

## **2023 ALBERTA SUMMER GAMES ECONOMIC IMPACT REPORT**

### **Issue**

The 2023 Alberta Summer Games Economic Impact Report is provided to Council for information.

### **Motion Proposed by Administration**

That the 2023 Alberta Summer Games Economic Impact Report be accepted as presented.

### **Report, Analysis and Financial Implications**

The Town of Okotoks (Town), in partnership with Black Diamond (Diamond Valley), started the Alberta Summer Games (ASG) journey in June 2019 with the submission of an application to host the 2022 ASG. Unfortunately, with the COVID pandemic, the announcement that the Town and Diamond Valley were selected as the host communities was delayed until August 2021. Once the host communities were announced, along with the decision that the ASG would be pushed back to 2023, the planning started in earnest.

In July 2023, the Town and Diamond Valley welcomed over 2,600 athletes, coaches, and officials from around the province for three (3) days of sports competition at the 2023 ASG. These games, originally scheduled for July 2022, were the first opportunity for most of the qualifying athletes aged 12 to 17 years to compete in a major, multi-sport event post COVID.

The Government of Alberta's (GOA) financial commitment to the operating budget of the ASG was a transfer of \$420K to the host committee. Provincial support of \$400K financed the external bussing and athlete attire both of which were sourced directly by the GOA. The Town's approved contribution to the ASG budget was up to \$750K. Two (2) provincial grants, the Community Initiative Program (CIP) were awarded to the 2023 ASG; one was a result of the cancellation of the 2021 Lethbridge ASG due to COVID; the value of each grant was \$75K. Fundraising, donations, grants, ticket sales, and other creative financial supports were facilitated by the ASG Board of Directors and staff. It was critical that additional funds and in-kind support bridged the gap between the provincial and municipal funding and the cost of hosting the games.

The Town boasts some of the best facilities in the region which required minimal upgrades in preparation for the games. The support of the games by the Town extended to providing access, at no charge, to both indoor and outdoor facilities for practices and competition as well as for supporting services such as athlete registration, results, food services, and social activities.

The Town, Foothills and Christ the Redeemer School Divisions worked together to ensure the outdoor facilities, including soccer, football, ball diamonds, etc., were ready for the three (3) days of competition. The school divisions supported the games through the provision of facilities for sports and classrooms for set up as dormitories for over 2,000 athletes, coaches, chaperones, etc. Other ASG facility partners included Seaman Stadium for the opening ceremonies, Tourmaline Field for baseball, the lake at Crystal Shores Beach House for kayaking/canoeing, and Okotoks On Deck for softball.

Sports legacy projects were developed in both the Town and Diamond Valley. Four (4) beach volleyball courts were constructed in Town in 2022. This ASG legacy project provided the community with its first beach volleyball courts, which are located at Bill Robertson Park. Diamond Valley constructed a mountain bike course, which was a first for this type of facility in the region; completed in the spring of 2023.

### Hosting Challenges

Provincial funding for the ASG has changed little over the past decade. Research has indicated that the 2012 ASG, hosted in Lethbridge, received a total of \$420K. This was the same amount that was received by the 2023 ASG host committee. If inflation at 2% per year, on average, is taken into consideration that \$420K would need to be \$525K in 2023 to have the same purchasing power.

The current ASG funding model relies on a substantial amount of local fundraising and gifts in kind to meet the needs of this multi sport event as well as significant contributions by the host communities. Coming out of COVID was a very difficult time to raise funds through donations and gifts in kind. Business owners were focused on recovery. It was not until the second quarter of 2023 that local businesses began to feel comfortable contributing products and services as well as monetary donations to support the 2023 ASG.

The agreement to host the ASG required municipalities to provide sports facilities for use before and during the three (3) days of sports competition at no charge. The value of the facilities used by the ASG totaled over \$50K, this did not include the cost of municipal staff who continued to operate them. This commitment was a challenge as pass holders, drop in users, and seasonal programs could not access the recreation facilities for at least the duration of the games. The lost revenue during this time was approximately \$15K.

Having sufficient shower facilities to meet the needs of approximately 2,000 athletes and coaches was a challenge. Few elementary schools have showers built into their facilities, junior high and high schools have a limited amount but certainly not sufficient quantities to meet the needs of the large volume of athletes competing. Portable shower trailers were brought in and set up in the parking lot of the Okotoks Recreation Centre (ORC) and were available during the day and into the evening for use by the athletes. The Town's Water Services team were able to provide fresh water to the showers from nearby fire hydrants and manage wastewater removal appropriately.

