

August 26, 2015

To: The Board of Governors of Exhibition Place

ACTION REQUIRED

From: Dianne Young, Chief Executive Officer

Subject: **BMO Field Phase 2 Project Impact**

Summary:

This report provides an update of the impact to Exhibition Place operations of the recently revised schedule related to the Phase 2 BMO Field Improvements provided by Maple Leaf Sports & Entertainment Ltd. (MLSE) to Exhibition Place staff in late July 2015. Phase 2 was to add partial roof structures to the West, South, and East Grandstand areas to cover all seating and Phase 3 was to reconfigure the field so that the stadium can host Canadian Football League ("CFL") games.

It is necessary to receive Board approval of this Phase 2 schedule immediately if timelines noted in either Option One or Option Two outlined below are going to be met. If the decision is delayed it is very likely that the project could not happen at all in 2015/16 as was previously approved by City Council. However, the impact on the shows and the financial impact on the Board is only estimated at this time as MLSE is also working with City Planning / Building Department and therefore, staff are recommending approval of the schedule but at the same time suggesting a report back to the Board in December on this matter.

Recommendation(s):

It is recommended that the Board:

- 1. Approve of the updated schedule and construction areas for the Phase 2 BMO Field improvements;**
- 2. Authorize Exhibition Place staff to negotiate with MLSE compensation for the additional lost revenue resulting from the expanded construction areas outside the footprint of BMO Field in 2015 and 2016;**
- 3. Request that MLSE with Exhibition Place staff prepare a traffic management plan during the various road closures during the Phase 2 construction which plan will be implemented at the cost of MLSE prior to any shutdown of Princes' Boulevard;**
- 4. Include these terms and specific construction dates as a Schedule to the Amended Management Agreement;**
- 5. Request that MLSE with Exhibition staff meet with clients and tenants to explain the timing and impact of the Phase 2 construction, and MLSE negotiate any assistance required to be provided to the clients for their shows/events impacted by the construction; and,**
- 6. Request staff to report back to the Board on the details of the construction; the grounds-wide impacts; and the discussions with the show clients.**

Financial Impact:

At this time the financial impact of the revised Phase 2 updated construction plan is estimated to be approximately \$1.969M in parking and related revenue from September 2015 to June 2016.

In the original report to the Board and City Council it was estimated that there would be some parking loss and traffic impact during construction and following expansion. Accordingly, Council directed that the Soccer Stadium Capital Maintenance Reserve Fund which in 2014 totalled \$.400M be transferred to Exhibition Place and that this Fund be used to offset parking lost during construction (\$.040M) and to use the remaining funds for new wayfinding signage for traffic direction (\$.360M) which will be completed in the Fall 2015.

Decision History:

The Exhibition Place 2014 – 2016 Strategic Plan had a Business Development Goal *to actively support the expansion and enhancement of entertainment facilities* and as a Strategy to support this Goal *we will continue to analyze and explore expansion opportunities for BMO Field including improvements related to Festival Plaza.*

At its meeting of October 19, 2005, the Board approved of entering into a project (construction) agreement, a management agreement, and facility usage agreements between the Board, the City and MLSE which report was approved by City Council at its meeting of October 26, 27, 28 and 31, 2005.

<http://www.google.ca/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0CB8QFjAAahUKEwiY4Je07sHHAhWH1h4KHTLgDeQ&url=http%3A%2F%2Fwww.toronto.ca%2Flegdocs%2F2005%2Fagendas%2Fcouncil%2Fcc051026%2Fpof9rpt%2Fcl036.pdf&ei=JSHbVdi5Hlete7LA6AO&usq=AFQjCNF4DCy8niVGmswrXheL147MnST3dq>

At its meeting of September 11, 2009, the Board approved of amendments to the Management Agreement and other agreements as required to upgrade BMO Field from turf to natural grass; move the field bubble to Lamport Stadium; and cause the upgrade of the field at Lakeshore (Etobicoke) Collegiate Sports Field to turf all at a cost of \$5.5M which was funded solely by MLSE. These amendments were then approved by City Council at its meeting of September 30, 2009.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2009.CC40.8>

