Agenda - Executive Policy Committee - November 20, 2002

REPORTS

8.

2003 World Curling Championships
File GC-8 (Vol. 6)

ADMINISTRATIVE RECOMMENDATION:

1. That a grant in the amount of $30,000.00 be considered for the 2003 World Curling Championships Host Society Inc., to offset 50% of the cost of a shuttle bus service between the Winnipeg Arena and the major host hotels.

2. That if the grant noted in recommendation is approved, an amount of $30,000.00 be added to the Transit Department's 2003 current budget for this purpose.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Re:	**2003 World Curling Championships**
For submission to:	**Executive Policy Committee**
Original report signed by:	**R.L. Borland, Director of Transit**
Report date:	**November 1, 2002**
In Camera Item:	**No**

Recommendations:

1. That a grant in the amount of $30,000 be considered for the 2003 World Curling Championships Host Society Inc., to offset 50% of the cost of a shuttle bus service between the Winnipeg Arena and the major host hotels.

2. That if the grant noted in recommendation #1 is approved, an amount of $30,000 be added to the Transit Department's 2003 current budget for this purpose.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Report Summary

Key Issues:

- The 2003 World Curling Championships will be held in Winnipeg from April 5 – 13, 2003 at the Winnipeg Arena. The 2003 World Curling Championships Organizing Committee has identified a need to operate a Hotel-Arena shuttle bus service because regular transit routes do not directly service these trips, and a large proportion of out-of-town spectators are senior citizens who find it difficult to walk lengthy distances to/from regular route bus stops. On May 30, 2002, the Committee wrote to the Mayor requesting that the City fund the costs of operating the service.

- Grants for bus transportation services for conventions and special events are normally budgeted under the Transit Department's Grants Account and the Standing Policy Committee on Public Works approves expenditures from this account. The budgeted amount for 2003, which reflects an average annual expenditure for these types of requests, is $25,000. The intent of the Grants Account is to provide financial assistance to non-profit or charitable organizations for charter bus services for special events, conferences and seminars. The grant covers 75% of the first $1,000 of charter bus service costs, and 50% of any additional charter bus service costs. The maximum annual grant available under this program for any event is $5,000.

- The 2003 World Curling Championships Organizing Committee has requested $85,000 to offset the cost of Hotel-Arena shuttle service. This amount is beyond the scope of the Grants Account to fund.

- After meeting with the Organizing Committee, the Transit Department has developed an initial service plan and reduced the estimated service cost to $60,000.

- In 1991 and 1998, the City did fund the costs of similar services operated for the 1991 World Curling Championships and the 1998 Brier in the amounts of $61,756 and $75,218 respectively. These contributions by the City covered 100% of the costs of those services.

- During both of the 1991 and 1998 events, however, the organizing committees fully assumed financial responsibility for other shuttle services between the Arena and the Hog Line Inn/Brier Patch Pubs.

- For the 2003 event, the Extra End Pub will be located in the Winnipeg Stadium. Consequently, there will be no need for a shuttle service to that facility, and the Organizing Committee will avoid an additional expenditure.

- Since a Pub shuttle will not be required in 2003, and the 2003 World Curling Championships will be a very important event for the local economy, it is therefore recommended that the City consider cost sharing the Hotel-Arena shuttle bus service on a 50% basis with the 2003 World Curling Championships Organizing Committee.

- 50% of the cost of the shuttle bus service between the Winnipeg Arena and the major hotels for the 2003 World Curling Championships would require a $30,000 grant.

Implications of the Recommendation(s):

General Implications

X None

For the organization overall and/or for other departments

For the community and/or organizations external to the City of Winnipeg

Involves a multi-year contract

Comment:

Policy implications

X No

Yes

Comment:

Financial Implications

Within approved current and/or capital budget

X Current and/or capital budget adjustment required

Comment:

If a grant for 50% of the cost of the Arena-Hotel shuttle is approved, an amount of $30,000 would be required to be added to the 2003 Current Estimates for the Transit Department.

Report

Recommendation(s):

1. That a grant in the amount of $30,000 be considered for the 2003 World Curling Championships Host Society Inc., to offset 50% of the cost of a shuttle bus service between the Winnipeg Arena and the major host hotels.

2. That if the grant noted in recommendation is approved, an amount of $30,000 be added to the Transit Department's 2003 current budget for this purpose.

3. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing.

Reason for the report:

In May 2002, the 2003 World Curling Championships Organizing Committee wrote to the Mayor requesting that the City fund the costs of operating a Hotel-Arena shuttle bus service during the 2003 World Curling Championships to be held in Winnipeg on April 5 - 13, 2003. The request was referred by the Mayor's Office to the Transit Department for consideration.

