

From: "Levitt, Karen" <karen.levitt@vancouver.ca>
To: "Direct to Mayor and Council - DL"
Date: 7/29/2022 10:21:42 AM
Subject: Upcoming information bulletin: Update on Formula E (July 29, 2022)

EMBARGOED TIL 1 PM TODAY

Dear Mayor and Council,

This email follows up on your July 19, 2022 in camera decision to refund the OSS Group's \$500,000 performance security payment for the cancelled 2022 Formula E event.

The City has received several inquiries in recent months regarding the status of the performance security paid to the City by OSS for the cancelled 2022 Formula E event. In light of this, the City will be issuing an information bulletin to media today at 1 pm that confirms the City will refund the performance security payment to OSS, with conditions to ensure that these funds be used to pay and/or reimburse OSS's creditors associated with the event.

Related to this, here are some speaking notes you may wish to use, if you are approached with questions.

- In April 2022, the One Stop Strategy Group (OSS) announced the cancellation of the July 2022 Formula E event. As part of the Host City Agreement between the City and OSS, at the time the cancellation was announced, the City had already collected a \$500,000 Performance Security associated with the 2022 event.
- In June 2022, the City received notification that the Formula E Group – the UK-based licensing entity for Formula E events – had terminated their contractual relationship with the OSS Group concerning the production of any future Formula E event in Vancouver. As a result, the City is not longer discussing with OSS the potential for a future Vancouver Formula E event.
- To date, no new applications for any future Formula E event from any other promoters have been received by the City.
- The City will return the \$500,000 performance security payment to the OSS Group with a set of conditions that ensure these funds will be used by OSS towards financial obligations associated with the cancelled 2022 event, e.g., to ticketholders, suppliers, event sponsors, and/or other creditors, as appropriate.
- The refund of the performance security payment to OSS will be drawn entirely from the original amount paid to the City by OSS under the 2022 Host City Agreement, and as such has no financial impacts on the City's operating budget.
- Questions about refunds to ticket-holders, suppliers, or other OSS creditors should be directed to OSS.

Should you have questions about the process or next steps, please reach out to Margaret Wittgens at 604-358-8764 or margaret.wittgens@vancouver.ca, or, if she is out of the office, to me.

All the best,

Karen

Karen Levitt, Deputy City Manager (she/her)
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The City of Vancouver acknowledges that it is situated on the unceded traditional territories of the x^mməθk^əyəm/Musqueam, Skwxwú7mesh/Squamish and səlilwətəł/Tsleil-Waututh nations.

City update on Formula E

With the cancellation of plans to host Formula E in Vancouver in 2022, the City will be refunding a \$500,000 performance security payment back to the local promoter, One Stop Strategy Group (OSS), with set conditions that the funds be used by OSS to pay its financial obligations associated with the cancelled event, which may include refunding ticketholders, suppliers, and/or event sponsors, as appropriate.

In April, OSS announced the cancellation of the Formula E event previously planned for July 2022. The UK-based Formula E Group, the licensing entity for the event, has also terminated its contractual relationship with the OSS Group.

As a result, the City has ceased all preparation and planning work, and no new applications for a future Formula E event have been received by the City to date.

The refund of the performance security payment will be drawn entirely from the amount already paid to the City by OSS under the 2022 Host City Agreement, and therefore has no financial impacts to the City's operating budget.

Questions about funds being paid or refunded by OSS to ticket-holders, suppliers, sponsors, and/or other potential creditors should be directed to OSS.

Background

In spring 2021, the City of Vancouver was approached by OSS, who at the time was a private Canadian promoter of the Formula E World Championship, to host a two-day Creative Business Conference focused on climate and sustainability, two music concerts, and a one-day electric vehicle race in False Creek in July 2022. Vancouver City Council passed a motion in support of the Formula E Event on April 27, 2021.

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