

Events Conventions and Tradeshow

Date	June 17, 2020
To	Priorities and Planning Committee
From	City Planning & Community Development
Service Area	Parks, Recreation & Cultural Services
Item No.	PPC20-10

RECOMMENDATION

The Priorities & Planning Committee recommends that City Council:

1. Approve the Events Conventions and Tradeshow policy outlined in Appendix A and its Event Evaluation framework also outlined in Appendix A.
2. Delegate authority to the City Manager or designate to approve changes to the Events Conventions and Tradeshow policy as may be required from time to time.
3. Delegate authority to the City Manager to approve contributions to major events and to negotiate and approve contribution agreements to host major events in accordance with the Events Conventions and Tradeshow Policy and within the budget approved by Council.
4. Approve in principle an annual investment of \$325,000 to support the attraction of Events Conventions and Tradeshow to Regina. Final approval of the investment referred to above to be confirmed once it has been considered within the context of City Council's 2021 General Operating Budget deliberations, the date of which has yet to be determined.
5. Make the changes to the terms of reference for the Community Investment Grants Reserve as outlined in Appendix C.

6. Instruct the City Solicitor to prepare the necessary bylaw amendments to delegate authority to the City Manager as described in recommendation 3 and amend the Community Investment Grants Reserve as described in recommendation 5.
7. Approve these recommendations at its July 29, 2020 meeting.

ISSUE

Regina's Event, Convention and Tradeshow (ECT) industry is one of the city's most important and fastest growing industries. The city has successfully hosted prominent national and international events. Recent examples include the Juno Awards (2013), the LPGA CP Women's Open (2018) and the NHL Heritage Classic (2019). The ECT industry not only strengthens Regina's competitive advantage, it also enhances the city's brand, providing economic, social and cultural benefits for the community and its residents. EDR has identified this as a key competitive advantage and has declared ECT as a sector due to its impact on short- and long-term growth.

The City of Regina (City) uses a multi-pronged approach to invest in events. While locally grown events, such as festivals and pow wows, are funded through the Community Investment Grants Program (CIGP), the City's participation in bids to host major events are considered by Council on a one-off basis. Bids to host major events can be regional, national or international in scope and are competitive in nature. Nationwide, successfully winning a bid for a major event typically requires participation by municipal and/or provincial governments, non-governmental organizations and private sector participation.

City Council's deliberations regarding participation in major event hosting opportunities are based in part on recommendations presented by the Events, Conventions and Tradeshows Alliance (ECT Alliance). ECT Alliance is a consortium of agencies under the leadership of Economic Development Regina (EDR), including the Regina Hotel Association (RHA), Tourism Saskatchewan, Regina Exhibition Association Ltd (REAL) and the City of Regina.

While this approach has successfully supported the acquisition of several major events that have provided significant impacts to the community, an opportunity exists to improve the process by:

- Establishing a Council-approved policy that affirms the importance of ECT attraction to the vitality of the community.
- Establishing an ongoing source of funds to demonstrate to community stakeholders City Council's commitment to ECT attraction.
- Establishing a transparent decision-making framework for City evaluation of event opportunities to enable stakeholders to secure the right mix of investors and to present competitive bid proposals.
- Establishing a streamlined decision-making process to enable the City and key community stakeholders to respond to competitive bid opportunities.

To enable these outcomes, Administration has engaged members of the ECT Alliance to develop a policy and decision-making framework for Council's consideration.

In normal times, investment in ECT brings tangible benefits to the community. In these uncertain times, the benefit of investing in ECT may be amplified. Multiple ECT opportunities have been cancelled for 2020 leading to significant lost economic benefits to the local economy such as the following:

- Queen City Exhibition - \$8.3 million,
- Farm Progress Show - \$56.6 million,
- 2020 Grey Cup - \$68 million.

ECT attraction has been identified by EDR and its partners as a key component of the community's post pandemic economic recovery strategy.