Discussion:

Grants for bus transportation services for conventions and special events are normally budgeted under the Transit Department's Grants Account and the Standing Policy Committee on Public Works approves expenditures from this account. The budgeted amount for 2003, which reflects an average annual expenditure for these types of requests, is $25,000. The intent of the Grants Account is to provide financial assistance to non-profit or charitable organizations for charter bus services for special events, conferences and seminars. The

grant covers 75% of the first $1,000 of charter bus service costs, and 50% of any additional charter bus service costs. The maximum annual grant available under this program for any event is $5,000. The grant does not cover the G.S.T. payable on the total costs of charter bus services.

The request of the 2003 World Curling Championships Organizing Committee is for a charter service that is beyond the scope of the Grants Account to fund. The 2003 World Curling Championships Organizing Committee is of the opinion that it is very important to operate a shuttle bus service between the event hotels and the Arena for the following reasons:

1. Regular transit routes do not operate directly between the event hotels and the Arena. Use of the regular transit network would require long walks at either or both ends of the trip for most spectators staying at event hotels.

2. A large proportion of out-of-town spectators are senior citizens who find it difficult to walk lengthy distances to/from regular route bus stops.

Further outlined in its letter to the Mayor, the 2003 World Curling Championships Organizing Committee requested a grant of $85,000 to offset the costs of the service. Shortly after referral of this matter to the administration, staff from the Transit Department met with members of the 2003 World Curling Championships Organizing Committee to refine the bus transportation requirements and develop an initial service plan. As a result, the estimated costs of a viable service were reduced to $60,000.

For the 1991 World Curling Championships and the 1998 Men's Brier, the City did fund a similar Hotel-Arena shuttle bus service in the amount of $61,756 and $75,218 respectively. These contributions by the City covered 100% of the costs of those services.

During both of the 1991 and 1998 events, however, the organizing committees fully assumed financial responsibility for other shuttle services between the Arena and the Hog Line Inn/Brier Patch Pubs and various other special event charter services. In 1991 the World Curling Championships organizing committee spent $91,139 on charter bus services for special events held in conjunction with the World Curling Championships (including the Hog Line Inn shuttle, charters for opening and closing ceremonies, charters to various dinner receptions, and tours of the city). In 1998, the Brier's organizing committee spent a total of $110,825 on charter services that included the Brier Patch Pub shuttle, city tours, opening ceremonies, and various dinner receptions.

In 2003, the Extra End Pub will be located in the Winnipeg Stadium. Consequently, there will be no need for a shuttle service to that facility, and the 2003 World Curling Championships Organizing Committee will avoid an expenditure of approximately $50,000.

Given that a shuttle will not be required for the Extra End Pub, and the 2003 World Curling Championships will be a very important event for the local economy, it is therefore recommended that the City consider cost sharing the Arena-Hotel shuttle bus service on a 50% basis with the 2003 World Curling Championships Organizing Committee.

The 2003 World Curling Championships Organizing Committee plans to charter other services from the Transit Department for special events held in conjunction with the World Curling Championships. The Host Society will assume the full cost of these additional services.

50% of the cost of the shuttle bus service between the Winnipeg Arena and the major hotels for the 2003 World Curling Championships would require a $30,000 grant.

Financial Impact Statement:

Project Name: 2003 World Curling Championships

Date: November 1, 2002 First Year of Program **2003**

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	60,000	n/a	n/a	n/a	n/a
Less: Incremental Revenue/Recovery	30,000	n/a	n/a	n/a	n/a
Net Cost/(Benefit)	30,000				
Less: Existing Budget Amounts	-				
Net Budget Adjustment Required	$ 30,000	n/a	n/a	n/a	n/a

Additional Comments: The request of the 2003 World Curling Championships Organizing Committee (WCCOC) is for a very substantial charter that is estimated to cost $60,000, beyond the scope of the Transit Bus Grants Account to fund. Given the importance of the 2003 World Curling Championships to the local economy, it is therefore recommended that consideration be given to a grant in the amount of $30,000 to offset 50% of the cost of a shuttle bus service between the Winnipeg Arena and major host hotels for the 2003 World Curling Championships. If this grant is approved, the WCCOC will assume financial responsibility for the remaining balance of $30,000.

Manager of Finance & Administration

This Report Submitted By:

Department:	Transit Department
Division:	Planning and Schedules Division
Prepared by:	Alex Regiec, Operations Planner
File No.	0502-56