

Calgary



2026 Olympic and Paralympic Winter Games Assessment Committee

Presentation on Reports OPC2018-0683 + OPC2018-0687

2018 May 29



Introductions

- Jeff Fielding
- Glenda Cole
- Karen Sveinungsgaard
- Jennifer Brown
- Gerry Laing
- Terry Wright



Topics to Cover

- Highlight the transition occurring within the project (from City to BidCo oversight)
 - Role of a member
- Provide an overview of the process underway to develop proposed 2026 OPWG BidCo Vision, Mission and Values
- As a member, discuss draft confidential statements (closed session)
- Discuss the proposed approach to determining The City's value proposition
- Share next steps

Intended outcomes

- City's participation in development of draft Vision, Mission & Values
- Receive Assessment Committee feedback on draft statement
- Understand value proposition approach
- Awareness of upcoming key dates

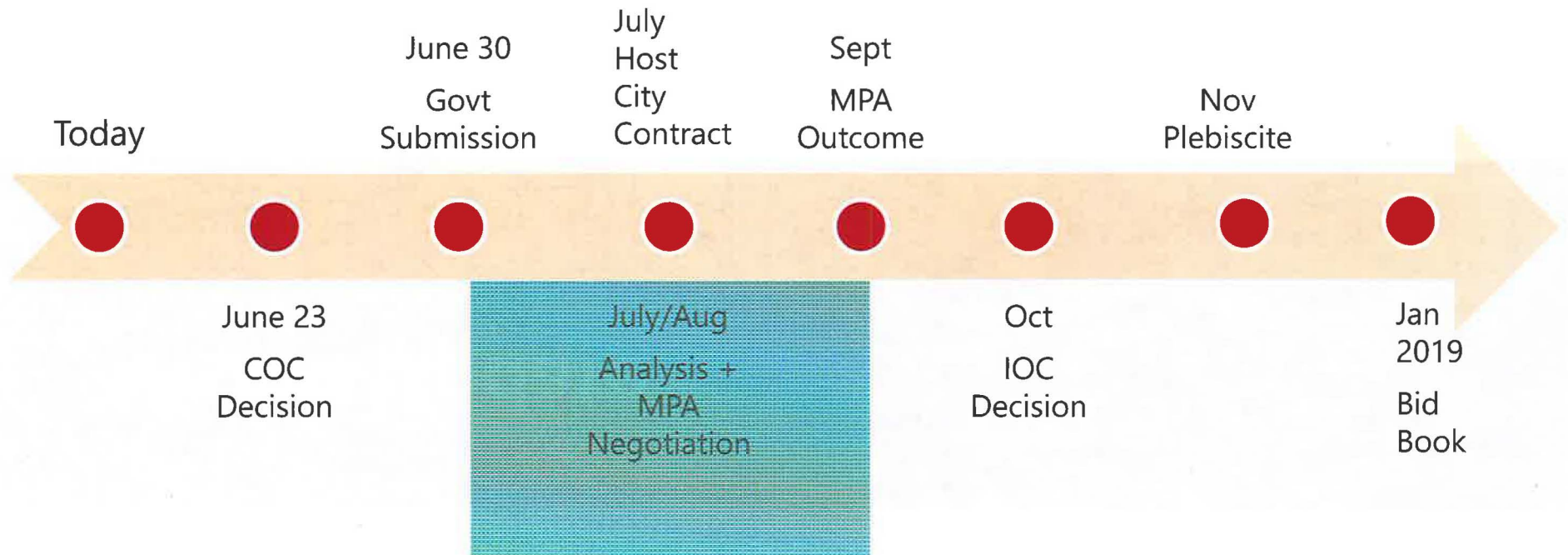
Transition to BidCo



- Weekly discussion with GoA and GoC Secretariat leaders
- Staffing of City Secretariat
- Moving away from providing oversight on bid development work, to responding to content as a member



Timeline



- Analysis of Govt Submission by Members
- Development of City MPA Negotiation Framework

Vision Update

Vision, Mission, Values

- Public portion will include update on Vision, Mission, Values process and next steps
- Closed session discussion of draft statements

Vision, Mission, Values

- Work led by Bid Development workstream in lieu of BidCo
- Representatives from BidCo members have contributed to draft Vision for 2026 OPWG
 - Members are City of Calgary, GoC, GoA, Canmore, CPC, COC
 - 2-4 members participated from each organization
 - Also included were Indigenous, Youth, Business and Athlete representatives
 - Two sessions held on May 4 and 14

