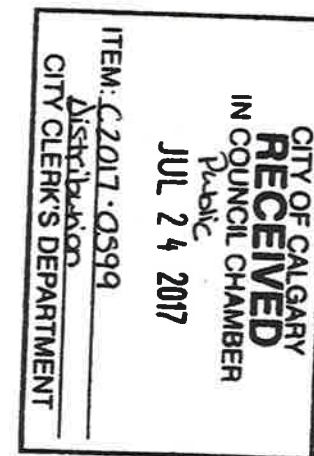


# Calgary Bid Exploration Committee

## *Recommendation...*

*24 July 2017*



# **We conducted an exhaustive and robust evaluation of whether or not to bid ...**

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## **Our work included**

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**100+** Interviews conducted with community groups and stakeholders

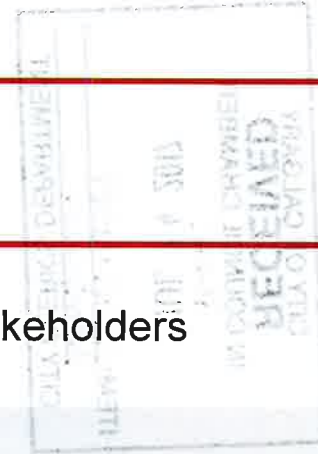
**~2,000** Respondents to our representative survey of Calgary and area

**15,000+** Individuals provided feedback through our online tool

**7** Workshops with the IOC, COC, VANOC and the No Olympics movement

**4** Last Winter Games benchmarked in detail plus the 2018 and 2022 bids

**Over 5,400** Pages of study, analysis and background information within CBEC's Final Report



## **CBEC's recommendation**

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**Given the potential benefits, we recommend continuing to explore the potential of a bid for the 2026 OPWG.**

## **We have structured our analysis to answer two questions ...**

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- 1 Is it feasible for Calgary to successfully host the 2026 Olympic and Paralympic Winter Games in a financially responsible manner?**
- 2 And if so, is it prudent for Calgary to make a bid?**

## **CBEC believes that a 2026 OPWG bid is feasible**

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***The venues and accommodations would be completed on time, meet IOC and sport federation specs and provide a post-Games legacy.***

***The concept minimizes new Games-specific infrastructure by maximizing use of existing 1988 venues, satisfying Agenda 2020.***

***Concepts and plans aligned with the Triple Bottom Line and the City's plans, priorities and policies.***

***CBEC's cost estimates are developed through stringent analysis and benchmarks and are verified by financial specialists.***

***The security model is realistic, built from current best practices and is fully comprehensive.***

***The Games concept has been built to be inclusive and community-focused from economic, social and cultural standpoints.***

# **We know that there are substantial benefits possible**

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**Our work to date shows the potential economic and social benefits of hosting the Games are significant enough to warrant careful consideration of bidding.**

- **If Calgary were to win the 2026 Games, it would represent a direct cash infusion of up to \$2.2B.**
- **A 2026 Games could also qualify for at least \$1.2B in federal funding.**
- **In the nine years prior to and including the Games, there is the potential for \$2.7 to \$3.1B in additional GDP generated through economic activity and an average of 3,000 jobs per year created.**
- **Hosting a Games could present a range of social benefits including the provision of affordable and attainable housing, encouraging cultural inclusivity and galvanizing the existing spirit of volunteerism.**

**These are benefits that could only be realized if Calgary moves forward with a bid and was the successful host city.**

# **Recent changes from the IOC may affect costs and potential benefits**

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**Two significant announcements from the IOC:**

**1. New rules announced July 11, 2017:**

- **changing timelines and deliverables to reduce the costs of bidding**
- **2026 will be the first Games under Agenda 2020 but the new Candidature guidelines and Host City Contract for the 2026 games not yet released.**

**2. The IOC has publicly stated a commitment to assist Calgary in reducing its cost estimates to bid for, and if successful, host the Games.**

**The detail of these changes and their impact on bidding and hosting must be understood before CBEC can reasonably assess prudence and responsibly advise Council.**



## **There are five principles to be kept in mind in investigating further**

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- 1. We believe that it is reasonable for the capital costs for the facilities to host the Games be borne by the municipal, provincial and federal governments given that the assets will generate long term benefits for the community.**
- 2. We believe that it is reasonable that the security costs for hosting the games be borne by the senior levels of government, in addition to their contribution to the capital costs for the Games, given the provincial and international nature of the event.**
- 3. We believe that taxpayers should not contribute to the direct operating costs of hosting the games (other than security costs). We believe that it is reasonable for the operational cost of the Games should be offset by ticket sales, sponsorship, broadcast rights, IOC contributions and other earned revenues.**
- 4. We understand that the City has limited debt capacity and that it would be challenging for The City to incur additional debt with respect to the Games including the facilities that are already being contemplated by the City. Thus there must be a financial structure that accommodates the cash flow and debt level constraints of The City.**
- 5. We believe that if the IOC requires financial guarantees in the host city contract, similar to past Canadian Olympic Games, such guarantees must be provided by a government entity other than the City.**



## **To confirm these benefits, we need to know more**

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**Our primary questions moving forward are:**

- 1. How will the IOC changes affect our cost and revenue estimates? Notably, will the changes create a net neutral operating costs so any public funds are targeted solely to capital costs?**
- 2. How will all levels of government fund and support the Games in a structure that will accommodate cash flow and debt constraints?**
- 3. Has public opinion changed in light of new information?**

**Only by understanding the answers to these questions can we answer whether or not a Calgary bid can be successful and is in the best interests of the city and its citizens.**

## Going forward

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**In the event that City Council decides to continue its exploration to host the Games, we recommend that City Council direct City Administration, in consultation with CBEC, to develop a plan on how to conduct the next phase of work to determine if the following aforementioned five principles can be satisfied and report back to the September 11, 2017 meeting of Council.**

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**THANK YOU**

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# **Back up Slides**

# A reminder regarding the Calgary Bid Exploration Committee ...

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## ✓ We are...

...**developing an initial concept** for the Games if Calgary chooses to bid

...an **independent volunteer Board** representing diverse perspectives

...leveraging **the expertise of external consultants** with Games experience

...**funded by the City** of Calgary regardless of our recommendation

## ✗ We are not...

...developing **the detailed plans required to host the Games**

...trying to "get to yes" nor are we  **beholden to a particular outcome**

...**relying only on our experience** and perspectives

...**funded based on our recommendation**