Athletes, coaches, and officials were provided three (3) meals per day as well as snacks and drinks to take away. The food service centre was located in the curling rink at the ORC and with at least six thousand meals generated in this facility, the volume of waste was significant. While teams of volunteers were assigned to this area, it was a challenge staying on top of managing the waste, both inside and outside of the food services. Waste Services, the Sustainability team, and ORC staff did their best to provide support to the ASG team.

The challenge for Okotoks capitalizing on visitor spending are the number of hotels in Okotoks. Generally, visitors eat where they sleep; the hotels were at capacity as ASG VIP's, officials, etc., booked many of the available rooms. All campgrounds in the region were full during the games. Administration was advised by the Lion's Campground operator that they worked collaboratively with all other operators to ensure local campsites were fully utilized. In addition, ASG Chair Sandi Kennedy worked with Administration to set up a campground as an overflow location where fully contained campers and trailers could stage in close proximity to Okotoks. This site was able to accommodate almost 50 recreation vehicles.

### Hosting Benefits

Economic impact (EI) assessments measure the positive change in economic activity resulting from hosting an event. There are three (3) factors:

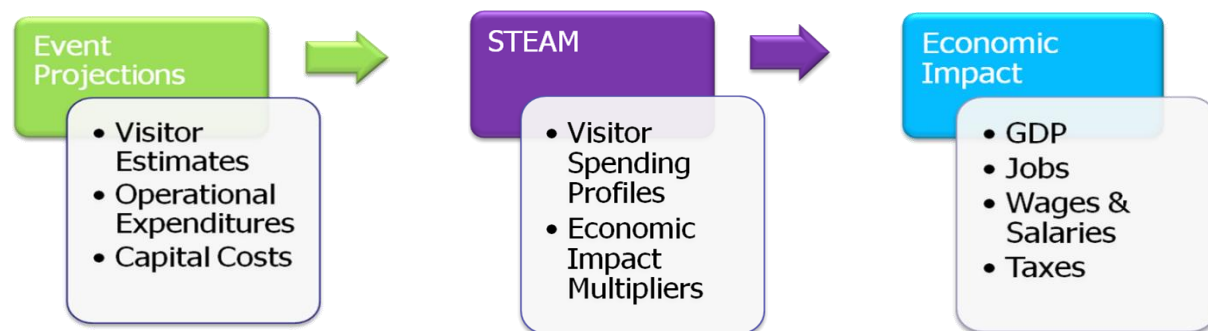
- spending of out-of-town visitors while they attend the event;
- expenditure of the event organizers in producing the event; and
- capital construction costs that are directly attributed to hosting the event.

An EI assessment calculates the amount of new money spent in host communities as a direct result of hosting an event; as well as the impact these new monies have on the regional, provincial, and national economy as a whole.

### How is Economic Impact Measured?

The Canadian Sport Tourism Alliance (CSTA) developed the Sport Tourism Economic Assessment Model (STEAM) to predict, collect, measure, and analyze data. The STEAM model is designed to determine the expected economic impact of an event.

STEAM structure:



Administration used the data built into the STEAM model, combined with the estimates in the tables below, and estimated operating and capital budgets, to generate the economic outputs in the following charts.

#### 2023 Alberta Summer Games Participant/Spectator/Media/VIP Estimates

	<b>Participants: Athletes, Coaches, etc.</b>	<b>Out of Town Spectators</b>	<b>Media/VIP</b>
<b>People</b>	2,655	6,000	227
<b>% staying overnight</b>	95%	25% - Okotoks 75% - Region	25%
<b>Average number of nights</b>	3	3	3

The out of town spectator statistic is a conservative estimate of actual numbers that attended the many components of the ASG including the sold out opening ceremonies, to the 14 sports scheduled throughout the community, to the many events that were scheduled such as Taste of Okotoks, Thursday Nights at the Plaza featuring the Elton John Tribute band, as well as indigenous engagement activities on Friday and Saturday.

The Taste of Okotoks event's footprint was extended in anticipation of increased attendance. Actual attendance numbers for events is generally difficult to estimate. However, the success of an event such as Taste of Okotoks can be measured by ticket sales year over year. Totals for Taste of Okotoks ticket sales in 2023 were \$34,625 compared to \$19,301 in 2022, this was an increase of \$15,324 (79%).

