

**RUSHED BID TO HOST 2030 OLYMPICS HEAVY ON SYMBOLISM BUT LIGHT ON DETAILS AND COSTS**

**A** The Editorial Board of the *Globe and Mail* warns that Olympic games are extremely expensive to organize and operate, usually at great cost to taxpayers.

**The Olympics are a great party. But they're not worth billions in public money**

*Globe and Mail* Editorial Board July 18, 2022

Hosting a huge party takes a lot of work and money, but it's definitely fun. Those hours with friends and family are great. But the joy is fleeting, and hangovers are inevitable.

That doesn't mean it's foolish to invite everyone over. But it's important to remember there is a price to pay before the guests arrive and after they leave.

The Olympics are exactly like that. Remember the 2010 Vancouver Winter Olympics? Yeah, it poured rain in the early going, but then the skies cleared and Canadian athletes won gold medal after gold medal – a record 14 in all. It was an awesome party.

It was also an expensive one. The organizing committee claimed it broke even on a \$1.9-billion budget. But that included about \$200-million in public money, and it didn't include the \$600-million taxpayers spent on venues, and the almost \$1-billion they spent on security. Plus, the City of Vancouver lost more than \$100-million on the Olympic Village in a real estate deal gone wrong.

Once the party fades into history, only the good times are recalled, and the costs are forgotten. So don't let the golden glow of 2010 cloud the full memory as promoters push for Vancouver to host the 2030 Winter Olympics. This new bid follows an attempted one by Calgary for the 2026 Winter Games. Organizers there planned to reuse old venues and had a proposed budget of \$5.1-billion – half of it public money. A majority of Calgarians rejected the plan in a 2018 plebiscite.

The Vancouver 2030 plan is likewise staked on savings from using old venues. Don't forget, however, that the main venues for Vancouver 2010 – the hockey rink, the stadium for the ceremonies, the mountain resorts for skiing – all existed before the Olympics. This old-is-new-again sales pitch is not original, but it's very much in vogue as cities around the world shy away from the gargantuan costs of hosting a Games. The

International Olympic Committee has somewhat pared back the rigmarole in order to keep cities interested.

And with good reason. The IOC rakes in millions while host cities/countries foot the bill.

The Vancouver 2030 promoters published their initial financial estimates in a slim 14-page report earlier this month. The Games are forecast to cost \$4-billion, of which \$1.2-billion would be public money for venues, housing, and security. The promoters say all the costs of the organizing committee, to stage the Games, will be privately funded. The 2010 promoters said the same thing.

Then there's the vagaries of winning a bid. Who's on the hook if things go sideways, as they inevitably do, whether it's extreme – Tokyo 2020 and the pandemic; or typical economic gyrations – inflation and supply chains squeezing Paris 2024; or the global financial crisis ahead of Vancouver 2010?

The 2030 promoters dutifully include one brief page on "deficit mitigation." Item No. 4, insurance, does not sound good. The insurance market has "heated up significantly" but, rest assured, "there remains a strategy" to find insurance that mitigates "some risks."

This is all happening in a rush. The bid must be finalized this fall, and the IOC decides on the 2030 host next spring. The British Columbia government wants more answers, and a better framework. It has told organizers it is "impractical" for host regions to "bear the full costs and risks" of unexpected events and suggested the IOC had "to reconsider its requirements."

A unique element of the 2030 plan is Indigenous involvement. One call to action in the 2015 Truth and Reconciliation Commission report said spectacle events like the Olympics should involve local Indigenous people "in all aspects of planning and participating." This Games proposal is billed as Indigenous-led, with four first nations in the Vancouver-Whistler region at the helm.

But what has not changed is the math. Among the many studies on such things, new work from University of Lausanne professors on the fiscal history of the Olympics said the Games are "very much" profitable – for the IOC. For organizers? "Not very often." For taxpayers? "Hardly ever." Conclusion? Always beware promises of an economic windfall.

**B** A timely City of Vancouver staff report raises many fundamental questions about the attempt to generate support—and public funding—for a bid to host the 2030 winter Olympics.