At its meeting of March 6, 2014 the Board approved of entering into the Letter of Intent (LOI) between the Board, City and MLSE for the improvements to BMO Field to include an addition of 10,000 seating, stadium amenities, a roof deck over all seating areas and improvements to allow for the CFL to play at BMO Field which LOI was approved by City Council at its meeting of June 10, 11, 12 and 13, 2014. The LOI was subsequently amended by City Council at its meeting of August 25, 2014.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.MM52.28>

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.PG35.8>

Issue Background:

Construction of BMO Field Phase 1 which increased the stadium seating from 20,000 to 30,000 started in September 2014 and was completed for the first home game of Toronto FC in May 2015. During the construction period of Phase I, the construction laydown area occupied the parking lot east of BMO Field which resulted in an average loss of 400 spaces with all other construction activities taking place within the footprint of BMO Field and sidewalks around it. Exhibition Place took the following steps to lessen this impact for our major shows by:

- Providing free bus shuttling for visitors from outer parking areas on high-need days;
- Working with each client to meet particular parking and traffic impacts
- Introduction of black out days, preventing any staff parking in lots near rented facilities

At the initial public presentations of the BMO Field Expansion to the Board/City in 2014 by MLSE and subsequently, in all successive meetings with the major event organizers, the disruption to the site for all three project phases was generally in keeping with what took place in Phase I. However, since that presentation, the project is no longer a 3 phase project but a 2 phase project. Furthermore, MLSE has now completed its engineering studies / design for the construction of the roof/reconfiguration for the CFL and the impact on the grounds must, for engineering reasons, be much more extensive with a loss of 1441 parking spaces, closure of Princes' Boulevard, and a longer construction period.

Comments

MLSE Proposed Construction Requirements

Because Toronto FC may qualify for the MLS playoffs, MLSE has proposed two construction schedules as BMO Field would be required for TFC use for the playoffs. Attached as Appendix "A" is a chart showing the two options and the impacts on the grounds by dates.

Attached as Appendix "B" to this report is a drawing that shows the construction/laydown areas and the proposed temporary road reconfiguration that will be in place from November 16 to March 26, 2016 in Option 1 and November 28 to April 9, 2016 in Option 2. This proposed construction will have major negative effects on the grounds as follows:

- Major impacts occurring in the busiest four month period for the Trade, Industry and Events business for Exhibition Place, clients and tenants.
- Closing Princes' Boulevard as a through road from the Lakeshore west entrance at British Columbia Road through to Enercare Centre will significantly reduce traffic movement for all shows, tenants and public access. It is proposed that a temporary road would be created in Lot 2 from Ontario Drive east to Princes' Blvd. to allow for circulation, but this could also be parked during peak demands.
- The proposed route from the west through the grounds will have to be via Manitoba as the only route and will have to accommodate not only attendee traffic but all truck and transit traffic and pedestrians.
- The placement of the large crane on the West Side of BMO Field with the small clearances remaining to the QE Building to the west impact operations in the QE Building. The fence line around the North and East sides have a lesser impact on BLC.
- The end of construction on May 5th or May 16th may impact the 2016 Honda Indy Pit Construction and other track preparations.
- The planned road closures and state of this area with significant construction and cranes may impact the ability of Sales staff to book future business especially within the BLC and QE Buildings.
- As noted, removal of 843 parking spaces during the prime trade season will result in significant financial losses for the Board.

Because of these serious concerns, Exhibition Place staff have met with MLSE and its constructor, PCL to try to reduce these impacts, however, it would appear that for the following reasons there is no ability to make any significant changes.

