Bid City is announced by the CGC

**March 15-26 2006:** The 2006 Commonwealth Games in Melbourne Australia, where the Canadian Candidate Bid City representatives would begin their "pitch" to the international delegates of the Commonwealth Games Federation.

**April 2006:** the CGF opens the 2014 Bid process

**April 2007:** International Candidate bids due

**October 2007:** Announcement in Sri Lanka of the location of the 2014 Games.

## **4.2 The Bid Strategy**

The Bid strategy has two phases and two audiences: the domestic phase to win the right to be the Canadian Candidate Bid City, and the international phase which puts the Canadian Candidate Bid City up against the international competition.

The first phase is the Canadian Bid Book. This document must identify the facilities, the sports programme, the accommodation and support of Games participants and all the related elements to host successful Games to meet the needs and requirements of the Canadian Commonwealth Games Committee. The Bid Book must be produced in both Official languages. The timeline to produce this document is very short: from the day that Council considers this report there will be only 40 days to complete the Bid Book.

To oversee the development of the first phase of the preparation of a successful bid, a Bid Executive Committee comprised of individuals with prior experience in bidding for international athletic events, has been working on the York bid.

The amount of information and the degree of detail required by the CGC for the 2014 bid is considerably greater than was initially set out in the Call for Bids.

Therefore, a number of external consultants have been approached to assist the Bid Executive Committee and staff to assemble and produce a winning Bid Book within the compressed deadlines imposed by CGC.

The Venue Strategy will be to develop a compact footprint of Games venues, based on “clusters” of venues in the west, east and north areas of the Region and in the City of Toronto. The detailed venue strategy is an important part of the Bid’s competitive advantage and does hinge on property negotiations and so will be more fully discussed with Council in camera during the presentation by Paul Henderson.

## **4.3 Winning the Bid**

Upon receiving the Bids from each Canadian municipality vying for the 2014 Games, Commonwealth Games Canada will appoint a Bid Review Committee to assess the technical merits of each bid. The Bid Review Committee will visit each Bid City in December 2005 to validate their submissions and recommend a candidate Bid City to the CGC Board of Directors.

The Bid Protocols laid down by the CGC make it very clear that no representations by Bid Cities during the domestic phase of the bid and prior to the formal consideration of the bids can be made to the federal government, CGC Board members or others associated with the Bid evaluation process.

The CGC Board will decide the Canadian Candidate Bid City by a 2/3 majority vote. The decision by the CGC Board of Directors is final and not subject to appeal.

The involvement of local athletes is a key element of a successful bid. Therefore a critical aspect of the bid process is identifying and involving York Region athletes in the bid process. York Region athletes will provide consultation on venues, sponsor hospitality, public relations and advice on logistics and other aspects of the competitions. Bill Crothers, the current Chair of the York Region District School Board and a former Olympic and Commonwealth Games athlete will lead this effort.

If York is successful in winning the bid to be the Canadian Bid City, a new Canadian Bid City Committee with one third representation from Commonwealth Games Canada and a full-time Bid City CEO will have to be appointed. This second phase, which is conditional upon securing sufficient votes and the approval from the Canadian Committee, involves the development of the International Bid Book. This stage is a considerably larger undertaking and must go into much greater detail with respect to budgets, transportation, logistics, broadcast facilities and media support as well as support for Games athletes, officials, support staff and local and international spectators. This document goes up against all the other international cities bidding for the Games and is evaluated by the membership of the Commonwealth Games Federation based in London England. The timeline to produce the International Bid Book is however, considerably longer, from April 2006 to April 2007.

Should the bid get to this stage, a future report to Council seeking authorization to proceed to this next stage in the process will be brought forward.

#### **4.4 Bid Development Costs**

To successfully develop a Bid Book that will address all of the requirements of the CGC Bid Review Committee will require substantial expenditure.

The Bid process will require the retention of external assistance to provide project management, securing of corporate sponsorship and partners, professional fees related to sponsorship and cost-sharing arrangements, detailed engineering and architectural consulting assistance and printing expenses. The estimated cost breakdown is as follows:

##### **Bid Book**

- Technical Development (venues and facilities)
- Engineering and Drawings
- Printing
- Other Misc. Expenditures (meeting expenses)

##### **Total for Bid Book**

**\$400,000**

##### **Additional Expenses**

- Public Relations and Travel
- Administration and Professional Fees
- Bid Submission Fees
- Evaluation Committee Visit

Other Staffing Costs

<b>Total Additional Expenses</b>	<b>\$400,000</b>
<b>TOTAL</b>	<b>\$800,000</b>

#### **4.5 Revenues and Sponsorships**

The Bid process will involve the securing of corporate and private sector sponsorships to defray the costs of undertaking the Bid. The Sponsorship strategy will involve a tiered level of corporate and private citizen support which contemplates the following breakdown of public and private sector support:

<b>Corporate Fundraising</b>	<b>\$1,500,000</b>
Platinum Sponsors @ \$50,000	
Gold Sponsors @ \$25,000	
Silver Sponsors @ \$15,000	
Bronze Sponsors @ \$10,000	
Patrons @ \$5,000	
<b>York Region</b>	<b>\$500,000</b> <b>(Includes in-kind)</b>
<b>TOTAL</b>	<b>\$2,000,000</b>

A fundraising event to raise awareness and support within the corporate community for the York 2014 Commonwealth Games Bid is currently being organized and will be held in October.

