

Toronto 2015 Pan and Parapan American Games

Backgrounder on Government Support

COSTS

The estimated total cost to deliver the 2015 Pan and Parapan Am Games as per the Auditor General of Ontario was \$2.5B (*source: Special Report, June 2016 - The Office of the Auditor General of Ontario*). Calculating the “total cost” of a Games is always challenging as there are different ways to look at what to include / exclude from the calculation. Despite the debate about where to draw the line vis a vis total costs, the 2015 Pan and Parapan American Games were a resounding success. See **Appendix A** for a list of Games related accomplishments (from the Province of Ontario’s perspective).

Both Toronto 2015, the Organizing Committee for the Games, and the Province of Ontario took risk-based approaches to the management of the preparations and delivery of the Games and worked closely from the outset to ensure prudent spending, conservative contingency levels, minimized exposure to contingent liabilities and adherence to public sector directives. Both organizations implemented a risk management framework that was actively used to managing budget and strategic risks leading to a “no surprises” Games.

Direct Games Delivery Costs

(as per Toronto 2015 and the Province of Ontario)

Contributing Partner	Total (\$M)	%	Description
Province of Ontario	769	45	Covered mainly operating expenses, including \$5M for the Legacy Fund; excluding Athletes’ Village costs (see note below)
Government of Canada	475	28	\$386M provided for capital projects (56% of venue construction costs); \$49M for Federal Essential Services (including services from <i>Public Safety Canada, Canada Border Services Agency, Citizenship and Immigration, CSIS, Fisheries and Oceans, RCMP, Health Canada and Public Health Canada, Transport Canada, Environment Canada, Industry Canada</i>); \$65M for the Legacy Fund
Municipalities	212	12	Capital contributions to their own Pan Am related venue projects (44% of total cost)
Universities	67	4	Capital contributions to their own Pan Am related venue projects (44% of total cost)
Toronto 2015 (revenue)	195	11	Including \$132M in sponsorship (cash and Value In Kind) and \$39M in ticket sales
	\$1,717		

Cost Type	Total (\$M)	%	
Capital	666	39	80% of venue projects were managed by Infrastructure Ontario; excludes costs for the Athletes' Village (see note below)
Operating	955	56	Games delivery expenses including Security
Legacy	96	5	Endowment to fund ongoing operation of Legacy venues and Legacy programming (fund administered by the Toronto Community Foundation)
	\$1,717		

Athletes' Village

The Province provided an additional **\$709M** in capital funding for the rehabilitation and redevelopment of the West Donlands part of the Waterfront which acted as the Athletes' Village during the Games. The redevelopment of the West Donlands was a project that was already in the works prior to the Games but some estimates say that its delivery was accelerated by 10 to 15 years by the Games.

Indirect Costs & Additional Contributions from Government Partners

Province of Ontario

The Province worked closely with the Bid team to develop the bid for the 2015 Games by providing funding and seconding resources to BidCo to help ensure the success of the bid. It is estimated that the bid cost \$10M to run and through this mutual investment the Province and Bid team were both motivated to ensure that everything was done to ensure the Games were awarded to Toronto. This also included Ontario providing the **deficit guarantee** for the Games, a requirement of the bidding process, when Toronto would not because of the regional nature of the Games. After being awarded the Games, the Province stood up the Pan and Parapan American Games Secretariat to oversee its involvement; the Auditor General of Ontario (the AG) estimates the Secretariat cost \$41M to operate from 2010 to 2015.

The Province played a key role in leading the Integrated Security Unit, which coordinated security planning and delivery for the Games. It also played a leading role in transportation planning and coordination throughout the Games footprint, coordination and planning of Emergency Management, health care and public health systems to ensure preparedness and negotiating with municipalities to ensure clarity around municipal service deliverables and budgets eligible for recovery. The AG estimates that the Province contributed **an additional \$200 to \$300M** in support of the Games (beyond its direct contributions) largely attributed to unbudgeted or unplanned **transportation, security, municipal services and additional legacy and celebration costs**.

See **Appendix B** for a detailed description of provincial ministries and agencies involved in supporting the Games.

The Province also funded three "special" capital projects - providing \$31M for Markham, \$23M for Ivor Wynne and \$22.5M for Goldring Centre (U of T). It's unclear how the Province accounted for those projects in the costs presented in the AG's report.

