

TORONTO STAFF REPORT

February 16, 2011

To: The Board of Governors of Exhibition Place

From: City Solicitor

Subject: Canada – Ontario – Toronto. Canada Strategic Infrastructure Fund Agreement for Toronto Soccer Stadium

Purpose:

To report as requested by the Board at its meeting of February 4 , 2011 with respect to the status of the Canada – Ontario – Toronto. Canada Strategic Infrastructure Fund Agreement for Toronto Soccer Stadium (the "Contribution Agreement") and the requirement for community sports use, including use by the Canadian Soccer Association ("CSA") of the soccer stadium ("BMO Field").

Financial Implications and Impact Statement:

There are no financial implications arising from this report.

Recommendations:

It is recommended that this report be received for information.

Background:

At its meeting of February 4, 2011, the Board requested a report for the information of the Board on the status of the Contribution Agreement and any requirement that BMO Field be used by community sports organisations, including the CSA. This request arose in the context of MLSE's management report of its ongoing efforts to settle accounts with the CSA for the fiscal years 2009 and 2010 and to come to agreement on the terms of the CSA's continued use of BMO Field.

Comments:

In 2006, the City of Toronto entered into the Contribution Agreement with the Federal and Ontario governments respecting the construction of BMO Field, which agreement set out the financial contribution of the two levels of government for the construction of BMO Field and the terms and conditions upon which such financial contribution would be made available. Among other things, the Contribution Agreement specified that BMO Field was to be used for community sports purposes for at least fifty percent of its annual operable days. Community sports purposes was defined as meaning “non-professional recreational multi-sport activities undertaken by any person, including but not limited to use by the CSA, OSA, community sports/recreation associations or clubs, City Parks programs, the Olympics and the CNE period if such CNE use included sporting activities intended for any person”. The Contribution Agreement also specified that the CSA had the right to host a minimum of six national team games at BMO Field annually. These requirements were to continue for at least 25 years from project completion, which occurred in 2007.

These terms of use were initially set out in a Letter of Intent entered into directly between MLSE, CSA, the City and the Board in November 2005, and which gave CSA certain rights to use BMO Field. These rights of use were later incorporated into the Contribution Agreement.

In 2010, due to the fact that the all-season dome was to be removed from BMO Field and the artificial turf replaced with natural grass and that BMO Field would no longer be available for year round community use, the parties amended the Contribution Agreement to reduce the requirements for community use of BMO Field.

The amending agreement now requires that BMO Field be made available for community sports use for a minimum of 336 hours per year, with an associated obligation to report on such use on an annual basis. Community sports use is defined as meaning non-professional recreational multi-sport activities undertaken by individuals, associations, partnerships, etc., and includes, among other things, field sport events such as soccer, rugby, cricket, field hockey and football, athletic contests and ancillary uses, such as restaurants, food concessions and retail outlets.

The amending agreement also provides that the stadium may be used by a professional major league soccer team for the playing of all of its home games, and that such use does not affect the community sports use requirements of BMO Field, except in the case of reduced use of the BMO Field due to weather conditions.

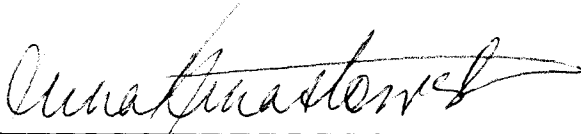
Further, the amending agreement provides that the CSA has the right (though not the obligation), to host a minimum of six games at the stadium annually, and specifies that these CSA events are over and above the required minimum hours of community sports use at the stadium. The amending agreement also provides that the schedule for the stadium be established by the stadium advisory committee on or before December 31st of each year for certain listed events, including the six days for the CSA. The CSA also has a right to nominate one its members as a co-chair to the stadium advisory committee, which committee advises the Board on operational issues related to BMO Field.


Conclusions:

In accordance with the terms of the Contribution Agreement, as amended, the CSA has a right to host a minimum of six games at the stadium annually. Scheduling for these days is to be established on or before December 31st of each year. This right of the CSA to host six games is over and above the obligation to make the stadium available for community use for at least 336 hours annually. These rights and obligations continue for 25 years from the date of completion of BMO Field, being 2007. As well, the CSA has the right to nominate one of its members as co-chair to the stadium advisory committee.

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