

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON DECEMBER 11, 2017
FROM:	MARTIN HAYWARD CITY MANAGER
SUBJECT:	FINANCIAL AND OTHER RESOURCES REQUIRED TO HOST INTERNATIONAL PLOWING MATCH 2020

RECOMMENDATION

That, on the recommendation of the City Manager, the following information **BE RECEIVED** with respect to the financial or other resources requirements, including where they could be sourced, associated with the City of London submitting a bid to host the 2020 International Plowing Match.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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There are no previous reports on this matter.

BACKGROUND

Purpose

At its meeting held on October 17, 2017, City Council resolved that the following actions be taken with respect to hosting the International Plowing Match in 2020:

- a) **the Ontario Plowmen’s Association BE ADVISED that the City of London is interested in the potential for the City of London hosting an International Plowing Match in London, Ontario, subject to the City of London undertaking the necessary due diligence in order to determine whether or not it wishes to submit a formal bid to host the event; and**
- b) **the City Manager, in liaison with the appropriate City staff and partners, BE REQUESTED to determine what financial or other resources would be required in connection with the event and where those resources would be sourced, and report back with that information so that the Municipal Council can make an informed decision with respect to whether or not the City of London wishes to commit to hosting the event;**

This report provides an overview of the host municipality requirements as well as the financial and other requirements, including where they could be sourced, associated with London hosting the 2020 International Plowing Match and Rural Expo (IPM).

Background

The IPM has been in existence for over 100 years and is one of the largest outdoor agricultural and rural events in North America. The event, held annually in Ontario, takes place over 5 days in late September and includes many attractions such as plowing competitions, RV Park, Tented City and exhibits featuring agriculture, education, food, industry and rural living exhibits. On average, the event attracts 85,000 visitors.

The Ontario Plowmen’s Association (OPA) is the parent host of the International Plowing Match and Rural Expo. Each year the OPA partners with a local plowing association to

organize and host the IPM. Once a site is selected, a separate not-for-profit Local Committee Corporation is formed under the umbrella of the OPA. This corporation establishes a committee to work in conjunction with the OPA to conduct the event and assumes the ultimate financial responsibility, including insurance, for the IPM. In the case of the 2020 IPM, this corporation would be IPM 2020 Inc.

The Local Committee executive includes a Chairperson and 9 Directors, as well as a Secretary and Treasurer who serve as non-voting members. Members of this core group are typically engaged up to 3 years in advance of the event. The OPA indicates that the most successful events have been led by a Board of Directors where there is a mix of expertise and strengths and the majority are farmers.

The Local Committee is responsible for volunteer recruitment. There are approximately 50 committees that work under the direction of the Board of Directors. In total, there are approximately 800 to 1,000 people who volunteer to work at various aspects of the event, the majority of whom are mobilized to work at the event.

Approximately 1,000 acres of flat, well-drained farmland is required to host the event. A sandy loam soil is preferred but is not a requirement. The Local Committee Corporation enters into lease agreements with landowners once a site has been selected. At that time there are discussions about optimal crop rotation to ensure land readiness for the event. Construction on the site starts the third week of July, in the year of the event, and is limited to the RV Park and Tented City sites (approximately 100 acres each). Use of the plowing and parking lands begin the week before the event.

DISCUSSION

Host Municipality Requirements

The following is a summary of the host municipality requirements provided to the City of London by the OPA:

1. Financial Contribution

\$100,000 is required as a start-up loan or grant to the Local Committee Corporation. These funds are required once a bid has been accepted, either in full or in 2 to 3 installments. Once the IPM is complete, host communities have the opportunity to request that these funds are returned. In years where the IPM was negatively impacted by unforeseen circumstances impacting the financial success of the event, such as weather, the Local Committee Corporation may ask the host community to consider forgiving the loan.

2. Hosting Agreement

Once an IPM site has been selected, the host municipality enters into a legal agreement called 'The Hosting Agreement.' This Agreement outlines the profit sharing arrangement for the event. The profits are split with 50% to the Local Committee Corporation and 50% to the Ontario Plowmen's Association. If revenues exceed \$850,000 the percentages to the Local Committee Corporation increase.