IMPACTS

Financial Impact

There is no incremental cost added to the 2021 General Operating Budget as result of the recommendations in this report. During the formulation of the 2020 General Operating Budget, Administration included expenditures related to providing support for the 2020 Grey Cup. Some of these one-time expenditures were funded by ongoing corporate revenue. This was done intentionally so that this funding would be available for reallocation in 2021 to address other financial barriers encountered by community organizations. The total available for reallocation is \$425,000.

\$100,000 will be directed to a new funding envelope under the umbrella of the City's Community Investment Grants Program (CIGP) which will be designated to support the cost of City services for non-profit organizations experiencing financial need. This has been identified as a need by community organizations through recent consultations. It was also confirmed when Administration engaged community associations in 2019 in an effort to identify barriers to their work. These initiatives can range from a cultural or sporting special event to a community cleanup project. The framework for this new grant program is currently under development. Further details will be provided in a separate report to Committee and Council in March 2021.

The remaining \$325,000 available for reallocation in the 2021 General Operating Budget is the subject of this report.

Notwithstanding the information above, the COVID-19 pandemic has resulted in federal, provincial and local governments nationwide enacting emergency measures to support the pandemic response. It is not possible at this time to reliably estimate the length and severity of these developments and the impact they may have on 2021 operating budget deliberations.

Policy/Strategic Impact

Strengthen the Artistic and Cultural Community

ECT can build community through partnerships & collaboration; improve awareness and access to the arts and cultural resources; support growth of cultural industries or supports artists and the arts. (OCP 10.1, 10.2, 10.12, 10.14, 10.15, 10.16)

Embrace Cultural Diversity

Hosting ECT can strengthen the Indigenous community's cultural presence in Regina; ensure resources support Regina's immigrant history; address the needs of newcomers; or promote intercultural relations. (OCP 10.12, 10.13, 10.14, 13.21, 13.22)

Facilitate Opportunities for Social Inclusion

Hosting ECT can contribute to civic pride and foster a sense of collective cultural or civic identity. (OCP 13.1, 13.2, 13.4, 13.18)

Support Local Groups

Hosting ECT can support local community-based organization(s) build internal capacity related to its mandate - for example, through leadership training and skill development; volunteer recruitment & development; or legacy projects. (OCP 10.1, 10.14, 13.4)

Facilitate Participant/Spectator Experiences at Sport/Culture Events

ECT provides citizens with an opportunity to experience creative, recreation and athletic activities resulting in personal development, health and well being, learning and education, enjoyment, entertainment and diversion. (OCP 9.6)

Foster Economic Prosperity

Fostering economic prosperity is a community goal identified in *Design Regina – The Official Community Plan Bylaw 2013-48* (OCP). Supporting a vibrant and diverse economy provides opportunities for residents to prosper and Regina to flourish. (OCP 12.5)

The 2020 COVID-19 pandemic crisis has had a significant negative effect on the local economy. The industries that benefit from hosting events, conventions and tradeshow are an important part of the local economy. Strengthening City support for ECT attraction can play an important role in the overall economic recovery strategy for the community at large.

OTHER OPTIONS

Option 1 - Partial Delegation of Authority

The recommended option envisions delegation of authority to the City Manager for all investment decisions that fit within the funding envelope of the ECT attraction program.

An alternative would be to delegate authority to the City Manager or designate up to a threshold of up to \$100,000 per event investment opportunity. Any single investment opportunity over this amount would be brought to Committee and Council for deliberation. A

summary of recent ECT attraction opportunities (see Appendix D) suggests that most ECT investments would likely fit under the \$100,000 threshold. This would preserve the Administration's ability to provide a nimble response to most competitive ECT attraction opportunities.

