

# Canada Basketball Initiative – 2013 Operating Service Package

## Recommendation:

That Executive Committee recommend to City Council:

That the January 14, 2013, Office of the City Manager report 2013CMI002, be received for information.

## Report Summary

This report provides information regarding a partnership with Canada Basketball, The University of Alberta, Government of Alberta and the City of Edmonton for a four year term (2013 - 2016) to locate Canada's national basketball programs to Edmonton at the Saville Community Sports Centre.

## Previous Council/Committee Action

At the November 27, 2012, City Council Budget meeting, the following motion was passed:

That Administration provide a report to Council through Committee outlining further information regarding the 2013 operating service package for Canada Basketball.

## Report

### Overview

In July 2011, the City of Edmonton, Edmonton Tourism and Canada Basketball started discussions regarding a possible partnership that would see Canada Basketball locating the majority

of training camps and programs to the Saville Community Sports Centre in Edmonton.

Canada Basketball is the National Sporting Organization for the sport of basketball in Canada. Canada Basketball is respected throughout the world and is recognized by the International Amateur Basketball Federation and the Government of Canada as the sole governing body of the sport of amateur basketball in Canada.

Canada Basketball represents all basketball interests, provides leadership, coordination and direction in all areas of the sport. Canada Basketball is a not-for-profit organization operated by a volunteer board of directors and 10 full-time professional staff members.

### Project Proposal

Canada Basketball has proposed an initial four-year term that would run from 2013 through 2016, with an option of first right for renewal going to the City of Edmonton. This term would allow the establishment of consistency and stability in the entire program as Canada Basketball moves towards its ultimate goal of reaching the podium in both men's and women's basketball at the 2016 Olympic Games in Rio de Janeiro.

The foundation of Canada Basketball's potential success at the 2016 Summer Olympics will be forged within their 3-on-3, Cadet, Junior and Development national teams. It is proposed that nine of ten teams across both genders establish Edmonton and the Saville Community Sports Centre (the "Centre") as their full-time training home. The senior men's national team will be part-

time initially. Based on the proposed training schedules, this would amount to a combined total of more than 200 annual training days. Currently Canadian Basketball has approximately 100 training days.

The key components of this enhanced program that are required for growth and future success include greater training time for all teams; increased emphasis on coaching, education and development; development of officials and increased marketing and communications capacity.

### Synergies with the University of Alberta

There is a tremendous opportunity to partner with the University of Alberta – the Faculty of Physical Education and Recreation.

Opportunity exists for sport sciences support to be extended to the hosted national teams. Plans are almost complete for the establishment of a high performance training centre at the Saville Community Sports Centre on the University of Alberta South Campus.

A connection to the Glen Sather Sports Medicine Clinic is a necessary adjunct to high performance. In addition, access to the University residences is a valuable element to overall quality of the program.

The new Masters of Coaching degree program, the only one in Canada, could lead to a basketball specialization. This would mean systematic development of coaches to the highest professional standing.

### Benefits to Edmonton

This is a rare opportunity to match a new world class training centre, a city with a unique basketball history and an organization desiring to elevate the quality of its program and performance. The Saville Community Sports Centre is unlike any facility in the country. Twelve basketball courts with supporting amenities position the Centre as a world class training centre. There is a critical timeliness to advancing on this initiative while the Centre is the premier facility of its kind in the nation.

Basketball is the second most popular sport in the world, only behind soccer. Played in 213 countries on five continents, there are over 50 million registered participants worldwide and an estimated 200 million people playing basketball around the world.

With national teams training in Edmonton, an enhanced opportunity exists for expanded community programs generally, and more specially for at risk youth. Basketball Alberta has identified 13 potential organizations with which to work. Letters of support from 3 of the groups are available upon request.

This is a unique partnership opportunity between Canada Basketball, Basketball Alberta, the University of Alberta and the City of Edmonton, that will enhance Edmonton's national and international reputation. Further, Edmonton and the University of Alberta will be seen as a centre for sport development, which will provide more opportunities for community programs for at risk populations.

In summary, the benefits of this initiative include:

1. Increased profile of Edmonton nationally and internationally.
2. Increased community opportunities and programs particularly for at risk youth.
3. Enhanced economic impact of having teams training in Edmonton and by hosting international events and competitions.
4. Added opportunity for the University of Alberta Faculty of Physical Education to enhance its reputation as a centre of excellence for sport and sport science.

### Financial Requirements

Canada Basketball's current expenditure is \$3.56 million per year. This includes funding for tryouts and training camps; pre event competitions; competitions; coaching education and development; officials' development; marketing/communications and administration.

Canada Basketball requires \$7.1 million per year to achieve their Olympic goals or \$3.55 million in additional funding. Canada Basketball's proposed funding requirements are depicted in Attachment 1.

The national teams training time, coaching education and development and officials' development are the primary areas of emphasis.

If this initiative is to proceed, the City of Edmonton would need to contribute \$500,000 per year for the four year period from 2013 – 2016 which would be subject to an annual contribution of \$1,900,000 from the Government of Alberta and \$150,000 (value in kind) annually from the University of Alberta.

Corporate participation through sponsorship and revenue generation by the hosting of major events will be required to supplement the revenue requirements of the initiative and for the development of the Canada Basketball Hall of Fame. Approximately \$1 million per year will need to be secured. Approaches are underway within the business sector.

