Agenda – Executive Policy Committee – April 18, 2023

REPORTS

Item No. 18 Value in Kind Grant, Waiver of the City of Winnipeg Sponsorship Policy and Waiver of Fees related to subleases for the 2023 World Police and Fire Games

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the City enter into, execute, and deliver an amendment to the current value-in-kind grant agreement with the WPFG 2023 Host Society Inc. to amend the City goods and services to be provided and increase the value-in-kind grant by up to $500,000 from $493,634 to $993,634 and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

2. That the Chief Administrative Officer be delegated the authority to negotiate and approve the terms and conditions of the amendment to the value-in-kind agreement with the WPFG 2023 Host Society Inc. and the Ancillary Agreements in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That the Chief Administrative Officer be delegated the authority to negotiate and approve the terms and conditions of any future amendment to the value-in-kind agreement with the WPFG 2023 Host Society Inc. provided that any such amendment does not exceed the total approved value of $993,634.

4. That individuals or groups accredited by the WPFG 2023 Host Society Inc. and displaying a pass approved by the Director of Transit be exempt from the operation of subsection 5(1) of the Public Transit By-law for the duration of the 2023 World Police and Fire Games.

5. That, notwithstanding the provisions of any lease agreement, the City of Winnipeg Sponsorship Policy, adopted by Council on November 21, 2007, be waived for all leases, subleases, and short-term use agreements in favour of WPFG 2023 Host Society Inc. for use of City-owned properties for the 2023 World Police and Fire Games.

6. That, notwithstanding the provisions of any lease agreement, the City waive all Council-approved fees associated with all subleases/sublets of City-owned properties that are currently occupied by a tenant to WPFG 2023 Host Society Inc. where such subleases/sublets are for the 2023 World Police and Fire Games.

7. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: Value in Kind Grant, Waiver of the City of Winnipeg Sponsorship Policy and Waiver of Fees related to subleases for the 2023 World Police and Fire Games

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Dryburgh	M. Jack	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

This report seeks authorization to:

1. Amend the City's current value-in-kind grant agreement with the World Police and Fire Games 2023 Host Society Inc. (WPFGHS) to increase the value-in-kind grant by up to $500,000 from $493,634 to $993,634.

2. Exempt accredited individuals or groups of the WPFGHS (displaying a City-approved pass) from the requirement to pay transit fare, such that those individuals or groups may ride transit for free for the duration of the 2023 World Police and Fire Games.

3. Waive the application of the City of Winnipeg Sponsorship Policy for the City-owned and leased properties sublet to WPFGHS.

4. Waive all fees associated with subleases/sublets of City-owned properties to WPFGHS.

The additional $500,000 value-in-kind grant to the WPFGHS will cover the cost of services provided by the City to the 2023 World Police and Fire Games. This additional value-in-kind grant amount was approved in the 2023 Balanced Budget Update on March 22, 2023.

RECOMMENDATIONS

1. That the City enter into, execute, and deliver an amendment to the current value-in-kind grant agreement with the WPFG 2023 Host Society Inc. to amend the City goods and services to be provided and increase the value-in-kind grant by up to $500,000 from $493,634 to $993,634 and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements").

2. That the Chief Administrative Officer be delegated the authority to negotiate and approve the terms and conditions of the amendment to the value-in-kind agreement with the WPFG 2023 Host Society Inc. and the Ancillary Agreements in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That the Chief Administrative Officer be delegated the authority to negotiate and approve the terms and conditions of any future amendment to the value-in-kind agreement with the WPFG 2023 Host Society Inc. provided that any such amendment does not exceed the total approved value of $993,634.

4. That individuals or groups accredited by the WPFG 2023 Host Society Inc. and displaying a pass approved by the Director of Transit be exempt from the operation of subsection 5(1) of the Public Transit By-law for the duration of the 2023 World Police and Fire Games.

