



**Submission to the City of Ottawa's Finance and Economic Development Committee
Meeting of November 12, 2020
Item 2. Lansdowne Annual Report and COVID Impact Update**

Dear Mayor and Councillors,

The Glebe Community Association (GCA) is a 50-year old volunteer organization with a deep commitment to Lansdowne Park, one of Ottawa's most important public spaces.

The GCA is a member of the Lansdowne Working Group along with the City, OSEG and other community partners. Despite this, we were surprised by the report and recommendations that were released one week ago. If the report had related only to regular annual reporting or emergency financial support, we would understand the short timeframe and lack of public notice. However, this report makes recommendations about changes to the Lansdowne Partnership Plan that have long-term financial impacts for taxpayers past 2050 and this rushed timeframe concerns us.

We have therefore separated our comments into short-term and long-term matters, and we hope that you will do the same.

Short-Term Considerations

The GCA recognizes that OSEG faces financial difficulties due to COVID-19 that could not possibly have been foreseen. Accordingly, we support the City Manager's recommendation that short-term financial assistance be provided to OSEG through access to the \$4.7 million in the life cycle fund or through another means such as a loan or a loan guarantee.

One of the public benefits of helping OSEG through these tough times is that it would help ensure the survival of OSEG's sports teams, the RedBlacks and the Ottawa 67's. However, OSEG has made no commitment to keep the sports teams past 2021. We urge the City to obtain a written commitment from OSEG to maintain the teams until 2025 so that the public can enjoy them again once the pandemic is over.

As you know, OSEG is not alone in facing short-term financial pressures due to COVID-19. Should the City decide to provide support to OSEG, we urge you to consider providing financial assistance for other city partners (such as community organizations) and other Ottawa retail, sports and entertainment businesses.

Long-Term Considerations

The Lansdowne Partnership Plan (LPP), which took years to negotiate, involves long-term agreements between the City and OSEG that extend 30 years for the sports infrastructure and 50 years for the retail.

The City made a financial investment of \$210 million in the LPP and also contributed the land (renting it to OSEG at a rate of \$1/year for the stadium/arena and \$1/year for the retail area). It also continues to manage and operate the urban park. By any measure, the City has contributed more to the LPP than OSEG and has had less financial return on its investment.

Yet, at the request of OSEG, we find ourselves only 8 years into the plan considering significant changes to the long-term agreements, including a 10-year extension, without due public process.

The GCA requests that FEDCO reject any changes to LPP agreement at this time for the following reasons:

- The City has undertaken audits of the LPP which have not been completed. It is not appropriate to extend or change the LPP until audits have been completed and made public.
- We are still in the COVID-19 pandemic and do not know when it will be over or what the post-COVID situation will be. Too much is unknown to make assumptions and projections about Lansdowne's major sports, entertainment and retail complex at this time.
- There is insufficient financial information for Councillors to be certain that the proposed 10-year extension and changes to the retail rents are in the public interest over the long-term. Is it wise for the City to agree to receive no return on its investment until 2055 while OSEG will receive additional profits of \$252 million (p 36 of the report)? Can Council be certain that these changes are in the interests of taxpayers?
- There is a contradiction between the recommendation to create a working group to plan for the future of Lansdowne Park and approving changes to the long-term master agreement before that work is done.
- There are more than 22 years left in the agreement and no need to rush changes, without due process. Short-term pressures should not drive long-term changes.

Working Group

The GCA agrees with the City Manager that Lansdowne could be more successful. We support the idea of a planning study to look at the future of the site. In our view, the proposed working group may not be the best way to move forward. We would support a rigorous and public planning process based on full financial transparency, an evaluation by a third-party expert, a detailed business plan, public consultations, and with the establishment of a Public Advisory Committee to engage meaningfully with key stakeholders including representatives of neighbouring communities.

The GCA strongly believes that changes to the LPP, if any, should not be driven by short-term circumstances, but should be made in the interests of a better and more successful Lansdowne that works for the public good in the long-term.

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