



CITY OF VANCOUVER

ADMINISTRATIVE REPORT

Report Date: July 2, 2008
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Meeting Date: July 22, 2008

TO: Vancouver City Council

FROM: General Manager, Olympic and Paralympic Operations Office and Managing Director, Cultural Services

SUBJECT: Funding Allocations- Live City Vancouver and Update on Olympic Legacy Reserve

RECOMMENDATION

- A. THAT Council approve the proposed budget of \$23.18 million for the Live City Vancouver project as outlined in Table #1 of the report.
- B. THAT Council approve a funding allocation of \$4,800,000 to the Live City Vancouver project as part of the celebrations for the 2010 Olympic and Paralympic Games. Source of funding to be the Olympic and Paralympic Legacy Reserve approved by Council on December 11, 2007.
- C. THAT the Mayor, on behalf of entire Council write to the Government of Canada expressing appreciation for the \$10,000,000 contribution for Live City Vancouver.
- D. THAT Council authorise the General Manager of Olympic Operations and the City Manager to execute such agreements as are satisfactory to the Director of Legal Services to secure the federal government contribution and to secure consulting expertise to complete the next phase of work in developing the Live City Vancouver concept as outlined in this report; source of funding for the consulting expertise to be the budget established pursuant to Recommendation A.
- E. THAT Staff report back in January, 2009 with updated live site project details and cost estimates once consultants have completed the next phase.
- F. THAT Council approve the transfer of \$280,000 within the Olympic and Paralympic Legacy Reserve from the 2008 Beijing Paralympic Torch Relay to the

2010 Olympic and Paralympic Torch Relay. Staff will report back with specific program details and cost estimates for council approval.

CITY MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

COUNCIL POLICY

On December 11, 2007, Council approved the Olympic and Paralympic Legacy Reserve Fund program and budgets in the amount of \$20,000,000 with instructions to report back on funding for specific projects.

Two programs approved within the Legacy Reserve were the Live City Vancouver (Live Sites) Program with a budget of \$5,000,000 and the 2008 Beijing Paralympic Torch Relay for \$300,000.

PURPOSE

The purpose of this report is to update Council on the status of the Live City Vancouver Project, seek approval for the use of the remaining \$4,800,000 approved in the Olympic and Paralympic Legacy Reserve Fund for the Live Site Program (\$200,000 previously approved on September 18, 2007 RTS#06933), and to finalize the re-allocation of funds that was intended for the 2008 Beijing Paralympic Torch Relay.

BACKGROUND

Live Site

The Olympic and Paralympic Games experience for residents, visitors and the media goes well beyond the athletic competitions that take place within the sport venues. It is an important opportunity to convey important messages to the participants on the Host City, Host Province and Host Country. As a result, Olympic Games host cities have generated programs that attract, entertain, engage, inform and excite people of all ages throughout the Games period.

In support of these principles, on September 18, 2007, Council approved the Live Site Concept Plan now renamed Live City Vancouver. The specific recommendations include:

- A. THAT Council approve the two-site "Live Site" concept utilizing, on a temporary basis, the Beatty Street (former Bus Depot) site and David Lam Park and authorize further work on the design and operation;

(The two sites are now renamed Live City Vancouver @ Georgia Street and Live City Vancouver @ David Lam Park)

- B. THAT concept approval be given to use Hamilton/Mainland Streets as the connecting link between the two Live Sites and that Robson Street be the connector to the Provincial Robson Square activation with further work undertaken on the design and operation for the connectors;

- C. THAT staff work with the partners including VANOC, Resort Municipality of Whistler, Province of British Columbia and City of Richmond on the Live Site/celebration planning to ensure that the programming and development plans are coordinated to deliver a consistent program and achieve cost efficiencies;
- D. THAT community feedback continues with the adjoining businesses and residences on the Live Site concept, design and operation;
- E. THAT staff be authorized to submit an application for funding to the Federal Government and to seek cost sharing opportunities with sponsors and other stakeholders, and
- F. THAT \$200,000 be approved for the next phase of the Live Site design and operational planning, source of funding to be the Olympic Legacy Reserve, once the Reserve is funded. Interim funding of \$200,000 for 2007 to be borrowed from the 2007 Olympic and Paralympic Operations budget and repaid once the Olympic Legacy Reserve is funded.

