
Subject: Brock University Centre for Sport Capacity Report on Sports Tourism

Report to: Planning and Economic Development Committee

Report date: Wednesday, July 10, 2019

Recommendations

That report ED 7-2019 **BE RECEIVED** by the Planning and Economic Development Committee for information and that staff **BE DIRECTED** to circulate the report to tourism stakeholders for feedback and report back to the Committee.

Key Facts

- In September 2018, Regional Council approved Brock University Centre for Sport Capacity's project proposal to conduct research and recommend a strategy related to Sport Tourism in the Niagara Region. (CAO 20-2018)
- The final report 'Towards a "Made in Niagara" Sport Tourism Model: The Case for a Sport Event Office' is now complete and is attached as an appendix.
- The purpose of the report is to inform decision-makers as they consider implications for the appropriate role of the Niagara Region in relation to sport tourism, the development of facility and organizational capacity, and the creation of partnerships and networks.
- There are existing tourism organizations in Niagara that may consider taking on the role of the sport tourism office.
- The recommendations in the report are outside the current mandate of Niagara Region and would have budget and resource implications.

Financial Considerations

There are no financial considerations associated with this report at present.

The recommendations in the "Towards a Made in Niagara Sport Tourism Model: The Case for a Sports Event Office" report are outside the current mandate of Niagara Region and would have budget and resource implications. Any costs associated with adopting any of the recommendations in the report and / or tourism stakeholder feedback would be considered as part of future budget deliberations.

The potential future financial implications of this report should be considered along with the following budget items, as highlighted in the 2019 budget report (CSD 22-2019 Revised), which may be brought forward for committee's consideration during 2019 for referral to the 2020 budget process.

	Levy Amount	Levy Impact %
Suicide Prevention Initiative PHD 8-2019	200,000	0.05%
Niagara Airports CAO 04-2019	2,240,000	0.61%
Long-Term Care Home Redevelopment capital funding COM 32-2019	5,899,355	1.62%
Waterfront Investment Program – Base funding	1,000,000	0.27%
Smarter Niagara Incentive Program – Base funding	600,000	0.16%
Brock LINC request for funding	1,500,000	0.41%
Niagara Regional Transit - phase in cost	6,213,050	1.70%
NRPS 2019 position hiring deferral	705,996	0.19%
EMS Central Hub capital funding	390,064	0.11%
Total new initiatives	18,748,465	5.12%

Analysis

Sport Tourism is defined in this report, as sporting events that attract people from outside the community, whether for a few hours or a few days. Sport Tourism is a sub-sector of the tourism industry (Industry Canada, 2015).

In the past, Niagara Region has recognized the importance of sport events in the community and the economic impact on the economy, by providing funding to the Niagara Sport Commission (NSC) to advance the delivery of the Pan Am games and assist with the bid development for the 2020 Canada Summer Games. Niagara Region has also provided financial support through the Economic Development budget for the 2020 Bid for the Brier (Men's Curling Championship).

The NSC ceased operations in late 2017 and there is currently limited institutional capacity at a regional level to promote Niagara as a sport event host. The NSC was established in 2009 with funding from the Ontario Trillium Foundation as a non-profit entity with its own board of directors.

The conclusions in this report are drawn from two analyses. First, an environmental scan reviewed nine municipalities to establish a cross-section of best practices. Second, 64 Niagara stakeholders from 48 organizations were consulted through interviews and focus groups, including representatives from the public, non-profit and commercial sectors.

Theme 1: Sport tourism is an important contributor to the Niagara economy.

Report Recommendation #1: The Niagara Region recognizes sport tourism as a key component of future economic initiatives.

In February 2018, the Niagara Community Observatory at Brock University published a policy brief outlining the economic impact of sporting events in Niagara. It demonstrated that a local event such as the Niagara Winter Games in 2015 with 750 participants had an impact of \$125,748 in the region. However, a larger event such as the Royal Canadian Henley Regatta in 2015 that brought people from outside the region had a \$2.8 million economic impact. The 2017 Scotties Tournament of Hearts with a national audience had an economic impact of \$6.8 million (Charlebois and Stevens, Brock University, 2018).

