

CHICAGO 2016

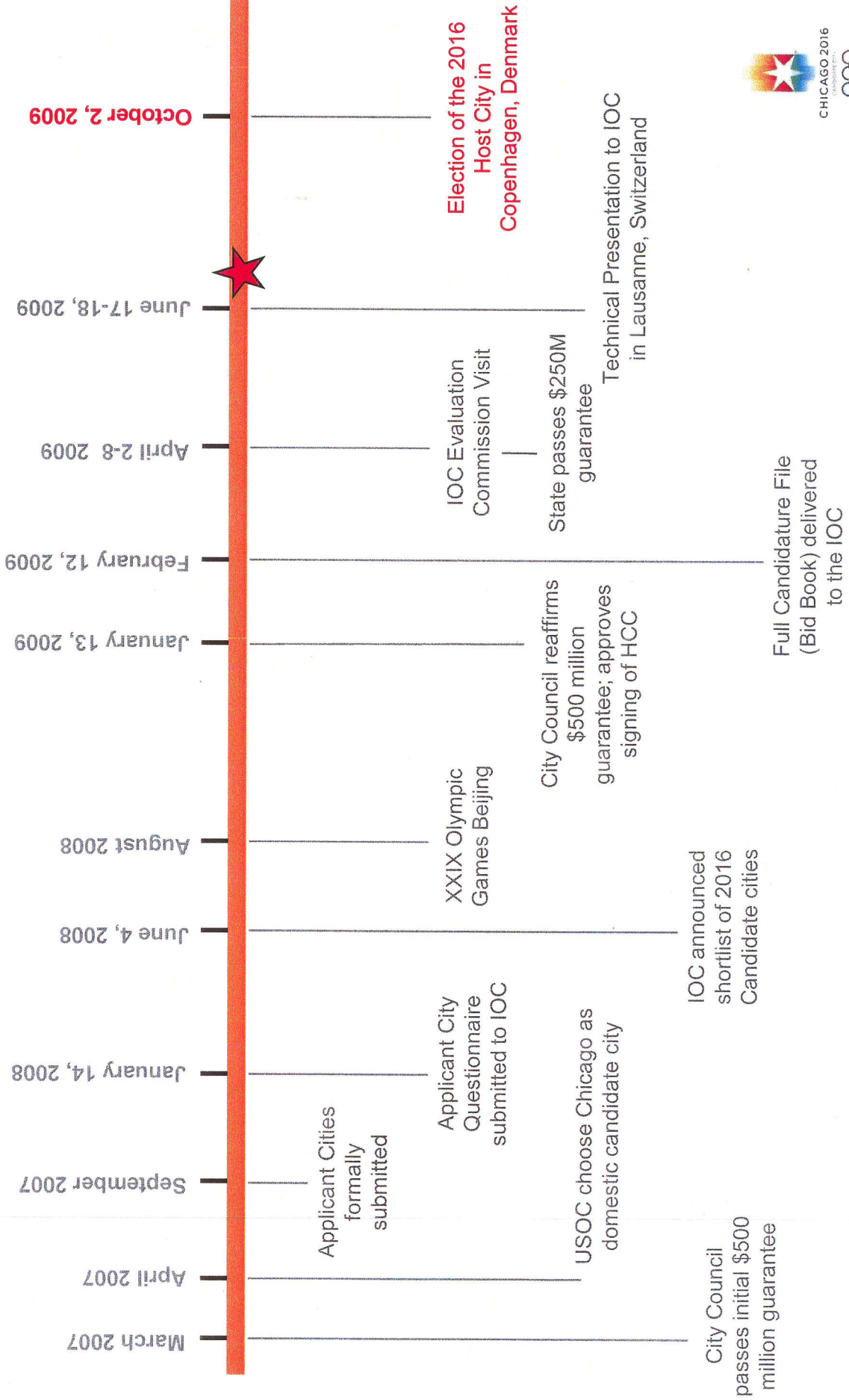
CANDIDATE CITY



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www.chicago2016.org

2016 BID TIMELINE



GAMES CREATE AN UNMATCHED ECONOMIC STIMULUS

- The 2016 Games will drive an economic expansion over 11 years – from 2011-2021
- Economic Impact
 - Most likely forecast indicates \$22.5 billion in new economic activity from the Games
 - Chicago is projected to receive more than half the economic impact - \$13.7 billion
 - Input assumptions and offsets were conservative
- Job Creation
 - The Games will create 315,000 new job-years
 - Chicago will see the bulk of job creation, with 172,000 job-years expected to occur in the city
 - \$11.4 billion of labor income anticipated
 - Immediately creating 100 new jobs per year over 2 years with Michael Reese demolition
- Increased Tax Revenue
 - There is a projected increase of \$1.5 billion of indirect business taxes within Illinois
 - \$1.0 billion of increased tax revenue anticipated within Chicago



UNPRECEDENTED BENEFITS TO THE COMMUNITY

- The minimum goals for contract participation are **30% for MBEs and BEPDs and 10% for WBEs**, with an aspirational goal of exceeding participation levels attained by previous U.S. Cities that have hosted the Games.
- Utilizing training programs for M/WBEs and BEPDs to **improve access to capital, bonding capacity and working capital management** and hosting networking and educational events to develop mentor/protégé relationships.
- A goal of **30% affordability** for the housing units within the Olympic Village (above the City's 20% minimum)
- Supporting the objective of having **10% of the construction hours (roughly 50% of all apprentice hours) being worked on by apprentices that are minority/low or moderate income** who have matriculated from the Chicago Public Schools or the City Colleges of Chicago.
- **A \$10MM Fund has been established** by local foundations to help fund initiatives related to neighborhood, business, workforce and youth development programs



FEDERAL REIMBURSEMENT FOR SECURITY COSTS INCURRED BY OLYMPIC GAMES

- Public safety related services will be federally reimbursed as part of the National Special Security Event (NSSE) designation for which an Olympic games will automatically qualify. (Certain elements of an Olympic transport program receive federal grant support.)
- This reimbursement of security costs will mitigate the single largest operating exposure that the Games would have.

