

## EVENT ATTRACTION FUNDING

### Recommendation

That the October 30, 2023 Community Services report CS02058, be received for information.

<b>Requested Action</b>	Information only		
<b>ConnectEdmonton's Guiding Principle</b>	<b>ConnectEdmonton Strategic Goals</b>		
<b>CONNECTED</b> This unifies our work to achieve our strategic goals.	<b>Healthy City, Regional Prosperity</b>		
<b>City Plan Values</b>	BELONG. LIVE. CREATE.		
<b>City Plan Big City Moves</b>	A community of communities  Catalyze and converge	<b>Relationship to Council's Strategic Priorities</b>	Arts and culture  Economic Growth
<b>Corporate Business Plan</b>	Transforming for the future, Serving Edmontonians		
<b>Council Policy, Program or Project Relationships</b>	<ul style="list-style-type: none"> <li>• C603 Events Policy</li> <li>• Changing Field of Play Report - Citizens Panel on Major Events (June 2017)</li> <li>• Edmonton Events Sport and Culture Attraction Plan (October 2018)</li> <li>• Economic Action Plan (April 2021)</li> </ul>		
<b>Related Council Discussions</b>	<ul style="list-style-type: none"> <li>• CR_4999 - Major Events Strategy Events Policy, Strategy and Action Plans, September 12, 2018 Community and Public Services Committee</li> </ul>		

### Executive Summary

- Sport tourism generated \$7.4 billion in Canada in 2019, making it a significant contributor to the tourism industry in Canada and its provinces and cities<sup>1</sup>.
- Hosting international sporting events creates opportunities for the city to reinforce Edmonton's attractiveness and reputation as a dynamic, diversified and inclusive city with exceptional resident pride and participation.

<sup>1</sup> [https://worldfinancialreview.com/how-sports-tourism-is-boosting-local-economies/?inf\\_contact\\_key=d8232a9bd9a6996fe0e753513278e692842e902fbefb79ab9abae13bfcb46658](https://worldfinancialreview.com/how-sports-tourism-is-boosting-local-economies/?inf_contact_key=d8232a9bd9a6996fe0e753513278e692842e902fbefb79ab9abae13bfcb46658)

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- Major events, most often hosted in or connected to the downtown core, support downtown vibrancy and businesses by bringing residents and visitors into the heart of the city, increasing economic activity and fostering a perception of improving safety by bringing more people and activity into the area.
- In recent years there have been a number of significant challenges to hosting events due largely to reduced levels of public funding. This has resulted in some bids not being successful, a reduction in the scope and impact of events that Edmonton is hosting and difficulties in the city's ability to attract other events.
- For the City to continue to attract international and key national events, increased funding at the municipal level is required in order to leverage funding from other orders of government and the corporate sector. Predictable funding will help ensure quality events are delivered in Edmonton that position the city well for future events.
- Administration and Explore Edmonton have recently updated the Sport Event Attraction Framework used to determine what events to attract to Edmonton. It features two streams of events: series events to be hosted annually and targeted events to be hosted every five or more years. Both types of events play a crucial role in Edmonton maintaining its positioning as a leading Canadian host city.

## REPORT

Edmonton has attracted, hosted and delivered local, national and major international events. These efforts have been jointly led by the partnership between Administration and Explore Edmonton.

In 2017, the Citizens Panel on Major Events, a committee of community leaders appointed by the City Manager, tabled the *Changing Field of Play* report (Attachment 1) that recommended the development of an events policy and updated events strategy.

During the October 9, 2018 City Council meeting, the following documents were approved:

- C603 Events Policy (Attachment 2)
- The Event Growth and Attraction Strategy, which includes the Edmonton Events Sport and Culture Attraction Plan and the Delivery Action Plans (Attachment 3). The documents recognized that events are strategic investments within communities, providing significant benefits in three key areas: economic, reputation and social/community. Attracted sport events provide significant visitation from outside of the Edmonton region, increasing the economic impact for the visitor economy while also providing higher reputational value via the attracted event's broadcast as well as its traditional and social media reach.