2008 Beijing Paralympic Torch Relay

At the time, Vancouver and the Canadian Paralympic Committee extended the invitation to host a portion of the 2008 Beijing Paralympic Torch Relay, it was indicated that the estimated City cost was at \$300,000. As a result, this amount of funding was allocated for the Paralympic Torch Relay in the Legacy Reserve Fund approved by Council. Vancouver was subsequently selected as one of three international cities (Vancouver, London and Sochi) to host a leg of the relay and planning for the relay and celebration was initiated. The objective was to develop a program and budget for Council approval.

Now that the international component of the 2008 Beijing Paralympic Relay has been cancelled, it is necessary to reallocate the funding within the Olympic and Paralympic Legacy Reserve Fund.

DISCUSSION

Live Site

Design Development

The Phase I and Phase II stages have been completed for both the Live City - Georgia Street and Live City David Lam Park. As a result, the basic site perimeters have been defined as well as all access and exiting gates. Transportation servicing arrangements have been developed including goods delivery and removal of refuse.

Within the site, the basic functional areas have been located including stages, broadcast screens, pavilions, food and beverages and merchandising. All of the customer service functions have been defined including first aid, lost and found and washroom facilities. The preliminary technical specifications have been developed for items such as audio, lighting, screens and related equipment.

A preliminary security plan has been developed recognizing that the Live Sites will reflect many of the characteristics of an official Olympic venue. As a result, the security overlay will have screening of all attendees including a combination of police, security guards and Host City Team members. Closed circuit television will also be deployed to monitor attendees.

There is general agreement that the Look of the Live Sites will have a similar visual image of the Games Look. There will be a need to ensure that the major funding partners, the federal government and the City are appropriately recognized.

Site servicing plans have been developed including the provision of power, fibre, sewer and water.

It is anticipated that we will proceed with a Request for Proposal (RFP) for the next phase of work in developing the Live City Vancouver concept.

The current site plans are attached in Appendix A.

Cost Estimates

The current preliminary estimates for costs and revenues are balanced and remain within previous estimates.

TABLE #1

LIVE CITY VANCOUVER PROPOSED BUDGET	
INCOME	
DIRECT FUNDING	\$15,000,000.00
Heritage Canada Funding	
City of Vancouver Funding	
INCOME FROM OPERATIONS	\$1,497,000.00
Merchandise Commissions	
Food & Beverage Commissions	
SPONSORSHIP SALES	\$4,391,000.00
PROGRAMMING- Value-in-Kind	\$2,291,000.00
TOTAL INCOME	\$23,179,000.00
EXPENSES	
SITE PREPARATION AND INFRASTRUCTURE	\$4,450,000.00
TECHNICAL PRODUCTION	\$6,157,000.00
Video Projection	

David Lam Stage	
Beatty Street Stage	
Production Trailers & Production Equipment rentals	
LEGACY ELEMENTS	\$2,250,000.00
OPERATING COSTS	\$8,810,000.00
Talent	
Utilities Consumption	
Site Cleaning	
Traffic Control	
Technical Staff	
Security	
Project Management	
Marketing	
Total Estimated Costs	\$21,667,000.00
Contingency Allowance (7%)	\$1,512,000.00
ESTIMATED COST	\$23,179,000.00

We have received confirmation that the Federal Government Treasury Board has approved a \$10,000,000 contribution to our Live Site program. We are presently preparing a Contribution Agreement which outlines a number of administrative matters including flow of funds, official language requirements and federal government recognition.

Sponsor interest in placing pavilions within the Live Sites is high with a number of Top international and domestic sponsors submitting Expressions of Interest. We are now seeking Expressions of Interest to place pavilions on site from Tier II and III sponsors including government partners. Revenue targets appear to be on track at this time.

It is recommended that the remaining Legacy Reserve Funds for the Live Sites in the amount of \$4,800,000 be approved. In addition, it is further recommended that the Mayor, on behalf of Council write to the federal government expressing appreciation for their \$10,000,000 contribution to Live City Vancouver.

