

TORONTO PAN AM SPORTS CENTRE (TPASC)



Background

1

- Planning re: the Pan Am Aquatics Centre at UTSC began in early 2008
- The Facility has always been intended to bridge the Community at-large, University Community and High Performance Sports communities – bringing together unique synergies in operations, competition and mentorship
- Facility specifications and facility usage agreed to by U of T, City, CSIO, MHPS, Sport Canada, TO2015
- Commitment to enhance and support HPS remain strong

FACILITY STATUS

2

- ◆ Remediation completed in 2012 (under budget)
- ◆ 66% construction completed
- ◆ Building will be fully enclosed in October
- ◆ Project continues to be on time and on budget



HIGH PERFORMANCE SPORT

The creation of the CSIO will provide a unique opportunity that will create a competitive advantage for our Athletes

The proximity to UTSC and local high schools and colleges will provide unique training and education opportunities for athletes

Key HP Occupants to date:

National Training Centre's

- Swim Canada
- Syncro Canada
- Water Polo Canada
- Wheelchair Basketball

Residential Elite Program

- Dive Canada

Other discussions underway

- Volleyball
- Basketball
- Other Para Sports

Major Agreements Approved to Date

4

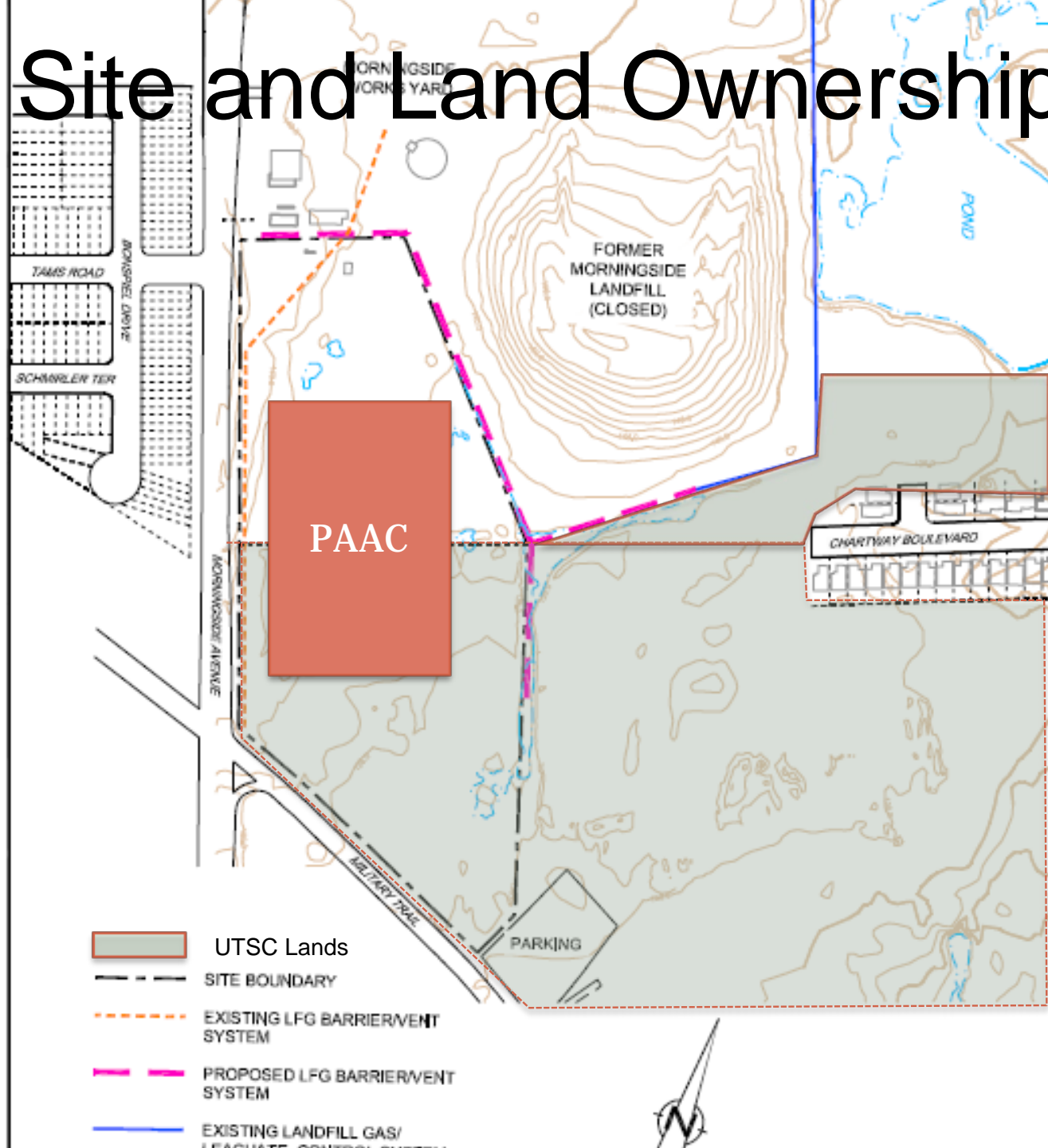
- Multi-Party Agreement (Nov 2009)
- Master Agreement (Dec 2010)
- Remediation Agreement (April 2011)
- MOU (July 2011)
- Facility Agreement (June 2012)
- Project Agreement (June 2012) – between IO and PCL