In recent years, event attraction has also focused on opportunities to increase community benefits including:

- being more inclusive,
- creating opportunities for participation and event attendance in children and youth experiencing marginalization, and
- working with event producers to create business opportunities for underrepresented business owners.

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Major international scale events are recruited to Edmonton in a number of ways, including:

- event organizers and rights holders (e.g., Do North Events, Offbeat Entertainment, Red Bull Canada); Sport Tourism Canada (memberships and meetings);
- national, provincial or regional sport organizations;
- international federations;
- conferences;
- sport teams (e.g., Oilers Entertainment Group, the Edmonton Elks, or the Edmonton Stingers); and
- venue partners (e.g., the University of Alberta or the EXPO Centre).

In 2019, considerable work was done to advance the two action plans approved by Council, however, the COVID-19 pandemic had significant negative impacts on events, forcing the cancellation or postponement of many 2020 and 2021 activities. Recovery from this period of time has been challenging for event producers due to rising expenses and diminishing financial support from both government and the corporate sector.

Currently, Administration has a base budget of \$500,000 annually to sponsor events, an amount that has decreased from \$885,000 in 2016 due to budget reduction efforts and process changes. The \$500,000 of funding is primarily used to cover event costs including civic services, marketing, venue rental, athletes costs, etc. The current budget size limits the investments to attract and host international events. Reduced funding at the municipal level makes it more difficult to leverage City funding with other orders of government and the corporate sector, as they look to the municipality to signal their support for these events through funding commitments.

The funding that Explore Edmonton receives from the City of Edmonton is used for staffing, basic operations and operations of the Edmonton Convention Centre and Edmonton EXPO Centre. It is not used to directly support events. Explore Edmonton has secured funding from alternate sources to support sport and cultural event attraction and hosting including Edmonton Destination Marketing Hotels and Travel Alberta.

### **Current State: Why Attracted Events Matter**

Sport tourism is a multi-billion dollar industry and continues to be a significant strategic opportunity for Edmonton to capture and benefit from the growing market and economic impacts. The value of sport tourism, according to Sport Tourism Canada, was \$7.4 billion in Canada in 2019 with \$3.3 billion of that being spent by international visitors.

In 2023, Edmonton has hosted eight international or significant national events, providing one time City sponsorship totalling \$1.7 million (both cash and value in kind support) including:

- JUNOs: \$810,000 total funding, including \$550,000 approved by Council in the 2018-2022 budget cycle, \$180,000 in value in kind at Rogers Place, as well as approximately \$80,000 in activation and city readiness funded through various existing city budgets.
- Canada Basketball Sponsorship: \$200,000 for a three-year agreement approved in 2021 (January 20, 2021 Community and Public Services Committee report CR\_8078 Canada

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Basketball Sponsorship Update), with a portion designated within the agreement to support the hosting of basketball events in Edmonton.

- Other events: \$500,000 from the events attraction base budget and \$440,000 from other existing budgets supported FIBA 3x3 Masters and Women's Series, Volleyball World Beach Pro Tour Challenge, Americas Cup Triathlon, Edmonton Athletics Invitational, Canadian Road Cycling Championships and FIS World Cup Urban Big Air.

Explore Edmonton estimates that together these events will generate approximately \$64 million in gross economic impact for the region.

In addition to generating an economic return, sport tourism and the hosting of major international sporting events can help advance Edmonton in the following ways:

- Supporting economic diversification by supporting and creating jobs largely in the hospitality, marketing and construction sectors;
- Contributing to downtown vibrancy by bringing large crowds into the heart of the city, helping to improve safety in the city's core;
- Supporting local facilities and venues through new bookings and rentals, as well as potential infrastructure improvements or enhancements;
- Connecting residents to their neighbors, visitors and community, cultivating a sense of pride in their city;
- Helping those in underrepresented populations to feel more connected to their city by creating inclusive opportunities (i.e. try it events for children and youth, providing tickets for individuals to attend events, etc.);
- Building Edmonton's brand globally, allowing the city greater opportunities to drive tourism, investment and talent retention and attraction;
- Providing opportunities for local elite athletes to perform at the highest level in front of a hometown crowd;
- Inspiring increased participation in sport, being active and being healthy.

