

COMMUNITY ASSOCIATION BACKGROUNDER ON THE LANSDOWNE PARTNERSHIP PLAN

Overview

Lansdowne Park is a 16-hectare (40-acre) parcel of City-owned land that has been part of Ottawa's history for 150 years. It has mainly been used for agricultural fairs, sports events and public recreation. Its landmark feature is the Aberdeen Pavilion, which is a national historic site. The City of Ottawa has described Lansdowne Park as the 'crown jewel' of city-owned properties due to its size, location and history as a public gathering place.

The Lansdowne Partnership Plan (LPP)

After several years of public debate, the City of Ottawa gave final approval to the Lansdowne Partnership Plan in 2012. With this plan, the City entered into a formal 30-year partnership with a private sector consortium, the Ottawa Sports and Entertainment Group (OSEG) to revitalize the site. Lansdowne was divided into two parts—one managed by the City; the other by OSEG.

The Master 30-Year Partnership Plan

The City of Ottawa

- Funded the renovation of the stadium and the development of the Urban Park
- Is responsible for the programming and management of the Urban Park which includes the Aberdeen Pavilion, Horticulture Building, Aberdeen Square, the Great Lawn, skating court, children's play structure and community garden.
- Manages a long-term contract with the Ottawa Farmers Market
- Leases the Stadium/arena and 11 acres of land to OSEG
- Retains ownership of all 40 acres of land

OSEG

- Brought professional football and soccer teams to Ottawa
- Manages those teams plus the Ottawa 67's
- Is responsible for the operation and programming of the stadium, arena and parking
- Built and manages a mixed-use development that includes condos, townhouses, office building and a large retail complex with restaurants, stores and a cinema

The Financial Deal

The City of Ottawa

- Invested about \$200 Million (borrowed the funds so pays annual interest)
- Leased the stadium to OSEG for \$1/year for 30 years
- Leased 11 acres of prime downtown land to OSEG for \$1/year for 50 years
- Covers all costs of the Urban Park including the heritage buildings

OSEG

- Has contributed about \$150 Million

In an April 2019 report to Council, it is stated that over 30 years:

- OSEG's returns are expected to be \$391M
- City's returns—Nil.

There are 4 limited partnerships under the Master Agreement relating to 1) Stadium 2) Retail 3) CFL team and 4) Ottawa 67s. No annual audited financial information is available – only a consolidated report. The City (taxpayers) have 50% ownership in the teams – as silent partners.

Assessing where we are today

City-Run Urban Park

- Urban park is popular and well-used by public year-round.
- Farmers Market is well-established.
- City's net operational costs for Urban Park are about \$1.3 Million annually

OSEG-Run Stadium and Commercial Area

- Sports and other events are popular
- Residential units are sold
- Many unleased storefronts
- OSEG's revenues are declining; does not expect to achieve anticipated returns

Questions to consider

- Why should a 30-year agreement be changed after only 7 years?
- What about the Urban Park or the site overall is not working for the public?
- What would make Lansdowne more vibrant all day, year-round? (e.g. winter weekdays?)
- Is there a public benefit to changing the current deal? What is the benefit to OSEG?
- What is the public cost to changing the current deal?
- What would the impacts of changes be on current users/stakeholders of the Urban Park, such as the Farmers Market? Would rents/fees be increased?
- Is OSEG managing its part of the site better than the City is managing its part?
- Does the City have a responsibility to manage important public assets (heritage buildings/parks)?
- Where should lines be drawn in a public/private partnership?
- How much time and what process is needed for meaningful public consultations? Who needs to be involved?

What to do if you are concerned:

* Contact your Councillor and the Mayor

* Send a submission or ask to appear before the City's Finance and Economic Development Committee on Tuesday, November 5. To do so, contact CaroleA.Legault@ottawa.ca