Local Committee Corporation profits remain in the community and how these funds are distributed through a Legacy Fund is determined by that Local Committee Corporation.

A copy of this document has been requested, but the OPA cannot provide this until the site has been selected.

3. Local Committee Board of Directors and Sub-Committees

The level of participation on the Local Committee Board of Directors and its sub-committees is at the discretion of the host municipality. There are aspects of the event where municipal expertise or support is required. Examples include: emergency services, sanitation, Host Community Showcase, and traffic.

4. Host Community Showcase

The host municipality is responsible for a Community Showcase feature as part of the IPM's Tented City. The showcase provides an opportunity to highlight the host municipality, its services and community. The content, features and budget of the showcase are at the discretion of the host municipality.

5. In-kind Contributions

Host municipalities are requested to provide the following in-kind contributions: garbage and recycling removal; grey and black water removal; labour to erect snow fence; and, building of entrance accesses to the property (should they be required).

Considerations for the City of London

1. Financial Resources

As outlined above, the host municipality is responsible for a start-up grant of \$100,000 for the IPM. These funds may be returned to the municipality at the conclusion of the event.

Previous host municipalities have indicated that budget was allocated over and above the \$100,000 requirement in order to cover additional costs associated with the Community Showcase display area, promotion and the provision of municipal services. While discretionary, costs have ranged from approximately \$150,000 to \$550,000.

Should Council choose to proceed with initiative, the Economic Development Reserve Fund could be used as a source of funding.

In order to access the Economic Development Reserve Fund, the by-law supporting the reserve fund will have to be amended. The current by-law states that the money in the fund shall be used "to provide the funding to organizations that promote the Council objective of creating long term employment in the City of London". This initiative does not meet the requirement of creating long term employment, but could be considered economic development in a broader sense. Civic Administration would bring forward this by-law amendment for Council approval at the appropriate time, if necessary.

2. Other Resource Requirements

Given the magnitude of the event, a number of previous host municipalities have stated that additional in-kind contributions were provided. These included: staffing support; use of vehicles and equipment; materials and supplies; local improvements to road infrastructure; emergency services; use of meeting rooms; and, operational support such as human resources, communications and finance. In some cases the additional support involved over 200 municipal staff and equated to over 9,000 hours.

In order to offset these resource requirements, some municipalities have pursued federal grants to fund a dedicated resource to support the event. In other cases, municipalities have redeployed existing staff or created temporary contract positions

to execute various elements of the event, specifically the Community Showcase.

The City of London has numerous staff resources with experience and expertise in supporting large events hosted by the City or within the community, however, none are comparable to hosting the IPM in terms of scale and subject matter. In order to accommodate the IPM, existing priorities and work programs would have to be adjusted, or other options such as hiring additional staff would need to be considered.

3. Impact on the Strategic Plan

While hosting the IPM presents a unique opportunity for our community, it is not currently in Council's Strategic Plan or the Multi-Year Budget. Should Council wish to commit to hosting the event and should the City's bid be successful, consideration would need to be given to accommodating this new priority within the Strategic Plan and Multi-Year Budget.

4. Economic Impact

The OPA has economic impact studies, however, they cannot be shared at this time.

Next Steps

Should Council wish to pursue a bid for the 2020 International Plowing Match and Rural Expo, a bid presentation would need to be completed outlining why and how London should host the IPM and specifically what London has to offer to IPM visitors. During the development of the bid, consideration would be given to partnerships in hosting the event. Once complete, a bid presentation would be provided to the OPA Board of Directors.

CONCLUSION

A decision to submit a bid to host the IPM 2020 involves consideration of both the host municipality requirements (funding, Hosting Agreement, Local Committee and sub-committee participation, Host Community Showcase, and in-kind contributions), as well as discretionary factors such as financial and other resource considerations, and impact on the Strategic Plan.

SUBMITTED BY:	RECOMMENDED BY:
Rosanna Wilcox Director, Community & Economic Innovation	Martin Hayward City Manager

c. Senior Leadership Team