Option 2 - Status Quo

Council may choose to continue considering events on a one-off basis. Under this option, an operating budget for ECT attraction is not established. The funding source for any investment opportunities will continue to be a withdrawal from an available reserve or adding the cost of the investment as a one-time expenditure during formulation of the following year's budget. If Council were to choose this option, Administration would recommend the policy and decision-making framework be adopted to provide a transparent decision-making framework for evaluation of opportunities.

Although events are often secured years in advance of the decision to invest, there are times when event attraction opportunities arise that require a rapid response. To date, the City has been successful in accommodating these tight timelines. However, under the status quo there is a risk that a future opportunity could require too quick a turnaround from the identification of an opportunity to the confirmation of an investment in that opportunity.

COMMUNICATIONS

If approved by Council, a communications strategy will be developed by Administration to support successful implementation and promotion of the policy.

DISCUSSION

Importance of the ECT Sector to the Community

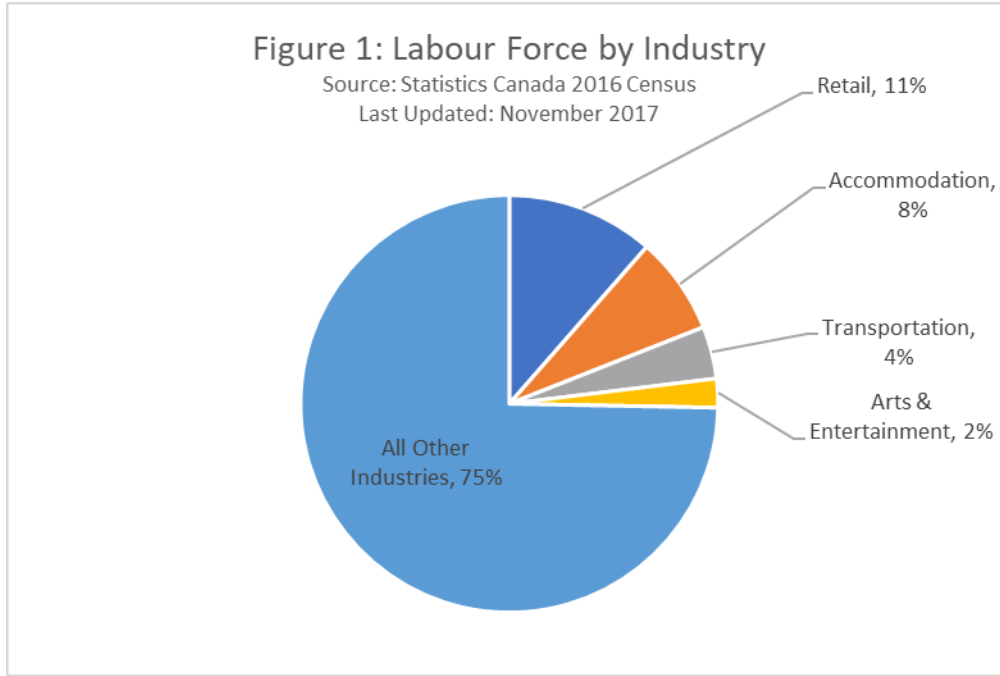
ECT are important drivers of the of the local, provincial and national economy, contributing to trade and investment outcomes, innovation, job creation and tourist visitation. Hosting ECT events contributes to a community's economic prosperity by:

- boosting the visitor economy through domestic and international visitation (such as transport, hotels, retail and restaurants),
- facilitating small business growth by connecting buyers and sellers,
- enabling knowledge sharing leading to innovation and business collaboration (both locally and globally), and
- providing a platform for international trade and investment.

Attracting ECT to Regina also plays a significant role in supporting the City's Official Community Plan vision to be "Canada's most vibrant, inclusive, attractive, sustainable community, where people live in harmony and thrive in opportunity" by building the community's reputation as a destination of choice and an attractive place to visit, live, work & play.

A. Economic Impact

Strengthening the city's visitor and ECT economy is one component of building a diversified local economy. Currently, 25 per cent of the local labour force is engaged in an industry that is impacted by the visitor and ECT economy as is illustrated in Figure 1 below.