**Daphne Bramham: Vancouver council warned of Olympics' 'potentially unlimited financial risks'**

*Opinion: This shambolic process began with wishful thinking on the anniversary of the 2010 Winter Olympics, fuelled by the enthusiasm of 2010 Winter Olympics president John Furlong, former staffers and volunteers.*

*Vancouver Sun, 18 July 2022.*

A potential Vancouver bid for the 2030 Winter Olympics may be dead unless the Canadian Olympic Committee's feasibility team can convince city councillors otherwise during a meeting scheduled for Wednesday.

It's all because of a city staff report prepared for the policy and strategic priorities committee.

The most damning line may be this one: "It is the view of staff that the proposed timeline to submit a bid as currently constituted is not achievable."

Or it might be this one: "Because the eventual funding and indemnification model for the 2030 Winter Games has not yet been determined, staff cannot at the time of this report provide Council with even an order-of-magnitude estimate of the financial implications of hosting the Games."

But those are far from the only ones in a searing 46-page report that describes a shambolic process long on enthusiasm and a proposal critically lacking the most essential details.

The dream that the Canadian Olympic Committee hopes to put before the International Olympic Committee in November is of an Indigenous-led Games that will further the national, provincial and municipal project of reconciliation with First Nations.

But if Mayor Kennedy Stewart and council accept the city manager's advice not to endorse the proposal by the August deadline set by the feasibility team, the \$4-billion "reconciliation" bid can't go ahead.

Why? Because one of the hallmarks of the Indigenous-led Leadership Assembly for the bid is that if one partner is out, they're all out.

In a statement, feasibility team spokesperson Chris Dornan said the team believes it is possible to provide all the necessary information to the four host First Nations, Vancouver and Whistler so that they make informed decisions to endorse the proposal and meet the deadlines set by the International Olympic Committee.

But for council, it's a gamble. If it endorses the bid without all of the report's questions answered so that the feasibility team can begin a "targeted dialogue" with the IOC in October, voters might punish them at the polls on Oct. 15.

Then, there's also the possibility that a newly elected council — which won't be sworn in until November — might want to overturn the endorsement, or at very least take time to study it, which puts the deadline for getting the final proposal to the IOC at risk.

And without the endorsement of all of the members of the Leadership Assembly, the province won't agree to any funding. And without federal and provincial funding, the report says the city would have "potentially unlimited financial risk."

The report notes that the Olympics comes on the heels of five World Cup soccer matches in 2026 estimated to cost \$290 million (including the city's commitment to run a 34-day festival to celebrate), the 2025 Invictus Games that B.C. and Canada have committed \$30 million to, and whatever costs might be associated with Vancouver hosting the 2023 Laver Cup tennis tournament.

And the report's list of what's not known is long.

There's no indication of what benefits Vancouver and B.C. taxpayers — staggered by the COVID-19 pandemic, a housing crisis, rising inflation and an epidemic of opioid overdose deaths — would get from the Olympics.

Vancouver's main potential benefit is 2,300 units of affordable housing from the athletes' village that's proposed for land owned by MST Development Corp., a joint venture of the Squamish, Musqueam and Tsleil-Waututh First Nations.

There's no agreed-upon governance structure setting out how decisions will be made by the multi-party group that includes: the four First Nations, Vancouver and Whistler. The four host First Nations have also made it clear that Sun Peaks would have to be dropped from the plan if the First Nations on whose unceded territory Sun Peaks is located don't grant permission for the site to be used.

There's no operational plan and no indication of how much the city would need to spend on essential services including police, fire and other emergency services, transit and transportation, waste management, snow removal and bylaw enforcement.

There is no costing or indication of who would pay to get the city-owned PNE amphitheatre, Agrodome and Hastings Park Games-ready.

There's no estimate of how much additional staff time would be required to negotiate all of those legal agreements, let alone figure out the financial costs by February 2023 which is when the final plan needs to be submitted to the IOC.

Finally, the report notes city staff is overwhelmed with complicated files related to the overlapping crises of COVID-19, housing, overdoses and massive rezonings, plus the demands of an unfocused, undisciplined council whose members — in addition to council resolutions — have passed more than 270 individual motions in the last four years that have required staff responses.

This process began with wishful thinking on the anniversary of the 2010 Winter Olympics, fuelled by the enthusiasm of 2010 Winter Olympics president John Furlong, former staffers and volunteers.

Since then, Vancouver has imposed a cone of silence despite council's initial request in November 2020 that staff pull together enough information to "enable members of the public to register to speak to council by the first quarter of 2021."

