



Key Topics to Discuss During Multi-Party Agreement ("MPA") Negotiations (Attachment 3 of OPC2018-0940)



Multi-Party Agreement (MPA) Negotiation Framework

The MPA:

- Is a means for key stakeholders to reach agreement on critical issues before submitting a bid; and
- Will set forth each party's rights, obligations and liabilities in relation to the hosting of the 2026 OPWG; BUT
- Does not commit The City to submit a bid for the 2026 OPWG.

Council's final decision as to whether to submit a bid will be informed by the results of the MPA negotiations and the vote of the electors.



Parties to the MPA

The initial parties to the MPA will be:

- The City;
- Government of Canada;
- Government of Alberta;
- Canadian Olympic Committee;
- Canadian Paralympic Committee;
- Calgary 2026 Bid Corporation; and
- Town of Canmore.



Parties to the MPA - continued

- If Calgary bids, a hosting corporation (HostCo) will be incorporated and will become a party to the MPA.



City Negotiating Team's Key Objectives

- The City negotiating team will negotiate:
 - in good faith and in a respectful manner; and
 - will utilize a fair, balanced, public interest based approach aligned with each party's fiscal capacity and legacy opportunity.



City Negotiating Team's Key Objectives - continued

- The team's objective is to:
 - achieve binding financial and other commitments from each party;
 - define HostCo's governance structure and key activities;
 - identify legacies that will be achieved from hosting the Games; and
 - appropriately mitigate risks for The City.



Council-Approved Principles Guiding The City's Negotiations

1. "We believe that it is reasonable for the capital costs for the facilities to host the 2026 OPWG be borne by entities including 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 2026 OPWG be borne by other orders of government, in addition to their contribution to the capital costs for the 2026 OPWG, given the international nature of the event";
3. "We believe that Canadian taxpayers should not contribute to the direct operating costs of hosting the 2026 OPWG (other than security costs). We believe that it is reasonable for the operational cost of the 2026 OPWG should be covered by ticket sales, sponsorship, broadcast rights, IOC contributions and other earned revenues";

Endorsed by Council on 2017 July 31



Council-Approved Principles Guiding The City's Negotiations - continued

4. "The City has limited debt capacity and it would be challenging for The City to incur additional debt with respect to the 2026 OPWG 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"; and
5. "We believe that if the IOC requires financial guarantees in the host city contract, such guarantee must be provided by an entity other than The City or deemed to be at a level acceptable to The City."

Endorsed by Council on 2017 July 31



Council-Approved Principles Guiding The City's Negotiations - continued

- Note: On 2017 July 31, Council noted that "these principles may be further modified as additional information becomes available and are not meant to be exhaustive".
- Note: The negotiating team will also be guided by Council Directives, decisions, policies, programs, strategies, and plans.



Key MPA Discussion Topics

- Governance Structure of Hostco;
- Hostco Responsibilities and Obligations;
- Business Plan for Hosting the 2026 OPWG;
- Reporting to Parties;
- Use of Contributed Funds;
- Commitments to address IOC guarantees;
- Financial and other Contributions;
- Legacy Fund;
- Events of Termination; and
- Risk Mitigation.

Process of Negotiations

- MPA meetings need to begin immediately given short timeframes and the Secretariat's desire to report to the Assessment Committee and Council in early September;
- MPA negotiations will be an iterative process; and
- The execution of the MPA and any associated agreements will be subject to approval by the Assessment Committee and Council.

Risk

Negotiating the MPA is subject to very tight timelines.

Mitigation

The Negotiating Team will schedule regular and frequent meetings with the parties.

The Negotiating Team will engage with a number of internal stakeholders and subject matter experts to assist with the negotiations and external legal advisors or consultants will be retained as required to support the negotiations and drafting of the MPA.



Thank you