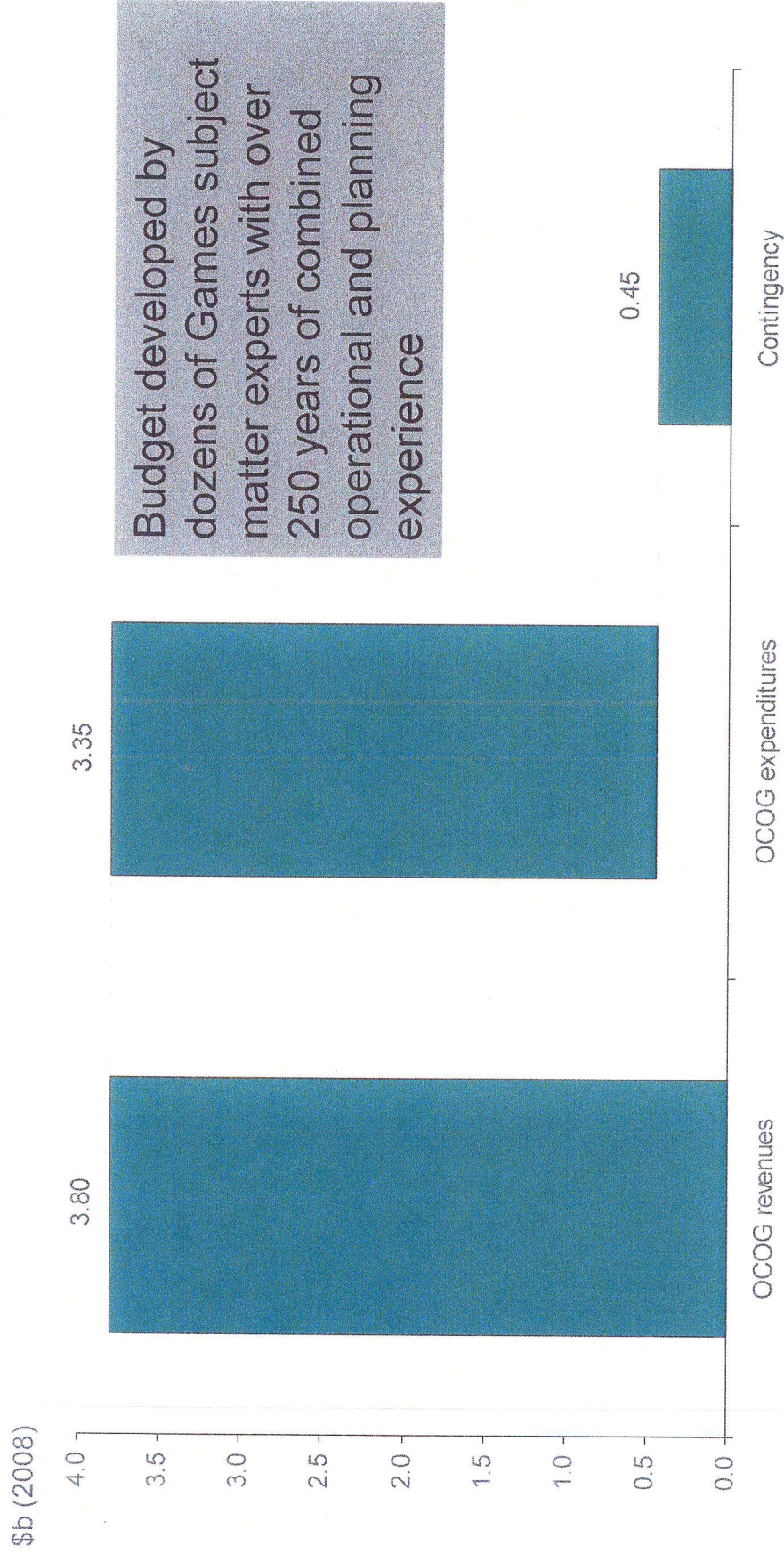
ALL RECENT OLYMPIC GAMES HAVE REALIZED AN OPERATING SURPLUS

Munich 1972	\$714 Million
Montreal 1976	\$705 Million
Los Angeles 1984	\$861 Million
Seoul 1988	\$1.06 Billion
Barcelona 1992	\$314 Million
Atlanta 1996	\$635 Million
Sydney 2000	\$281 Million
Athens 2004	\$167 Million
<i>Average operating surplus for Summer Games: \$592 Million</i>	
<i>Average operating surplus for US-held Summer Games: \$748 Million</i>	