5. That, notwithstanding the provisions of any lease agreement, the City of Winnipeg Sponsorship Policy, adopted by Council on November 21, 2007, be waived for all leases, subleases, and short-term use agreements in favour of WPFG 2023 Host Society Inc. for use of City-owned properties for the 2023 World Police and Fire Games.

6. That, notwithstanding the provisions of any lease agreement, the City waive all Council-approved fees associated with all subleases/sublets of City-owned properties that are currently occupied by a tenant to WPFG 2023 Host Society Inc. where such subleases/sublets are for the 2023 World Police and Fire Games.

7. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required to:

1. Amend the value-in-kind grant agreement to the WPFGHS.
2. Waive the requirement to pay transit fare for accredited individuals or groups of the WPFGHS during the 2023 World Police and Fire Games.
3. Waive the Sponsorship Policy.
4. Waive Council approved Fees associated with all subleases/sublets of City-owned properties that are currently occupied by a tenant.

IMPLICATIONS OF THE RECOMMENDATIONS

The Public Service will amend the City's current agreement with WPFGHS to facilitate the increase to the original value-in-kind grant.

Transit fare will not be required for individuals or groups accredited by the WFPGHS where they display a pass approved by the Director of Transit. The value of the transit fare has been included in the value-in-kind grant amount.

Naming rights or sponsorships associated with WPFGHS events or activities held in City-owned properties leased, sub-leased or provided pursuant to short-term use agreements in favour of WPFGHS will be subject to WPFGHS sole approval and the proceeds of any such naming rights or sponsorships shall be determined and used by WPFGHS at their discretion.

The City will not collect fees payable for subleases under existing lease agreements with third party tenants who are sub-leasing the City-owned property to WPFGHS.

HISTORY / DISCUSSION

1. Value-in-kind (VIK) Grant

The World Police and Fire Games (Games) will be held in Winnipeg from July 28 to August 6, 2023. In 2021, Council approved an initial VIK grant to the World Police and Fire Games 2023 Host Society Inc. (WPFGHS) in the amount of $493,634. This includes the value of City office space and the secondment of a senior staff person to the Games.

Council approved an additional VIK grant for the WPFGHS of $500,000 in the 2023 Balanced Budget Update on March 22, 2023. This amount represents funds in the tax-supported operating budget that are available to fund City services to support the Games.

The WPFGHS is working with the City to finalize an event plan for the Games which includes reserving venues, determining EMS standby coverage, and developing a transit plan.

Community Services estimates approximately $116,700 from the VIK grant will be required to cover the cost of using City-owned and operated venues for the Games including Pan Am Pool, Cindy Klassen Recreation Complex, Fort Garry Lions Outdoor Pool and the Charles Barbour Arena. This cost includes the usage of these facilities and the necessary lifeguards for the pools at current Council-approved rates.

Transit estimates $80,000 from the VIK grant will cover the forgone transit fare revenue associated with providing free transit service to accredited delegates of the Games (including volunteers, organizers, participants and family members of participants) that display a 2023 World Police and Fire Games pass approved by the Director of Transit. This estimate also includes the cost of deploying additional buses to accommodate increased demand for transit service during the Games.

The Fire Paramedic Service estimates $75,000 from the VIK grant will be required to provide EMS standby coverage for the Games. This includes one ambulance unit stationed at the RBC Convention Centre (which will host many events) and another ambulance that will move around among event sites throughout the city. This cost estimate is based on current Council-approved standby rates for EMS.

Other City services that will be covered by the VIK grant to support these Games include, but are not limited to, Special Duty Police Officers and the use of the former cafeteria space at City Hall by the WPFGHS. VIK amounts for these and other services will be determined using

existing rates and charges for these services, which is consistent with the City's Value in Kind Policy for Major Special Events (VIK Policy).