Events are included in The City Plan, Economic Action Plan and Tourism Master Plan as being important to the type of city that Edmonton wants to be today, and for the future city of two million residents. Increased and sustainable investments are needed to secure and deliver high quality events and continue momentum for Edmonton to remain competitive in attracting sport events. Municipal investment can leverage funding from other orders of government and signal recognition of the value of events and confidence for corporate investors. Hosting international events that bring people to the city and advance tourism can also signal to Edmonton businesses that supporting their sustainability and success is a key goal of the city, helping to foster strong relationships and partnerships into the future.

### Updated Event Framework

Administration and Explore Edmonton are currently updating the action plan to better reflect the changing world of events following the decision on the 2026 FIFA World Cup bid and the cancellation of the 2030 Commonwealth Games bid. The update focuses on events that are believed to be the right fit for the city. However, the direction provided in the update does not

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preclude the City from pursuing future mega level events that require significant support from all three orders of government.

The updated framework focuses solely on sport events and remains strategically aligned with The City Plan, Economic Action Plan and the Tourism Master Plan. It also factors in the changing world of events coming out of the pandemic and the increasing global competition for event hosting as cities target events as a key economic driver of their recovery and future.

The Framework outlines two key streams of sport event attraction: series events and targeted events. both of which are critically important for the city.

- Series events occur annually or biennially over a span of three to six years and allow Edmonton to build a reputation for hosting of these specific events. Series events will also help create a tradition around the event to help it grow. These events will increase sport participation in the city by including participation events, increasing connection amongst Edmontonians during the event and potentially lead to hosting additional levels of the sport (i.e. World Championship). Examples of series events that the city has hosted in recent years include: International Triathlon Union World Series, FIBA 3X3 Masters & Women's Series, Volleyball World Beach Pro Tour, FIS Snowboard Big Air World Cup and Americas Cup Triathlon. Efforts will be made to diversify and expand the range/scope of events hosted by the city to help maintain Edmonton's international relevance and reputation and have the flexibility to respond as trending sports change.
- Targeted events occur less frequently, typically, every five years or as a unique one-time event. They consistently yield a higher level of return in two fundamental pillars for Edmonton: economic impact and reputation enhancement. Increasing these two pillars offers a new platform to grow and advance the third pillar of social/community benefit. Edmonton has previously hosted noteworthy targeted events like the ITU World Triathlon Grand Final, the International Ice Hockey Federation World Junior Championships, Red Bull Crashed Ice and the FIFA Women's World Cup.

The framework has also updated the criteria to assess events to ensure fairness and transparency in the evaluation process and the awarding of appropriate levels of funding. Administration recently received a funding proposal from Do North (a local nonprofit events producer most known for producing triathlons) on behalf of themselves and three other event producers seeking funding from the City of Edmonton over the next three years for events they want to host in Edmonton. The events proposed would be considered series events which are a prime opportunity for Edmonton to build stability in event attraction efforts but also create a solid foundation for future event hosting efforts including attraction of new events in both the series and targeted streams.

Do North's proposal outlined a budget request for seven events to be hosted between 2024 and 2026. These include: America's Cup Triathlon, FIBA 3X3 Masters and Women's Series, Volleyball World Beach Pro Tour Challenge, Edmonton Athletics Invitational, International Climbing and Mountaineering Federation (UIAA) Ice Climbing World Cup, Style Experience International Ski and Snowboard Federation (FIS) Big Air World Cup, Track Cycling Series (2026 and beyond due to upcoming opening of the velodrome - one of two facilities in Canada that can host these event)

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and the World Triathlon Multisport World Championships. The amount requested was \$5.3 million (\$1.2 million in 2024, \$1.7 million in 2025 and \$2.4 million in 2026).

In addition to sponsorship from the City of Edmonton, these events will also apply for funding from Explore Edmonton and the other orders of government (where eligible), as well as corporate sponsorship.

The collective estimated economic impact of five of the events (Beach Volleyball, 3X3 Basketball, America's Cup Triathlon, Athletics and Big Air) hosted in Edmonton in 2023 included in Do North's proposal was \$47.3 million as per Destination International's economic impact calculator completed by Explore Edmonton. The combined events are expected to support approximately 7,000 local jobs, largely in the hospitality, construction and events sectors.