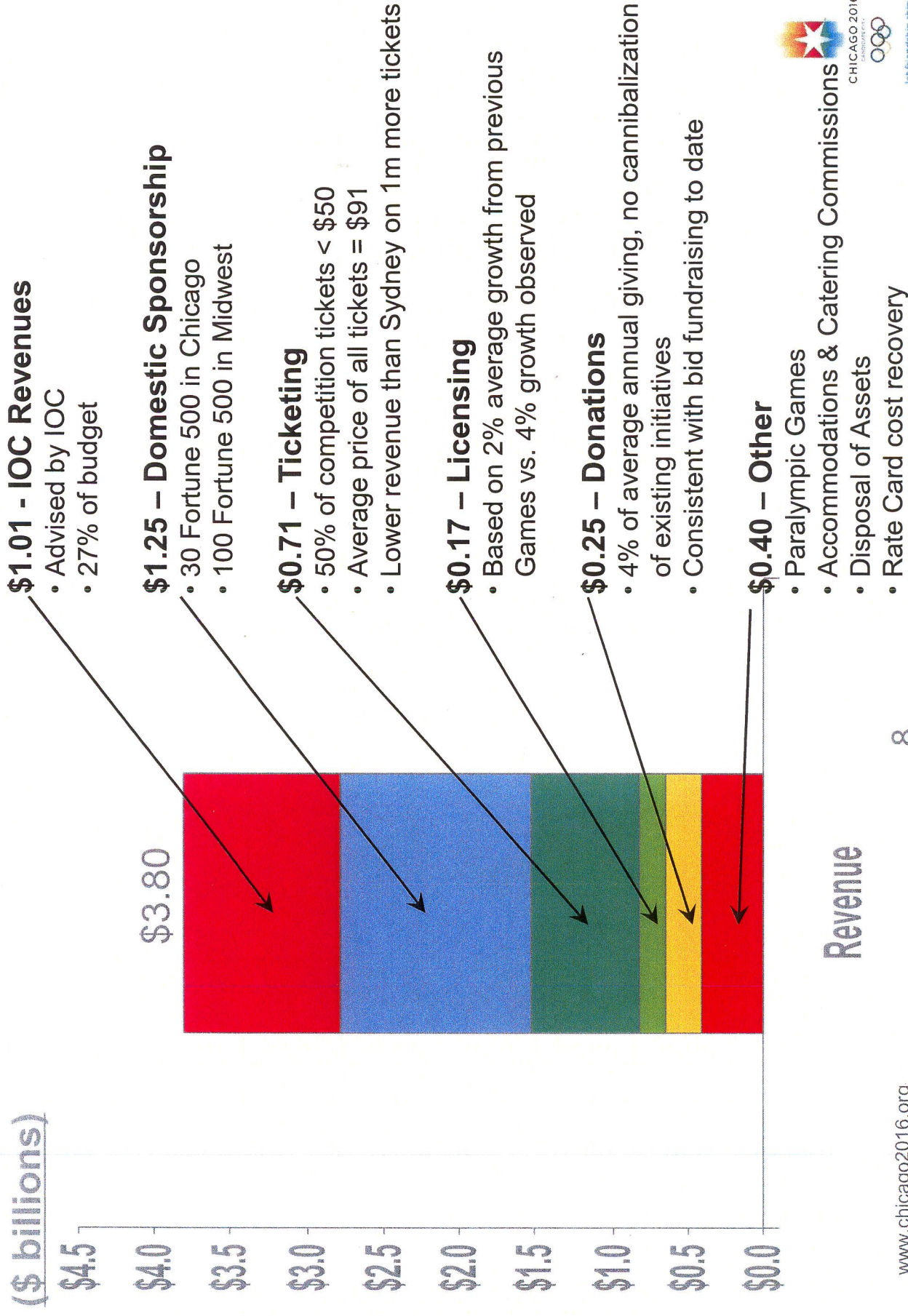
* 2006 values, adjusted from 1995 USD based on a 2.5% inflation rate

Source: *Economics of the Olympic Games*; Olympic Coordination Authority

OCOG BUDGET OVERVIEW



OCOG REVENUE BREAKDOWN



OCO G EXPENDITURES

(\$ billions)

\$3.35

\$3.0

\$2.5

\$2.0

\$1.5

\$1.0

\$0.5

\$0.0

Expenditures

\$1.23 – Venues/ Village Construction & Operations

- Primarily temporary construction
- Detailed programming per IOC Technical Manuals

\$0.51 – Workforce

- Detailed staff plan across all functions
- Gradual growth to approximately 5,000 staff

\$0.46 – Technology

- Detailed per IOC solution providers

\$0.12 – Ceremonies & Culture

- 30% higher than previous Games

\$0.23 – Transport

- Detailed operational systems planning

\$0.19 – Paralympic Games

- Paralympic-specific costs

\$0.27 – Administration

- Headquarters office
- Insurance
- Environment programs

\$0.32 - Other

9



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OCO G INSURANCE.GUARANTEE SUMMARY

Additional Contingency Insurance (\$500m)