### Corporate Outcomes

The recommendation supports the following outcomes identified in *The Way We Live*:

- 1.1 The City of Edmonton provides opportunities in neighbourhood, community and public spaces to connect people and build vibrant communities.
- 1.2 The City of Edmonton uses its social and physical infrastructure at the neighbourhood, city, regional and global level to create connections.
- 1.1.3 The City of Edmonton partners and provides opportunities for local and citywide social, recreational, cultural and spiritual interaction.
- 2.1 The City of Edmonton celebrates and promotes healthy living
- 2.4 The City of Edmonton has a vibrant, diverse sports sector for all Edmontonians
- 2.6.4 The City of Edmonton engages and partners with stakeholders and other orders of government to host national and international events.

The recommendation also supports the corporate outcomes identified to support *The Way We Prosper*:

- The City is an effective facilitator and strong partner in diversifying the economy, retaining and developing talent, and supporting the

competitiveness of Edmonton business.

- The City has a positive and attractive reputation making it competitive nationally and internationally.

### **Budget/Financial Implications**

If Council directs Administration to fund this in the 2013 Budget it will be brought forward for a funding decision during the spring operating budget adjustment before the millrate and final tax rate increase is established in early April. If there have been no further revenue or expenditure changes in the 2013 budget that could fund this expenditure, it would require a .05% increase at the time the 2013 millrate is set.

### **Legal Implications**

Agreements with Canada Basketball, the Government of Alberta and the University of Alberta will be required.

### **Attachment**

1. Canada Basketball Programming – Financial Funding Options

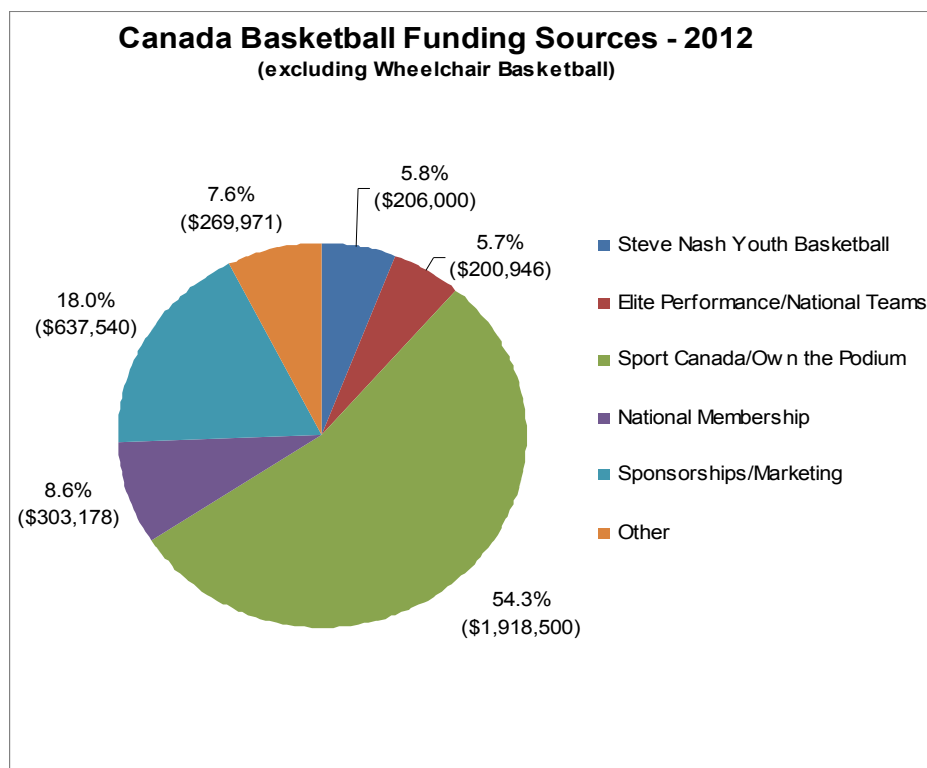
### **Background Information Available Upon Request**

1. Canada Basketball Proposal

### **Others Reviewing this Report**

- L. Rosen, Chief Financial Officer and Treasurer
- L. Cochrane, General Manager, Community Services
- D. H. Edey, General Manager, Corporate Services

## Canada Basketball Programming – Financial Funding Option



## Annual Funding Required, 2013-2016

Sources	Amount \$000s	Percentage
Canada Basketball & Other*	\$1,617,600	59%
Federal (Sport Canada)*	\$1,918,500	
City of Edmonton	\$500,000	
University of Alberta (value in kind)**	\$150,000	
Government of Alberta	\$1,900,000	27%
Sponsors/Event Revenue	\$1,000,000	14%
<b>Total***</b>	<b>\$7,086,100</b>	<b>100%</b>

\* assume same levels as fiscal year ending March 2012

\*\* projected University of Alberta value-in-kind contribution includes access to Saville Community Sports Centre facility and high-performance training centre, U of A services for sports sciences and sports medicine.

\*\*\* excludes costs associated with the Hall of Fame.

<b>Economic Impact* (Direct, Indirect, Induced) – Total Enhanced Scenario</b>					
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
<b>Training</b>	\$2,065,874	\$2,070,126	\$2,074,463	\$2,078,886	\$8,289,349
<b>Events**</b>	\$32,051	\$547,143	\$33,126	\$2,528,921	\$3,141,241
<b>Total</b>	<b>\$2,097,925</b>	<b>\$2,617,269</b>	<b>\$2,107,589</b>	<b>\$4,607,807</b>	<b>\$11,430,590</b>

*\*Economic impacts are estimated using the Conference Board of Canada's TEAM model. TEAM is an industry-standard model for estimating the impact of sports and tourism events.*

*\*\* The events included in the economic impact are as follows:*

- Annual "Friendlies" between senior teams
- Team USA/Canada exhibition games in Edmonton and Calgary, in 2014 and 2016
- FIBA Junior Men's World Championships in 2016