It is believed that sufficient corporate sponsorship can be secured to help fund the domestic Bid Book process, and reduce York Region's financial share. Funds raised in excess of what is required to fund the domestic phase of the Bid will be retained to defray costs associated with the International Bid if the York Bid is chosen as the selected Canadian Bid City. If the Bid does not proceed to the next phase, excess funds will be returned to donors. The Bid Executive Committee will also be seeking contributions and value-in-kind from other public institutions whose facilities and programmes will be beneficially impacted by a successful Bid for the Games.

Should York Region be successful in winning the Canadian Candidate Bid City, a subsequent report and a more detailed budget to develop the international bid book would be prepared for Council's consideration. Based on the experience of Hamilton's bid for the 2010 Games, additional financial assistance from both the Provincial and Federal governments could be anticipated, to defray the estimated cost of the International bid Phase of approximately \$3.0 Million.

#### **4.6 Accountability and Control**

The Bid Executive Committee will establish guidelines and spending authorities to maintain appropriate oversight and financial controls of the bid process through the domestic phase of the bid process.

The Committee, through the Regional Chair, will provide a full report to Council at the completion of the Domestic Bid Phase on the success of the corporate fundraising programme and a full accounting of the expenditures incurred as part of the Bid process.

#### **4.7 Relationship to Vision 2026**

Bidding and winning the 2014 Commonwealth Games directly supports the objectives of “A Vibrant Economy”, “Infrastructure for a Growing Region” and “Engaged Communities and a Responsive Region”.

### **5. FINANCIAL IMPLICATIONS**

Regional Council has already approved setting aside up to \$500,000 including in-kind support, and has approved the expenditure of up to \$150,000 to fund costs related to the development of the domestic phase of the Bid. Funding is available to meet this commitment in the Tax Stabilization Reserve Fund.

It is anticipated that offsetting revenues from corporate support and fundraising will more than cover the costs of preparing the domestic phase of the Bid.

The Region’s financial contribution will be used to support and leverage the early stage of the bid development process and be phased as additional contributions and financial partnerships are secured.

The short term expenditures to produce and table the Domestic phase of the Bid are approximately \$800,000. The International Bid Book could cost another \$3.0 million, and will attract corporate and senior government support.

The preliminary estimates of total capital and operating costs to stage the 2014 Games are estimated to be in the range of \$1.0 billion (2004 Dollars). A more detailed operating and capital budget is being prepared as a component of the Bid process.

The financial objective of the Games would be to match expenditures with revenues from attendance, broadcast rights, other marketing activities as well as capital and operating contributions from senior levels of government and the corporate sector. The economic multiplier associated with an event of this magnitude is likely to generate economic impacts in York Region equal to or greater than the additional \$1.97 billion impact experienced in Manchester after the 2002 Games. The Games will also attract significant new commercial and business investment and create sustained employment in the sports, culture and tourism sector.

In addition, the Games would serve to establish a Commonwealth Games legacy fund – dollars that would be used to fund the ongoing costs of operating and maintaining the athletics facilities built for the Games. The financial legacy left to Calgary after the 1988 Winter Olympics was over \$100 million. The Legacy funds could also potentially be shared amongst the communities and institutions within the Region to support sport, culture and education in the years after the Games.

## **6. LOCAL MUNICIPAL IMPACT**

Attracting the 2014 Commonwealth Games would have tremendous positive economic, tourism and promotional values for all of the Area Municipalities in the Region. The Area Municipalities have been asked to identify sports venues that could be utilized to host the practice and competition venues during the Games, and if utilized, they would be upgraded and improved.

These new and enhanced sports venues would be a legacy for athletics and sports development programs in the Area Municipalities in York Region. The impact of hosting the Commonwealth Games is also a major contributor towards the development of amateur sport and Olympic athletes. Hosting the Commonwealth Games would be a chance for local athletes to train for, participate and understand the demands and challenges of world wide competition.

The reputation of York Region and its constituent municipalities as a location for a major world class event would bring long term benefits in terms of attracting future large scale cultural and sporting events as well as commercial and industrial investment attraction.

## **7. CONCLUSION**

Attracting the 2014 Commonwealth Games to York Region, will require an intense, focussed and sustained team effort and will require the financial support of the Regional Municipality of York to leverage the anticipated financial support and sponsorship of other corporate and public sector organizations.

The report provides Council and the Area Municipalities with an overview of the Bid process and the timelines by which they must be accomplished and outlines how the expenditures and sponsorship revenues will be accounted.

Winning the 2014 Games will attract new investment, create new transportation infrastructure, and leave a facility legacy that will vault York Region on to the world stage.

**Respectfully submitted,**

**September 22, 2005  
Newmarket, Ontario**

**Bill Fisch  
Regional Chair**

***(Report No. 1 of the Regional Chair was adopted, without amendment, by Regional Council at its meeting held on September 22, 2005.)***