In addition to its stated investments in the Games, the **Vaughan subway extension**, **Pearson UP Express** and **Union Station upgrades** were originally positioned as Pan Am; somewhere along the timeline, they disappeared from the narrative.

Government of Canada

The Government of Canada, through Canadian Heritage, having participated in many international multi sport Games, learned to mitigate its financial risk from the Games by containing its investment largely to building sport infrastructure. Like Ontario, Canada stood up a Pan and Parapan American Games Secretariat to oversee its involvement in the Games. The federal Secretariat had a somewhat hands-off approach to the delivery of the Games, focussing on the specific policy priorities of Sport Canada (e.g. the sport aspect of the Games).

In addition to its stated funding commitments in support of the Games, Canada provided a small amount of additional funding to execute a federal cultural strategy (\$6M) and to support Team Canada preparations (\$3M) around the Games.

Municipalities

Participating Games municipalities signed joinders to the Multi Party Agreement along with Municipal Services Agreements with the Province detailing the municipalities' commitment to supporting the Games. In addition to funding their share of their own capital projects (44%), municipalities provided a commitment to maintaining "normal" levels of service for: EMS, fire, rescue, street cleaning, parks maintenance, parking operations and enforcement, garbage and recycling collection, traffic signal maintenance and operations, graffiti removal, water and sewer maintenance, street lighting and by law enforcement. Municipalities also had a role to play in helping to pave the way for permits (construction, etc.) and special bylaw changes required to stage the games.

The most significant municipal service provided by municipalities to support the Games was in the form of policing. Municipal police services were paid through the overall security budget developed and overseen by the ISU.

For additional detail on the City of Toronto's contribution to the Games please see **Appendix C**.

Appendix A - Provincial Success Stories from the 2015 Games

- 26,000 new jobs
- \$3.7B boost to GDP
- 250,000 tourists
- Cultural and community programming that amplified the impact of the games and fostered community engagement and inclusion
- Support to local talent including artists and performers
- Promotion of volunteerism
 - Trained an army of volunteers who continue their acts of public service beyond Toronto 2015
 - Provided opportunities for students to gain valuable skills and leverage the experience of seniors with leadership experience as a key workforce delivery channel
- Critical venue investments and improvements
 - Renovation of existing venues – upgrades to aging infrastructure; there had been no significant investment in sport / rec infrastructure since the Centennial 1967
 - New builds bringing much needed infrastructure to underserved communities
 - U of T Scarborough – students and the broader community in addition to national centre of excellence and elite training facility
 - Hamilton and Markham – provincially allocated top ups for specific projects
 - Milton Velodome – critical elite sport training facility and also a multi purpose facility serving a growing community
 - No white elephants; venue plans post games tied into community / institution use as much as possible
- Redevelopment of the West Donlands through the construction of the Athletes' Village
 - Acceleration of the rehabilitation and redevelopment of the West Donlands including a significant investment in flood protection
 - Included affordable housing component from the outset
 - Home to a new YMCA and residence for George Brown College
 - Resulted in the brown field being converted into a much loved, vibrant part of the waterfront; accelerated development adjacent to the West Donlands
- Better regional transportation planning
 - Encouraged regional coordination, cooperation and service provisioning – transit agencies across the region working together like never before on solution-oriented issues like HOV lanes and demand management
- Coordinated security planning resulting in no significant security incidents
 - Multiple jurisdictions working together under the direction of the Integrated Security Unit run by the OPP
- Preparedness: Health and Emergency Management
 - Planning exercises to prepare for any possible outcome
 - Good practice for pandemic preparedness and response; the work that was done related to Toronto 2015 undoubtedly helped the region in Covid relief efforts and left the Province better able to respond to the crisis
- Delivering a lasting Legacy

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- The Legacy Fund supporting ongoing operating costs of key Legacy venues and ensuring community access to programming for years to come
- Over 90,000 hours per annum of community access at the 25 games related facilities
- 500 Legacy jobs in Pan and Parapan Am venues
- Providing elite swimmers and cyclists the ability to train closer to home, rather than making them travel to the US or other jurisdictions to train
- Apprenticeship and training programs for construction and trades
- Pan and Parapan American Kids program featuring parasport programming and promotion around diversity and inclusion delivered to 4,250 sites and over 50,000 kids across the province
- 250 km of the Trans Canada trail filled in throughout Ontario
- Improved accessibility for people with disabilities
 - Barrier free games improved accessibility for all
 - Training provided to all volunteers and workforce
 - Audits conducted across the games footprint to improve accessibility beyond the games
 - Created business and trade opportunities including hosting business delegations from LatAm countries and leveraging the Games to deliver global forums / conferences to coincide with the Games