While Do North's proposed events fit within Administration and Explore Edmonton's Strategic Roadmapping Framework, they are not the only series events that are available to Edmonton. For example, Edmonton is scheduled to host the Hlinka Gretzky Under 18 hockey tournament in 2024 and 2026, of which \$50,000 per year is already committed from the existing event attraction budget.

In addition to the series events noted above, Edmonton will also host the World Under-19 Football Championships next summer, the Canadian Country Music Awards in 2024, Volleyball Canada Nationals ('Super Nationals') and has submitted bids or are in negotiations on a number of other targeted events, all of which have requirements for funding beyond what is available in the current base funding. These events are anticipated to provide significant returns economically and reputationally for Edmonton.

Administration and Explore Edmonton continue to review each supported event annually to ensure events continue to provide the value in all pillars as per the evaluation matrix in the framework. New event opportunities will continue to be explored as trends, economic factors, venues and the event landscape are continually changing.

### Budget/Financial Implications

The base budget for event attractions does not include sufficient funds to adequately support existing or attract additional events in either stream. If directed by Council, Administration could bring forward an unfunded service package for the fall SOBA that would increase ongoing funding to support series and targeted events.

### Community Insight

For the purpose of this report, no specific public consultation was undertaken, however, the most recent polling for both Edmonton's FIFA 2026 bid (77 per cent support) and the Alberta 2030 Commonwealth Games Bid (70 per cent support) showed strong support for international sporting events in the city.

During the development of the Tourism Master Plan<sup>2</sup>, Explore Edmonton and its consultants, MMGY NextFactor, met with more than 150 stakeholders through a series of focus groups and

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<sup>2</sup> <https://exploreedmonton.com/industry/development/tourism-master-plan>

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one-on-one interviews in November 2020. The primary purpose of these discussions was to identify critical issues and opportunities for the future of Edmonton as a destination for visitors and a place for residents to live, work, and play.

Focus groups included stakeholders from the following sectors: Hotels and Accommodations, Arts, Culture, and History, Attractions and Operators, Culinary and Agritourism, Festivals, Meetings and Sporting Events, Learning Institutions, Tourism Industry/Economic Development, Makers, Entrepreneurs, Retailers and Young Professionals, Indigenous Leaders, Transportation, Infrastructure, and Government.

The engagement uncovered 13 challenges and opportunities surrounding the management and development of tourism in Edmonton. The impact that international events have for a city like Edmonton as a differentiator on the global stage and their unique ability to improve the quality of life for residents was an opportunity among all focus groups.

### GBA+

Ensuring that events being attracted to Edmonton are inclusive and accessible to all is a key priority, which is reflected in the use of the social/community impact or opportunity pillar in the assessment of events.

A number of strategies have been used to make attracted events more inclusive including:

- As part of either the City's sponsorship or Explore Edmonton's event development efforts, tickets are donated to organizations such as Kids Upfront for their clients to attend both cultural and sporting events to support citizens experiencing marginalization and others who may not have the financial means to purchase a ticket to attend an event.
- Working with event producers to create festival elements that are free and accessible to all Edmontonians to be more inclusive.
- Have hosted coaching and training sessions for children and youth from key demographics including Indigenous communities, immigrant communities, female athletes, or those experiencing marginalization to participate in the event (try it events) and to help grow participation in sports in the community
- Created school based programs to introduce children and youth to the sport (i.e. triathlon)
- Legacy funding generated from events has supported increased access to sport and music programs for individuals from communities experiencing marginalization
- Engaged Indigenous communities in business opportunities, ceremonies, planning related to event hosting
- Attracting events that provide opportunities for both male and female athletes (including parathletes), as well working to address equitable treatment
- Volunteer opportunities available to all residents
- Working with event producers to raise the level of recognition and compensation for competitions featuring female athletes.

### Attachments

1. The Changing Field of Play
2. C603 - Events Policy

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3. Event Strategy, Edmonton Events Sport and Cultural Attraction Plan, Events Delivery Action Plan