- The TFC and CFL 2016 schedules
- If the field was used for construction, it would have to be entirely rebuilt and could not be used in the 2016 season
- The steel structure is so large (even by segments) it cannot be built off-site and transported and requires a particular location of the cranes to allow it to be lifted in segments onto the structural supports

- The engineering of the roof is so specialized there is only a very small team of workers available so 24-hour construction is not possible
- To meet CFL schedules construction of the end-zones and seating deck within the BMO Field must happen at the same time as the roof is being put in place
- To meet the TFC and CFL schedule the south roof must be built as one entire roof and then lifted at one time after the East/West roofs are built

Exhibition Place staff have reached the conclusion that if this project is to proceed there is no other construction method than as set out by MLSE and its constructor PCL and the option then is to put in place actions to limit the impact on each of the shows that have already entered into licence agreements for 2015/2016. Because each show is unique, what will be needed can only be resolved by meeting with each of the clients and MLSE has agreed to be part of those discussions.

Exhibition Place will continue to put in place the same measures done during Phase I although these may have to be more extensive and we will be looking to MLSE to assist with these costs.

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Appendix "A"

Option One – Toronto FC not in Playoffs				Option Two – Toronto FC in Playoffs	
Date	Construction Activity	Impact	Shows Booked / Directly Impacted	New Date	
Sept 24 – Oct 19	-Site set up -Construction site perimeter established in Parking Lot 3 East of BMO -Construction of temporary detour roadway through Parking Lot 2 joining Ontario and Princes' Blvd	-390 parking spaces lost -Princes' Blvd continues to be open	Fall Home Show Bicycle Blowout TFC Game Oct 3 TFC Game Oct 17 Scotiabank Waterfront Marathon	Oct 5 - Nov 2	Bicycle Blowout TFC Game Oct 17 Scotiabank Waterfront Marathon
Oct 19 – Nov 15	-Preparation for construction of East/West roof canopies -4 cranes brought on site & set up on east & west sides of stadium -Construction site perimeter established of part of Parking Lot 2 for south roof canopy construction	-465 parking spaces lost -Quebec Street closed North of BMO -Princes' Blvd closed from BLC to Nunavut Road with no through traffic -Temporary detour road active from Ontario Drive to Princes' Blvd -Parking Lot 2 still active but split in the middle with detour road -access to East and South doors of QE Hall impeded	Royal Agricultural Winter Fair Screamers	Nov 2 - Nov 28	Royal Agricultural Winter Fair Screamers OOAK Christmas
Nov 16 - March 26, 2016	-Construction of south East & West canopies -Following completion of E/W canopies, removal & set up of 4 cranes to the south roof area -Installation of the entire south roof -Renovation of North scoreboard area & South grandstand area to build CFL field	-1441 parking spaces lost - Quebec Street closed North of BMO -Princes' Blvd closed from BLC to Nunavut Road with no through traffic -Temporary detour road active from Ontario Drive to Princes' Blvd -access to East and South doors of QE Hall impeded	OOAK Christmas Boat Show Marlies Games Motorcycle Show Home Show OOAK Spring NBA Fan Jam School Library Fair CGA Exams Toronto Antique Market Wizard World Indoor Winter Carnival/Holiday Parties Artist Project Bicycle Show	Nov 28 - April 9, 2016	OOAK Christmas Boat Show Marlies Games Motorcycle Show Home Show OAK Spring NBA Fan Jam School Library Fair CGA Exams QE: Toronto Antique Market Wizard World Indoor Winter Carnival/Holiday Parties Artist Project Bicycle Show School Library Resource Fair

Appendix "A"					
Option One – Toronto FC not in Playoffs				Option Two – Toronto FC in Playoffs	
Date	Construction Activity	Impact	Shows Booked / Directly Impacted	New Date	
March 28 - May 5, 2016	-Landscaping & Demobilization -construction perimeter on Parking Lot 3 east of Field continues -construction perimeter between BMO and QE Hall remains	-465 parking spaces lost -Quebec Street closed North of BMO -Princes' Blvd opens to Nunavut Road -Construction perimeter around Parking Lot 2 south of BMO Field removed -access to East and South doors of QE Hall impeded	School Library Resource Fair First Star Psychic Fair	April 9 - May 16, 2016	First Star Psychic Fair Honda Indy move in