To further illustrate the importance of ECT to the local economy, EDR's research indicates that there are 331 businesses in Regina's broader ECT sector employing 8,000 workers. This activity accounts for \$300 million or 2.1 per cent of the regional economy (GDP).

ECT results in increased spending throughout the city and the creation of jobs that support the events and experiences that draw visitors to the community. For example, during the week of the NHL Heritage Classic in November 2019, two thirds of businesses surveyed in the Downtown and Warehouse districts saw increases in sales of 10 to 75 percent.

With respect to the 2019 Garth Brooks concerts, a post-event economic assessment (see Appendix B) reveals that the combined spending of out-of-town participants, crew, spectators and other people who visited Regina for the event, in combination with the expenditures made by the organizers of the event, totaled \$13.2 million. This investment in turn supported over \$18.7 million in total economic activity in Saskatchewan, including \$16.3 million of total economic activity in the Regina area. These expenditures supported \$6.0 million in wages and salaries in the province through the support of 88 jobs, of which 73 jobs and \$5.0 million in wages and salaries were supported locally.

The strength of Regina's attractions and amenities such as Mosaic Stadium and the International Trade Centre, provides the foundation for building a diversified local economy. Tourism Saskatchewan's Destination Development Strategy notes that if the province were

to grow its visitation and expenditures by 3 per cent per annum through to 2030, it would mean an almost 50 per cent increase in real expenditures and jobs.

B. Social and Cultural Impacts

ECT also produces social and cultural benefits for the community that are in alignment with the Recreation Master Plan and Regina Cultural Plan.

- Sport events promote the values of sport and healthy living.
- Hosting major cultural and sport events also drives community pride and sustains improved services and infrastructure in the region by providing access to national and international events in the community.
- Major cultural events often provide Regina's creative sector with collaborative opportunities, professional development opportunities, employment opportunities and opportunities to expose local artists to national or international markets.
- Event hosting strengthens community networks. This includes communities that evolve within the city to put on the event as well as new communities that are formed by bringing together local and regional artists, fans, audiences, businesses and industry delegates.
- Event hosting can activate public and cultural spaces such as event centres, plazas and performing arts venues.
- Exposing children and youth to major sporting or cultural events can serve to inspire their physical, social creative, intellectual and spiritual pursuits.
- Direct and/or indirect participation in ECT often provides the opportunity to experience social environments which promotes a sense of inclusion and can result in increased self-confidence and self-worth for the individual.
- Hosting ECT hosting can also provide opportunities to answer the Truth and Reconciliation Commission of Canada's (TRC) Calls to Action.

Regina's hosting of the 2014 North American Indigenous Games (NAIG) is an example that helps illustrate many of the above impacts. TRC Call to Action number 88 reads, in part, "We call upon all levels of government to take action to ensure long-term Aboriginal athlete development and growth, and continued support for the North American Indigenous Games ..."

Praxis Consulting was engaged by the North American Indigenous Games Council to conduct an evaluation of the impact of the 2014 NAIG on participants and team volunteers. Two of the findings documented by Praxis are as follows:

- "A majority of participants felt that experiencing NAIG gave them more confidence, pride in being Aboriginal, and more influence in their home communities. Many from smaller communities noted how the entire community would closely follow their success and younger kids would be looking up to them as role models. Young girls were also identified as having a more positive perception of themselves and their abilities as they competed alongside male competitors in some sports."

- “Respondents also indicated that participation in sport positively impacted the way they make life choices. Many participants stated that friends who don’t participate in sport in their home communities ate unhealthier, did not engage in daily physical activity, and engaged in negative social behaviour such as underage drinking, drug use, and not attending school. Participants felt that being engaged and busy in sport prevented them from engaging in this type of detrimental social behaviour.”

This research confirms that there can be concrete social and cultural benefits of hosting ECT when they are aligned with City priorities.