2008 Beijing Paralympic Torch Relay

In planning for the 2008 Beijing Paralympic Torch Relay, \$20,000 has been expended on consulting assistance for route planning, celebration development, torch bearer selection and process and public consultation. Since this project will no longer be moving forward, the remaining \$280,000 of the original allocated funding of \$300,000 will need to be re-allocated. It should be noted, that the planning work to-date will assist us as we develop plans for:

- 1) The 2008 Olympic and Paralympic Games celebration in Chinatown for August 9 and 10. (The event has been expanded to include a Paralympic Games component with the cancellation of the 2008 Beijing Paralympic Torch Relay in Vancouver).
- 2) The 2010 Olympic and Paralympic Torch Relays.

Staff propose that the \$280,000 remaining from the 2008 Beijing Paralympic Torch Relay be transferred into a Legacy Reserve Program for the 2010 Olympic and Paralympic Torch Relay components in Vancouver. As we start the planning process for the 2010 Torch Relays, we are now developing the scope of City responsibilities for hosting the event. However, the planning on routes, community celebrations, traffic control, etc. are in the preliminary stages and it is not possible to develop a detailed cost estimate. As a result, if Council approves the transfer, the program funds will remain in the Legacy Reserve Fund until the program and budget has been submitted and approved by Council.

FINANCIAL IMPLICATIONS

On December 11, 2007 Council approved an amount of \$20 million for the Olympic Legacy Reserve Fund with funding approvals for specific projects to be reported to Council. The table below lists the specific projects and funding that have been approved by Council to date.

Project	Date Approved	Funding Approved
Vancouver Economic Development Commission's <i>2007-2010 Strategic Plan for the 2010 Olympic and Paralympic Winter Games</i>	July 12, 2007	\$330,000
Participation in Beijing 2008 Summer Olympic and Paralympic Games	July 12, 2007	\$254,000
2010 Winter Games Live Site Concept Plan - Live Site Design - Phase II	September 18, 2007	\$200,000
Olympic and Paralympic Public Art Program	January 29, 2008	\$1,500,000
Olympic and Paralympic Community Celebrations Program	April 1, 2008	\$1,000,000
Funding Allocation for the 2010 Host City Communications Program	May 27, 2008	\$1,400,000
TOTAL: PROGRAMS APPROVED TO DATE		\$4,684,000

If approved, the allocation of \$4,800,000 for Live Sites and including the \$20,000 expended on the planning for the 2008 Beijing Paralympic Torch Relay would bring the total approved funding to \$9,504,000.

The remaining programs will be presented to Council for funding approval as plans are finalized. The remaining \$10,496,000 includes the following programs:

Look of the City	\$2,000,000
Protocol and Hosting	\$2,000,000
Pedestrian Lighting	\$1,000,000
Host City Pavilion	\$1,000,000
Volunteer Ambassador Program	\$1,000,000
Social Sustainability	\$1,000,000
Records & Archives - 2010 Winter Games	\$700,000
Business Community Tourism Initiatives	\$200,000
Enhanced Transportation Signing	\$200,000
Environmental Sustainability	\$150,000
Information Technology	\$150,000
2010 Olympic and Paralympic Torch Relays (if approved by Council)	\$280,000
Contingency	\$816,000
TOTAL: PROGRAMS TO BE APPROVED	\$10,496,000

CONCLUSION

In December 2007, Council approved the Olympic Legacy Reserve Fund, with \$5,000,000 for Live City Vancouver Project and \$300,000 for 2008 Beijing Paralympic Torch Relay. This report seeks Council approval to expend remaining \$4,800,000 (Council previously approved \$200,000 (September 18, 2007 RTS#06933) for Live City Vancouver Project. This report also seeks Council approval of a transfer of \$280,000 remaining funds from the 2008 Beijing Paralympic Torch Relay (\$300,000 initial allocation less \$20,000 expended for planning) to a new program within the Olympic Legacy Reserve Fund for the 2010 Olympic and Paralympic Torch Relays.

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LIVE CITY @ GEORGIA STREET



LIVE CITY @ DAVID LAM PARK