Elements of these agreements form the bases of the agreements being brought forward

City and University Contracts/Relationships

5

Site and Land Ownership



Background

7

- City and University 50/50 – land and ownership
- The City and U of T share equally in the funding of 44% of capital costs (22% each)
- Federal and Provincial Govts 56% - Prov guarantee any cost overruns
- TO 2015 (Organizing Committee) responsible for project management, construction and delivery of the facilities

City & University Contractual Relationships

8

☒ Remediation of lands

- 56% U of T / 44% City (additional material removed on university property outside of actual TPASC site)

☒ Lands

- 50% lands own by the City
- 50% lands own by the U of T
 - A portion of the lands where the facility is located in now co-owned by the city and University

☒ Facility

- City and University have 50/50 ownership in the facility on substantial completion

☐ Operations

- *The City any University have equal responsibilities in ensuring operations after each party has contributed for its usage*
- *The City and University recommend the creation of a jointly owned corporation to operate this facility*

Alternative Models investigated

9

1. Solely University operated
2. Solely City operated
3. Independent Third Party contracted to operate the facility
4. Jointly owned (City and University) corporation charged with operating the facility

Model 4 was selected as the best alternative

Agreements

10

1) CO-OWNERSHIP

2) SHAREHOLDERS

Principles

11

- Creation of third party operator of the facility on behalf of City and University (over either being the operator)
- The Facility will become a jointly owned asset of the University and City
- General use agreements will provide access and programming for student and general community
- CSIO will be a major tenant in the facility and will support operating cost through rental payments
- Legacy funding will offset potential operating deficits during post-Games use of the facility

The Partnership is seen as equal

TPASC Inc. - Objectives

12

- Transference of risk and limitation of liability
- Mitigate risk that operating potential shortfalls are solely the responsibility of a owner
- Ensure that the City stays invested and committed to the facility
- Allows for the greatest degrees of freedom to operate
- Reduced operating costs benefits all (City/U of T/HP Sport/facility users)
- Some of the operations of the TPASC are not really core university business

Co-Ownership Agreement

13

- **Co-Ownership Agreement sets out the fundamental principles, rights and obligations of the City and University as Co-Owners of TPASC along with the terms and processes for the Co-Owners to make decisions and provide oversight of the Facility.**

Co-Ownership Agreement

14

- **Key Principles:**
- Operating Agreement will set out funding commitments (17% University, 31% City, 30% CSIO and 22% third party rentals)
- Any operating and non-operating surplus and any shortfalls will be shared equally.
- Legacy Fund contributions and agreement (\$4M)
- Municipal capital facility agreement to exempt the facility from property tax
- City responsible for ongoing maintenance and post-remediation monitoring of barrier wall and landfill.

Shareholder Agreement

15

- **Unanimous Shareholders' Agreement sets out the relationship between the City and University as Shareholders of the corporation, the fundamental principles of the Shareholders regarding the Board of TPASC, and Shareholder requirements for the responsibility and accountability of the Board. The TPASC Board will be a party to, and will be governed by the provisions of, the Unanimous Shareholders' Agreement.**

Shareholder Agreement

16

Key Principles:

- Equal representation on all boards and committees
- 10 member board with 5 University appointees that oversee the management and affairs of TPASC – Initial 3 Year Transition Period
- Committees: Finance/HR; Planning and Audit. Advisory: Sports Advisory Council and Community Advisory Council
- Governance and Finance Liaisons to ensure flow of information to City and University: Vice President of University Operations and CFO (or designates)
- Major decisions will require shareholder approval
- Review viability after 18 years (tied to Legacy Funding)

Governance

17

Share Holders

University

City

Governance

Board of Directors
(50/50 representation)