Appendix B – Provincial Support

Ministries with Key Roles

Ministry of Transportation

- Transportation planning led by MTO estimated **\$40M** cost
- Coordination across the region included setting up HOV lanes, implementing transportation demand management plans to reduce vehicular traffic by 20% to ensure smooth travel of Games vehicles, multi jurisdictional transit authority planning
- Also involved coordinating asks for “free” public transit for workforce, volunteers and spectators

Ministry of Community Safety and Corrections Service

- Key roles for the OPP and Office of the Fire Marshal and Emergency Management
- Estimated cost of **\$182M** to secure the Games (this for an event with the security threat level that was compared to the Toronto Santa Claus Parade)
- Security for the Games was provided jointly by the Ontario Provincial Police/Integrated Security Unit (OPP/ISU), the Royal Canadian Mounted Police (RCMP), eight regional and municipal police forces, TO2015, and private security services contracted by the OPP/ISU and TO2015.
- The OPP held the lead across all the police service organizations and were responsible for incident management, accreditation, security risk assessments and private security.

Ministry of Health and Long-Term Care

- MOHLTC had to coordinate with the hospital network across the Games footprint to make sure that any medical emergencies relating to foreign visitors were handled properly
- Participants had travel medical insurance paid for by TO2015
- MOHLTC ran a roundtable of all health-related partners which took care of preparedness, reporting, resourcing and made sure that appropriate responses were in place for outbreaks and pandemics

Ministry of Municipal Affairs and Housing

- MMAH helped to liaise with municipalities with regard to the Municipal Services Agreements which outlined the enhanced and net new services needed to accommodate the visitors and Games participants coming to the region for the event
- Incremental service agreements described how municipalities / institution would interface with MMAH, the ISU, MTO, the Ministry of Health and the Office of the Fire Marshal and Emergency Management (for games time planning), etc. and set service standards for any net new service spending or service levels

Ministry of Education

- Ran programming (PPA Kids) to complement the Games objectives

Other:

Ministries with Supporting Roles

Aboriginal Affairs; Agriculture, Food and Rural Affairs; Attorney General; Children and Youth Services; Citizenship, Immigration and International Trade; Economic Development, Employment and Infrastructure; Environment and Climate Change; Finance; Government and Consumer Services (ServiceOntario); Labour; Training, Colleges and Universities; Cabinet Office; Treasury Board Secretariat; Francophone Affairs

Agencies:

Cultural institutions (e.g. ROM, AGO, etc.), delegated authorities (e.g. TSSA), OLGC, LCBO, Metrolinx

Appendix C - City of Toronto Support

The City Manager's Office provided operational support and oversight in the lead up to and during the Games through the Pan Am / Parapan Am Games Unit. Toronto contributed a total of **\$96.5M** (44% of costs of capital programs) for **11 capital projects** related to Games venues. The City estimates they **unlocked an additional \$250M** in investment from partners through the Games.

The City of Toronto was the municipal partner with the greatest number of Games related venues and activities taking place within its boundaries. To support events happening in the city, Toronto agreed to provide **\$4M** worth of services at “normal” levels (e.g. emergency medical services, garbage and recycling collection, police, etc.). Additional “incremental” services were provided to support the Games, and these expenses were eligible for reimbursement by Toronto 2015 and the Province. Municipal services to support the Games were provided by: Fire Services; Toronto Paramedic Services; Transportation Services; Parks, Forestry and Recreation; Toronto Public Health; Solid Waste; Municipal Licensing & Standards; Toronto Parking Authority; and the Toronto Transit Commission (TTC). It is estimated that almost **\$10M** was recoverable from the Province and Toronto 2015 for incremental services. The Toronto Police Service provided support to the Games which cost **\$43M** and was funded through the ISU.

The City also invested **\$19M** in the Host City Showcase which funded initiatives relating to (non-sport infrastructure) legacy, public celebrations, cultural festivals and promotion activities to enhance the Games experience for local residents.