<b>Operating Budget Estimates</b>	<b>Capital Budget Estimates</b>
\$2,302,000 Includes: <ul style="list-style-type: none"> <li>• Salaries;</li> <li>• Food and Beverages;</li> <li>• Advertising Services;</li> <li>• Transportation;</li> <li>• Office Rent and supplies;</li> <li>• Accommodation.</li> </ul>	\$150,000.00 Includes: <ul style="list-style-type: none"> <li>• Construction of Beach Volleyball Courts;</li> <li>• Field Preparation.</li> </ul>

## 2023 ASG Estimated Visitor Spending

(Source: Canadian Sports Tourism (CST) STEAM)

Category		Estimated Visitor Spending	
Accommodations and Food Services		\$1,025,510	
Recreation / Entertainment		\$428,142	
Retail / Shopping		\$226,700	
TOTAL		\$1,680,352	
<u>Key Facts and Figures</u>  *Source CST STEAM	2882 Number of registered athletes, coaches, support staff, media & VIP's in attendance at the ASG	7621 Number of sport competition passes Sold: Weekend passes 4551 Daily passes 3070	14* Local jobs estimated to be supported, in part, by the event
\$1,199,662* Estimated visitor spending impact during the event	\$1,022,344* Wages / salaries estimated to directly support local jobs	\$2,142,510* Estimated boost to the Town's gross domestic product (GDP)  \$3,640,056* Estimated boost to provincial GDP	\$1,000,000* Estimated event services and products locally/regionally sourced

## Alberta Summer Games Legacy Projects

The Town's ASG sport legacy project was completed in 2022. Four (4) beach volleyball courts located at Bill Robertson Park cost the municipality approximately \$100,000. The contribution from Diamond Valley was the construction of their community's ASG legacy project, the mountain bike course, which was completed in the spring of 2023.

A legacy art project captured the essence of what was envisioned for the 2023 ASG. It reflects the excitement, commitment, and dedication by the athletes. The artist, Scott Clark's vision "Go the Distance", marries colour and youthfulness while incorporating the "Rock the Games" theme. This artwork has been installed at the ORC, with the ORC piano integrated into the project. A print of the ASG project was presented to the Diamond Valley Council.



### Fundraising Goals and Budgets

While the ASG were a great success, the challenges coming out of COVID were apparent. From slower than anticipated fundraising events to increased costs and shortfalls in volunteers. The ASG Board of Directors and staff had to work hard to overcome many obstacles. However, sponsors came forward providing support services, discounts as well as monetary donations. This resulted in a positive budget of over \$500K, \$200K of which was returned to the Town.

### **Strategic Plan Goals**

<input type="checkbox"/>	Responsibly Managed Growth
<input checked="" type="checkbox"/>	Strong Local Economy
<input checked="" type="checkbox"/>	Organizational Excellence

<input type="checkbox"/>	Demonstrated Environmental Leadership
<input checked="" type="checkbox"/>	Enhanced Culture & Community Health

### **Equity/Diversity/Inclusivity Impacts and Strategy**

Administration worked with the ASG Board of Directors to ensure the needs of all participants registered to compete in the games were addressed. Para-athletes participated in swimming as well as athletics. Gender also played a role in some of the sports competitions requiring adjustments in overnight athlete accommodation. Indigenous interactive activities and performances were scheduled throughout the games including at the opening and closing events.

### **Environmental Impacts**

Administration worked with the ASG Board of Directors to provide training and orientation for the waste management volunteers. While processes were in place, there were challenges particularly at the ORC due to the large volume of waste and the low number of volunteers assigned to this area.

### **Governing Policies/Bylaws/Legislation or Agreements**

n/a

## **Public Participation Strategy**

n/a

## **Alternatives for Consideration**

n/a

## **CAO Comments**

This report highlights the resounding success of the 2023 Alberta Summer Games. Thanks to the Summer Games Board and volunteers for their contributions to a rewarding experience. The return to businesses and the Town highlight the community's and businesses commitment to ensure the success of the Games. This report also highlights the challenges with the current funding models and how the impact to municipal budgets may prevent many from participating in the future and the need for a provincial review.

## **Attachment(s)**

n/a

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