**Audit
Committee**

**Finance /HR
Committee**

**Planning
Committee**

Advisory

**Sports Advisory
Council**

- Sport Leaders
- Government officials

**Community
Advisory Council**

- Community Members
- Students
- Local Government officials

Management

**Managing
Director**

**other user
working groups**

Management

**Sports User
working Group**

**Operations
Staffing**

Operating agreements

**University
Program Staff**

**City Program
Staff**

Business Board

18

02/10/2013

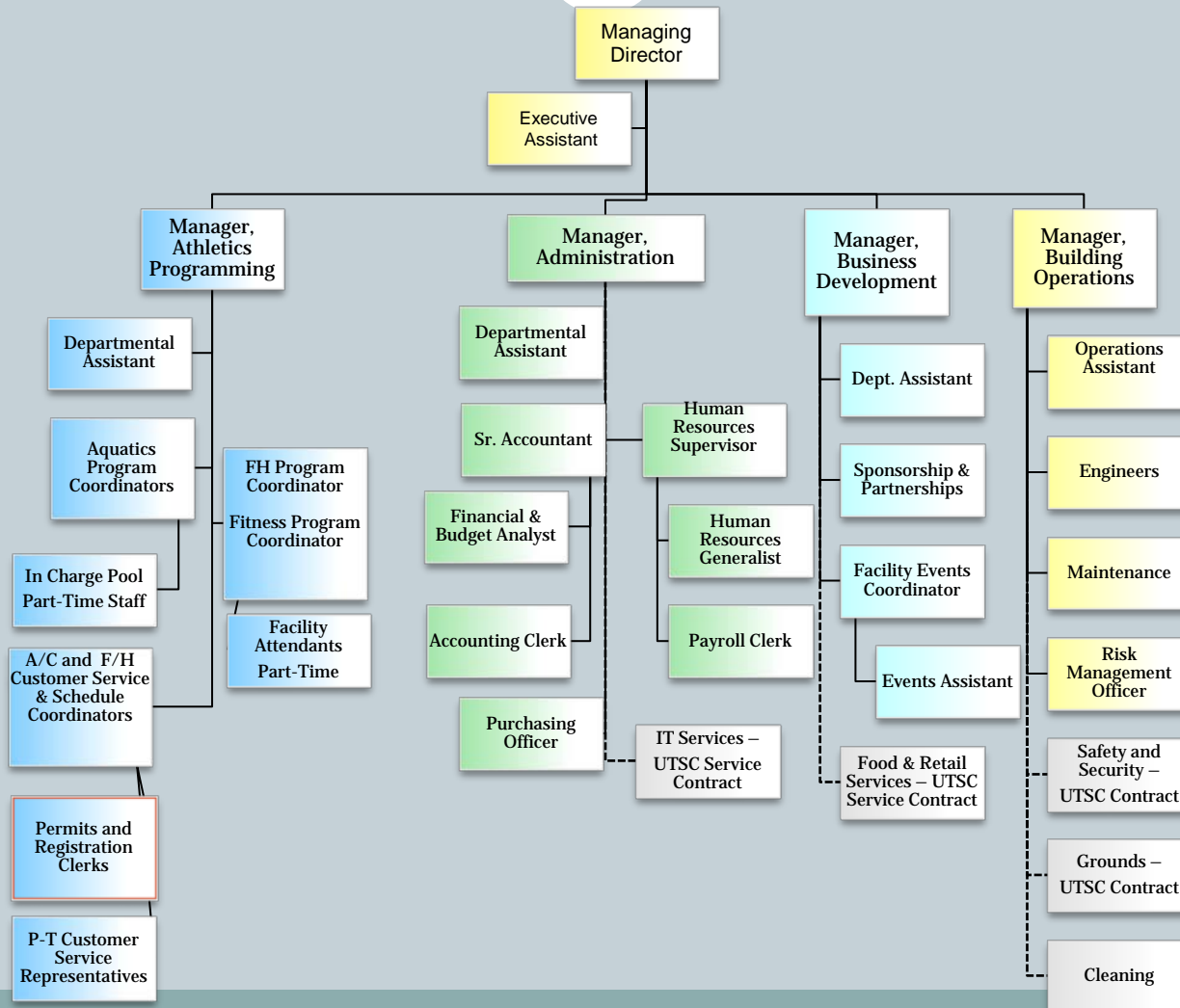
TPASC Management and Staff

19

- The powers and duties of officers will be established by the Board.
- Delegation of power and authorities to Managing Director and senior management
- Managing Director and other staff to be employees of TPASC Inc.

PROPOSED OPERATIONS ORGANIZATIONAL STRUCTURE

20



Program Staffing

21

- **UTSC will provide staffing for Programming of UTSC activities- typically providing program management and program oversight**
- **City will also provide staff for oversight of its programs.**
- **TPASC Inc. would provide support services to the facility and operate additional programming**

02/10/2013

Regulatory Amendment

22

Formation of TPASC Inc.

23

- In order to create a joint venture with the University, the city required an Amendment of City of Toronto Act Regulation 609/06;
- The City sought an amendment by listing the U of T under the City Service Corporation Reg.
- City Council has approved the request to seek an amendment
- The Province (through the Ministry Municipal Affairs and Housing) has amended the regulation to allow the City to Partner with the University



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DISCUSSION