Vision, Mission, Values

- Themes identified in visioning sessions:
 - Triple bottom line principles
 - OPWG as catalyst for progress
 - Lasting benefits and legacies
 - Cultural enrichment opportunities
 - Creating a place for everyone/inclusivity
 - Healthy and active lifestyles
 - Sustainable policies and implementation
 - Responsible hosting
 - Relationship building

Next steps

- Feedback being gathered from six BidCo members
- Revised version will be presented to BidCo board
- Final Vision, Mission, Values will be part of Government submission late June

Next steps for City of Calgary

- BidCo members to receive submission in late June
- Administration will review report and alignment with existing City policies, Council directives and priorities – analysis will be presented to Assessment Committee (Date: tbd)

Recommendations

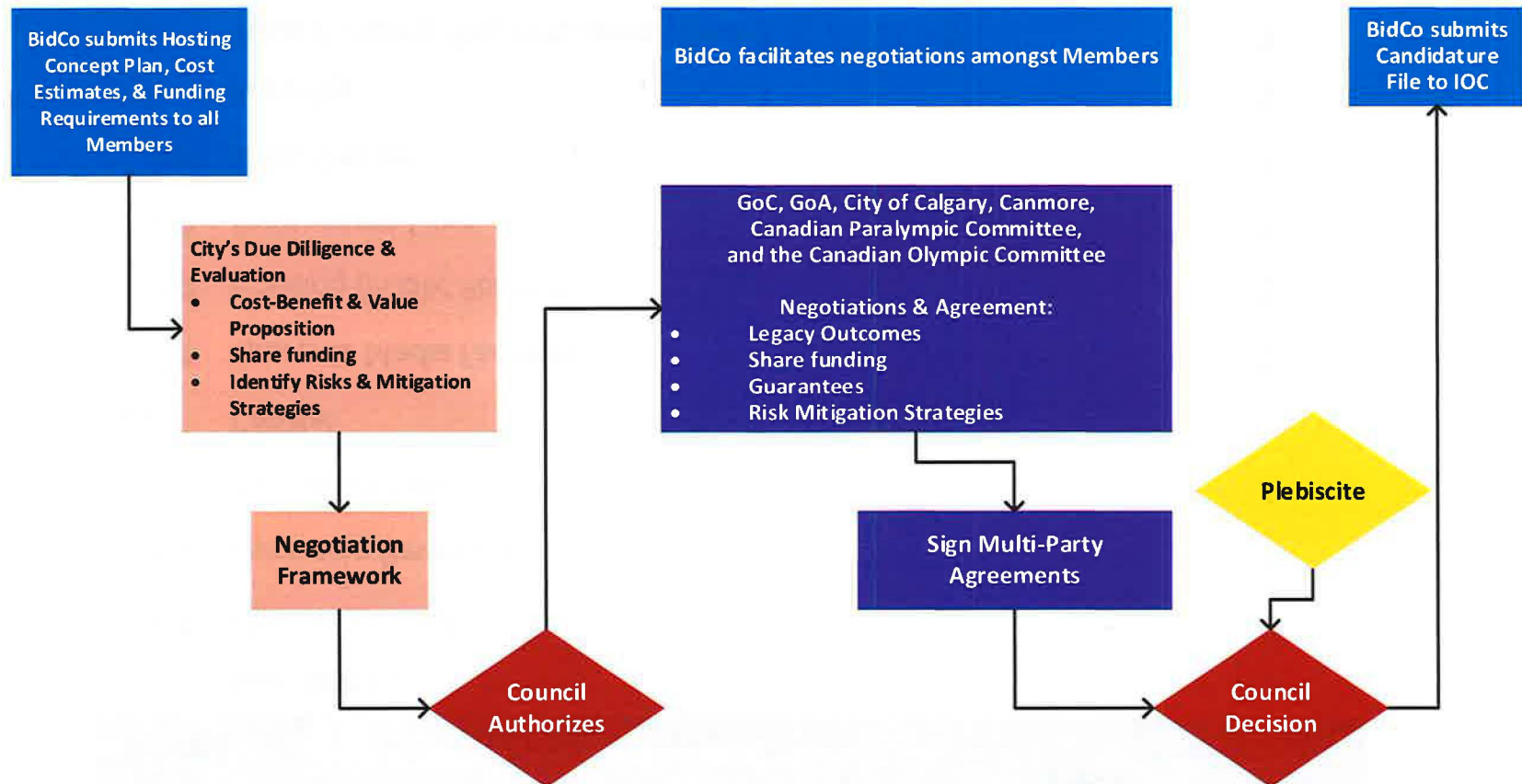
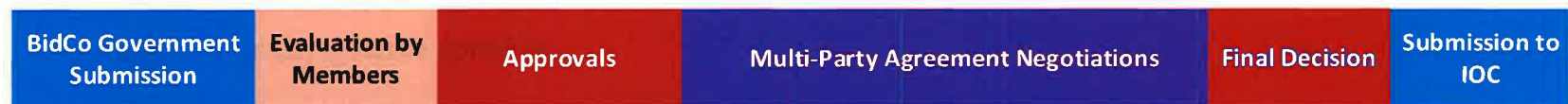
That the 2026 OPWG Assessment Committee:

- I. Receive Report OPC2018-0683 for information; and,
- II. Direct Administration to keep Attachment 3 and the closed session discussions confidential pursuant to Section 23, 24, and 25 of the Freedom of Information and Protection of Privacy Act.