Niagara Economic Development recognizes the significance of sport tourism. In 2019, the department released the “Niagara Tourism Profile”. It identified the economic impact of tourism in Niagara. In that report, it was noted that in 2017, some 259,000 sport tourists came to Niagara and spent over \$45 million (Niagara Tourism Profile, Niagara Economic Development, 2019).

Theme 2: Niagara needs a central, region-wide sport event office.

Report Recommendation #2: An arm’s length sport event office be established.

In the comparative municipalities looked at in the report, most sport tourism offices were located under the municipality’s Destination Marketing Organization (DMO), which markets a specific geography as a tourism destination. In Niagara there is not one regional DMO. There are five local DMOs, (Niagara Falls Tourism, Niagara-on-the-Lake Tourism, St. Catharines Tourism, Twenty Valley Tourism, and the South Coast Tourism Association) who work to develop tourism at a sub-regional level and have a seat on the board of the Tourism Partnership of Niagara (TPN). The TPN is a provincially designated and funded Regional Tourism Organization established in 2010 to be responsible for tourism development across Niagara.

In the case studies, the accountability of the sport tourism offices fell into three categories: direct accountability to the municipality; in-direct accountability as an arm’s length office and accountability to Council through an annual report and/or representation on its Board; a separate, private not-for-profit organization.

There is no conclusion in the report that addresses whether a tourism organization exists that would be best suited for this “made-in-Niagara” approach, or whether a new organization should be created solely for this purpose.

Theme 3: A sport event office requires sustained operational and bid funding.

Report Recommendation #3: The Niagara Region provide stable long-term operational funding for a sport event office.

Report Recommendation #4: The Niagara Region provide stable, long-term funding for a sport event bid fund.

Funding sources for the sport tourism offices in the study vary. Local government does contribute to their operational budgets, either directly from Regional funding or by utilizing the municipal accommodation tax (MAT). In some municipalities, this is done in combination with other sources, for example, a destination marketing fund (DMF), sponsorship, membership fees, event management or stakeholder contributions. The budget allocated directly to the sports tourism offices studies ranges from \$100,000 - \$400,000 which for most offices included salaries and a dedicated 'bid' fund or 'event grant'.

Currently, no regional bid fund exists to support sport organizations or venues in pursuing bids for future events. Any support to these bids to date has provided has been as a result of an approved request directly from the sport organization/bid committee to Council.

Theme 4: A sport event office should offer high-level (strategic) as well as low-level (tactical) services.

Report Recommendation #5: The sport event office develop a 'diverse portfolio' strategy for sport event bidding and hosting, aiming to attract events ranging from small-scale to large-scale.

Report Recommendation #6: The sport event office offer event bidding and evaluation services.

The report recommends that the initial focus of the sport event office should be on the attraction of sporting events to the Niagara region. Ultimately, it is suggested that the services offered could include bid development and submission, a facility inventory, sport tourism impact evaluation and grant writing assistance.

The environmental scan showed the diversity of sporting events that municipalities can host. Existing, as well as new, sport events should be considered, with a focus on events that fit the existing infrastructure in the region. The recommendation is that a portfolio approach should be considered, including small, medium and large-scale events.

The variety of services offered would ultimately be decided by the organization created for this, or the organization that houses this for Niagara and would be subject their governing body's approval.

Alternatives Reviewed

The alternative reviewed is for Niagara Region not to take an active role in sport tourism. In this instance, coordination and funding of bid opportunities for sporting events could be left to the venue staff, local area municipalities and their staff, and/or RTO/DMOs.

Other Pertinent Reports

CAO 20-2018 Brock University Centre for Sport Capacity Project Proposal on Sport Tourism

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This report was prepared in consultation with and reviewed by Kelly Provost.

Appendices

Appendix 1 Towards a “Made in Niagara” Sport Tourism Model: The Case for a Sport Event Office, Julie Stevens, Ph.D., Centre for Sport Capacity, Brock University.