How the City Currently Supports the ECT Sector

A. The Community Investment Grants Program (CIGP)

Investments in grassroots community events are made through the various streams within the CIGP, which is summarized below:

- Events organized by local not-for-profit agencies, such as festivals and pow wows, are funded through the Social Development, Sport and Recreation, and Cultural Development streams within the Community Investment Grants Program (CIGP);
- Provincial, regional and national sporting events are funded through the hosting program, a designated envelope of funding within the Sport & Recreation Stream of the CIGP; and
- One-time and first-time events that celebrate, preserve and enhance Regina’s identity by commemorating notable people, places and events, symbols and significant anniversaries and/or promote the values of citizenship and identity on nationally recognized holidays are funded through the Executive Committee Grants for Special events.

In 2019, community groups invested \$1.5 million in grassroots events, \$355,000 of which was provided by the City through the CIGP. These events generated the following benefits:

- Provided 394,600 residents/visitors with an opportunity to experience creative, recreation and athletic activities resulting in personal development, health and wellbeing, learning and education, enjoyment, entertainment and diversion (OCP 9.6 & 10.16)
- Activated 3,700 volunteers (OCP 10.16)
- Engaged 1,800 cultural sector workers and 900 performers (OCP 10.14, 10.15)

B. Financial Support Of Bids To Host Major Events

Opportunities for the City to participate in bids to host major sport and cultural events are considered directly by Council on an ad hoc basis. Administration provides a report to Council regarding the opportunity. This report typically includes the financial ask of the City, a list of other potential funders, the estimated benefits of hosting the event in Regina and the results of the ECT Alliance’s evaluation of the opportunity. Council then debates the

merits of investing in the major event opportunity. While this debate is supported by the information contained in the Administration report, there is an absence of an underlying policy framework to support these discussions.

In addition, there is an absence of a dedicated funding source for each potential investment opportunity. Depending on the timing for submitting a bid to host an event, the funding is either drawn from the General Fund Reserve or the identification of the funding source is referred to the next fiscal year's budget cycle.

The Opportunity

Consultation with ECT stakeholders and feedback from members of Council has revealed a need for the City to strengthen its decision-making framework and to streamline its process regarding the City's participation in bids to host major events. These consultations have revealed the following limitations of the current process:

- The **lack of a dedicated funding source** creates uncertainty for the City's bid partners and does not allow these agencies to proactively pursue those events that bring the greatest social, cultural and economic return to the community;
- To date, the **scope of major events considered has been narrow**. There have been calls for the City to broaden its consideration to include conventions and trade shows, which have been proven to be a key component of the sector;
- Opportunities to submit a bid on a major event are often subject to **tight timelines**. The amount of time available for completing and submitting a bid proposal can be very short. In addition, only City Council has the authority to approve financial support for a bid to host a major event. City Council decisions must be made in public. Often, bids for major events are competitive in nature. Committing to the public record, the amount of the bid the community plans to put forward, creates an opportunity for other cities to buy the event out from under the local bid proponent's feet.
- Feedback from bid partners indicates a desire to better understand the types of events the City believes are in alignment with the City's guiding documents such as the OCP and the Regina Cultural Plan
- Feedback received from Councillors, indicates a desire to understand the evaluation and analysis that has led to the recommendation that City Council invest in a major event opportunity.

In addition, the 2020 COVID-19 pandemic crisis has had a significant negative effect on the local economy.

- As stated in an April 9, 2020 Leader Post news story, "Seasonally adjusted data released by Statistics Canada Early in April 2020 showed that 20,900 fewer people were working in Saskatchewan in March 2020, compared to February 2020. On a year-on-year basis, employment was down 19,300 in March 2020 compared to March of last year. As expected, service positions bore the brunt of the damage last month in Saskatchewan. There were 7,200 fewer people employed in

accommodation and food services compared to February. The year-on-year drop was 6,800. The full scale of the damage might not be known for weeks or months to come.”