Financial & Value Proposition Process Overview

Financial & Value Proposition Outline

1. Financial Decision-Making Chart
2. BidCo's 'Government Submission' to Members
3. City's due diligence
4. Value Proposition Framework
5. Share-Funding & the Negotiation Framework
6. Council Decisions



By end of:	June 2018	July – August 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018
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Proposed Funding Estimates Format

	Component (Items will be escalated to 2026 C\$)	M's
1.0	Operations	
1.1	Operations Costs	\$
1.2	Operating Revenues	\$
1.3	Net Operations	\$
2.0	Capital	
2.1	Sports & Media Facilities	\$
2.2	Housing (Public Portion)	\$
2.3	Endowment Fund	\$
2.4	Total Capital	\$
3.0	Security	\$
4.0	Total Funding Requirements (Lines 1.3, 2.4 & 3.0)	\$
5.0	Essential Government Services & Programs	\$
6.0	Total Games Budget	\$

City's Due Diligence

1. With Finance:
 - Debt capacity
 - City's credit rating
2. With Corporate Economics:
 - Cost-benefit analysis
3. With appropriate Business Units:
 - Risk identification & mitigation
4. With Law:
 - Agreements and Guarantees

Comparative Value Proposition Framework (For Illustrative Purpose Only)

Options for City of Calgary spending relative to Calgary-based value:	<u>OPTION 1</u> Olympics & Paralympics	<u>OPTION 2</u> No Olympics & Paralympics, but same investment in sports facilities	<u>OPTION 3</u> Maintain Sports Facilities Only
CITY INVESTMENT:	Total City Share of OPWG (A.1)	Amount required to invest in equivalent sports infrastructure (A.2)	Significantly less investment than Options 1 or 2 (A.3)
LEGACY VALUE: (Examples)			
Value of sports infrastructure	B	B	Significantly < than Options 1 or 2.
Long-term sports-related economic & social benefits derived from the assets	Same as Option 2. TBD under 'cost-benefit' study	Same as Option 1. TBD under 'cost-benefit' study	Significantly < than Options 1 or 2
Affordable Housing	C	< C	N/A
Economic activity & Jobs	D	< D	Significantly < than Options 1 or 2.
Tourism	E	< E	Significantly < than Options 1 or 2.
Community involvement & participation	High	Less < than Option 1	Significantly < than Options 1 or 2.
Branding / Reputation	High	Less < than Option 1.	Significantly < than Options 1 or 2.
RISKS: (Examples as noted in Report)	Risks & mitigation strategies TBD	Risks & mitigation strategies TBD	Risks & mitigation strategies TBD
TIMELINE:	By 2026	Likely later than 2026	N/K

The City's share contribution will depend on:

1.

- The Value Proposition for The City (worth it)
- City's Debt Capacity & Credit Rating (afford it)
- Risks & how well they can be mitigated

2.

- How other governments evaluate their stake, and
- What share they are prepared to invest.

Council Endorse the Negotiation Framework

Administration will return to Council with proposed negotiation parameters in July, once:

- The City's value proposition is complete;
- its debt capacity is factored in;
- risks are deemed to be reasonably mitigated; and
- the overall due diligence among the three options is complete.

Council will provide direction to Administration:

- On the share funding negotiation parameters
 - 2018 July
- On approval of Multi-Party Agreement
 - 2018 Sept
- On a decision to bid or not to bid
 - 2018 November

Recommendations

That the 2026 OPWG Assessment Committee:

1. Receive this report for information; and,
2. Keep the closed session discussions confidential pursuant to Sections 23, 24 and 25 of the Freedom of Information and Protection of Privacy Act.



Upcoming Discussion

Proposed Discussions

Committee June 5:

- Games Concept

Committee June 12:

- City Secretariat (structure + budget)
- Public Engagement update

Complete Government Submission will not be available to share prior to submission.

- Present to Assessment Committee and Council in July. Analysis will occur from July – Sept 2018

Questions?