Council asked for a "critical cost-benefit analysis of the 2010 Olympics and specifically any evidenced or assumed impacts on housing, affordability, environment and climate" in March 2021. It was never made public until being appended to this new report.

The mayor firmly quashed the suggestion of a plebiscite earlier this year by falsely claiming that a vote violated the MOU that set up the Leadership Assembly — an agreement council endorsed during a November in-camera meeting.

But the unelected and unaccountable COC isn't blameless.

As laudatory as the vision for an "Indigenous-led," "reconciliation" Games is, it only occurred to the COC last summer. Only then were the four host First Nations approached to lead the bid.

And it was only this past March when the COC's technical team decided on Sun Peaks over Cypress Mountain as a venue that the First Nations in that region were contacted.

**C** The Provincial government wants more detail about the bid and the costs. "If the Canadian Olympic Committee says we are moving too slowly then maybe they should pass and let someone else do it. We want to do it right. We are not prepared to sign a blank cheque," [Premier] Horgan said.

## **B.C. Government looking for more information before supporting 2030 Olympic bid**

Richard Zussman Global News 18 July 2022.

Premier [John Horgan](#) and the B.C. government are still waiting for more information from the Canadian Olympic Committee before making a financial commitment to support the 2030 [Winter Olympics](#) in Vancouver and Whistler.

In an interview with Global News, Horgan says the province has not committed to funding the Olympic bid yet.

The local organizing committee is led by the four Indigenous communities and is working alongside the Canadian Olympic Committee on the bid.

“I am a sports guy and I would be predisposed to say yes right away. But I am five years into the job of having to manage different interests,” Horgan said.

“It would be irresponsible of me to make a significant multiple million dollar investment without seeing what the final consequences would be.”

The organizing committee recently released a comprehensive financial plan leaving taxpayers responsible for about \$1 billion to \$1.5 billion of an estimated \$4 billion total cost.

The committee has budgeted to cover between \$2.4 billion and \$2.8 billion covering the cost of planning, organizing, and operations.

These costs will be paid for through a share of the International Olympic Committee’s broadcast and sponsorship revenues, domestic sponsorship, ticketing, merchandise and other sources.

The local organizing committee says the bid offers a chance for reconciliation.

The Indigenous-led group, made up of the Lílwat, Musqueam, Squamish and Tsleil-Waututh Nations, is optimistic the province will come on board with support.

“We are listening to our people. We are listening to our communities. This includes our respective First Nations communities and the broader community,” Squamish Nation elected councillor Wilson Williams said.

“All the comparison is on 2010. The cost will not be the same. We are going to strategize. We know what the road ahead is. We didn’t expect a smooth sailing road. It is different. It is Indigenous-led and first of its kind.”

The federal government has not committed any money either and will be waiting for the province to make a commitment before making a final decision.

Vancouver city council will be considering a report on Wednesday questioning whether the current bid is feasible.

Deputy city manager Karen Levitt wrote in the report there is not enough time to negotiate a good deal before the end of the year with the Canadian Olympic Committee.

The concerns raised in the report mirror many of the same concerns raised by Horgan.

“It is the view of staff that the proposed timeline to submit a bid as currently constituted is not achievable,” the report reads.

Because the eventual funding and indemnification model for the 2030 Winter Games has not yet been determined, staff cannot at the time of this report provide Council with even an order-of-magnitude estimate of the financial implications of hosting the Games.”

The big taxpayer expense will be security, which is currently estimated at between \$560 million and \$583 million.

The committee is also looking at legacy projects, including venues and housing.

The provincial and federal investment would also include between \$299 million and \$375 million for venues and between \$165 million to \$267 million for First Nations housing.

The Canadian Olympic Committee is hoping to have the four First Nations, Vancouver and Whistler as well as the provincial government on board before moving to the international bidding stage in December 2022.

“If the Canadian Olympic Committee says we are moving too slowly then maybe they should pass and let someone else do it. We want to do it right. We are not prepared to sign a blank cheque,” Horgan said.

“We have got a lot of questions left outstanding to the bid committee. The four First Nations may have some more ideas on how they can participate. And the City of Vancouver is interested now but there is some road down the track. There is an election in the fall.”

Richard McCandless 18 July 2022. <https://www.bcpolicyperspectives.com/>