- Per an analysis undertaken by REAL, in 2017 the Queen City Exhibition added \$8.3M to the Regina economy and created or maintained 178 local jobs. The Farm Progress show added \$56.6M to the Regina economy and created or maintained 555 local jobs. Both of these events have been cancelled for 2020 due to COVID-19
- Per information compiled by EDR, the cancellation of smaller events such as the 2020 National Aboriginal Hockey Championships and conventions such as the 2020 Western Canadian Wheat Growers Convention have resulted in a loss of \$7.8 million to the local economy
- The 2020 Grey Cup was successfully attracted to Regina. An economic analysis of the 2013 Grey Cup which was also held in Regina identified the following benefits to the community:
 - Total attendance for the four days of Grey Cup Festival leading up to the game and the Grey Cup game itself of 285,000, 107,200 were unique individual attendees, 35 per cent of which were from outside Regina.
 - An economic impact of \$68 million in Regina with an additional \$25 million spread across the rest of the province.
 - The equivalent of 400 full-year jobs and \$21 million in wages was generated by the festival and the game itself.
 - The city was to also benefit from a Grey Cup 2020 legacy project, the details of which were still to be determined.

The industries that benefit from hosting events, conventions and tradeshow are an important part of the local economy. Strengthening City support for ECT attraction can play an important role in the overall economic recovery strategy for the community at large.

As a result, Administration has worked with its ECT Alliance partners – including EDR, REAL and RHA – to develop a model for consideration by Council.

- Establishing a Council-approved policy that affirms the importance of ECT attraction to the vitality of the community.
- Establishing an ongoing source of funds for City investment in ECT attraction demonstrates to community stakeholders City Council's commitment to ECT attraction.
- Establishing a transparent decision-making framework for City evaluation of event opportunities enables stakeholders to secure the right mix of investors and to present competitive bid proposals; and
- Establishing a streamlined decision-making process enables the City and community stakeholders to respond to competitive bid opportunities in a timely manner.

In order to achieve these outcomes, the Events Conventions and Tradeshow Policy per Appendix A recommends:

- Council endorsement of the importance of investing in ECT;

- Council endorsement of the event evaluation matrix and its alignment with City goals as outlined in the Official Community Plan, Recreation Master Plan and the Regina Cultural Plan;
- As part of the 2021 General Operating Budget, establish a new, ongoing, operating budget of \$325,000 to fund the City's financial participation in bids to host major events in Regina. Any unspent funds at the end of the year are to be allocated to a newly created ECT attraction pool of the Regina Grants Reserve with a proposed maximum balance of \$500,000 which is slightly less than one and a half times the annual ECT attraction program's operating budget;
- Delegation of authority to the City Manager to approve investments in opportunities to host major events with an annual report to Council documenting the events held and their benefits to the community. It should be noted that regardless of this delegation of authority to the City Manager, investment opportunities that exceed the funding available to the ECT attraction program would still be brought to City Council for deliberation. For example, a request of the magnitude of the \$1 million in City support for securing the 2020 Grey Cup would still be brought to City Council for a decision;
- Notwithstanding the annual report referred to above, Council will be apprised of any events in which the City is participating during the year to ensure proper Council representation at each event.

DECISION HISTORY

The recommendations contained in this report require City Council approval.

Respectfully submitted,



Laurie Shanley, Director, Parks, Recreation & Cultural Services

Respectfully submitted,



6/11/2020

Diana Hawryluk, Executive Director, City Planning & Community Dev.

6/11/2020

Prepared by: Jeff May, Manager, Sport Facilities & Special Events

ATTACHMENTS

Appendix A - Events Conventions and Tradeshow (ECT) Policy

Appendix B - Post Event Economic Impact Assessment_Garth Brooks 2019

Appendix C - Recommend Amendments to the Admin Bylaw

Appendix D - Recent ECT Investments - City Cont and EI