Recommendation #3 of this report gives the CAO flexibility to allocate the VIK grant to City goods and services on an as-required basis to support the Games, in accordance with the VIK Policy, up to a total value of $500,000. Any costs associated with providing city goods or services beyond this amount will be the responsibility of the WPFGHS.

2. Sponsorship Policy

WPFGHS is a non-profit organization. WPFGHS events or activities held in City-owned properties may be sponsored by corporate entities or organizations during the 2023 World Police and Fire Games.

The City's Sponsorship Policy requires that proceeds of sponsorships be provided to the City and that sponsorships or naming rights of City facilities be approved by the Chief Administrative Officer or Council, respectively. Should the City determine that WPFGHS retain sponsorship funds, additional grant agreements for the sponsored amounts would need to be approved and entered into to provide the sponsorship funds back to WPFGHS.

Given the short duration of the Games, undertaking the sponsorship process and processing grant agreements for every sponsorship arrangement for these Games is impractical. Therefore, a waiver of the Sponsorship Policy for the City-owned and leased properties sublet to WPFGHS is recommended.

3. City-Owned and Leased Properties for the Games

WPFGHS have asked to reserve the following City-owned and leased locations for the Games:

Bison Butte – Fort Whyte Foundation
Manitoba Canoe & Kayak Centre
*Maple Grove Park – St. Vital Mustangs Football
*Maple Grove Park – Maple Grove Rugby
Maple Grove Park – Manitoba Organization of Disc Sports
WSF North Soccer Complex – Winnipeg Soccer Federation
Buhler Recreation – East Winnipeg Sports Association
Grant Park – South End United Soccer
Cindy Klassen - Manitoba Volleyball Association

*The Maple Grove Park leases with St. Vital Mustangs and Maple Grove Rugby include an international sporting event clause which permits the City to take control of the property for these events. The Public Service has provided the notice requirement to these tenants and entered into Short Term Use Agreements with WPFGHS for these locations.

The remaining leases listed above require the City's *Consent to Sublease*, which may be approved by the Director of Planning, Property and Development. An associated sublet fee of $640.00 per agreement (based on the 2022 Fees and Charges Schedule) would be charged to these tenants.

The Public Service recommends a waiver of sublet fees for the following reasons:

- The International Sporting Events clause in City leases is relatively new and not yet incorporated at all applicable locations. As a result, two of the nine tenants who will not be charged fees to allow for the use of their facilities for these Games.

- A sublet fee of $640.00 per lease for two to five days of use is unreasonably high in the opinion of the Public Service.

If the waiver of fees is approved, the Public Service will consent to allow the tenants to enter into sublet agreements with WPFGHS at no charge.

FINANCIAL IMPACT

Financial Impact Statement **Date:** March 27, 2023

Project Name: **First Year of Program** **2023**

Value in Kind Grant, Waiver of the Sponsorship Policy and Sublet Fees for the 2023 World Police and Fire Games

	2023	2024	2025	2026	2027
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	$ 500,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 500,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	500,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

Direct costs represent the additional Value In Kind (VIK) to be included in the grant agreement with the WPFG 2023 Host Society Inc. These funds will be used to cover the cost of City provided services to these Games. Existing budget amounts represent the additional grant funding, which was approved and included in the Corporate Finance department's 2023 budget submission.

Jason Duke for Lioubov Gavrilova-Crozier - March 27, 2023

Lioubov Gavrilova-Crozier, CPA, CA
Manager of Finance & Administration
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

- Legal Services
- Office of Film and Special Events
- Police
- Transit
- Fire Paramedic Services
- Corporate Finance
- Assets and Project Management
- Public Works
- Planning, Property and Development

OURWINNIPEG POLICY ALIGNMENT

Economic Prosperity – Optimize Facility Access (3.16) – Maximize the use of existing municipal assets to promote recreation, community development and social interaction.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Office of the Chief Administrative Officer
Prepared by: Matt Dryburgh Senior Manager, Economic Development and Policy
Date: March 27, 2023