

**Report from** Parks, Recreation and Culture Services, Business Planning and Strategic Services; and  
Economic Development and Government Relations

**Date of Report:** January 12, 2018

**Date of Meeting:** January 22, 2018

**Report Number:** PRCS/EDGR-B001-2018 **File:** 68.32.99 and 68.45.99

**Subject:** Partnership Investment Request – 2020 Brier Championship Bid

## Recommendation

That the Budget Standing Committee (BSC) approve the St. Catharines Golf and Country Club's (Host Committee) request for financial support in the amount of \$225,000 (\$50,000 in 2018; \$87,500 in each 2019 and 2020) for a grant to Curling Canada to offset operating expenses of the event, to be funded from the Civic Project Fund; and

That any net profit realized on this event by the Meridian Centre be directed back into the Meridian Centre Event Fund Reserve for future bidding of events. FORTHWITH

## Background

Staff received correspondence from the Host Committee via email on December 14, 2017 in response to the November 29<sup>th</sup>, 2017 Budget Standing Committee (BSC) meeting (Appendix 1).

At its meeting on [November 29<sup>th</sup>, 2017](#), the BSC approved the following motion:

"That the Budget Standing Committee refer the request regarding the Partnership Investment Request - 2020 Brier Championship Bid back to staff for more information about revenue sharing, and what contributions are coming from the St. Catharines Golf and Country Club to the event."

At its meeting on [November 27<sup>th</sup>, 2017](#) City Council approved the following motion:

"That Council endorse the St. Catharines Golf and Country Club's (The Club) bid application, developed with a Bid Committee, to host the Curling Canada's 2020 Brier Championship (The Brier); and

That Council direct staff to work with The Club on the bid; and

That Council approve The Club's request for financial support in the amount of \$202,660 for the bid application through the City waived fees association with the 2020 Brier Championships; and

That Council refer The Club's request for financial support in the amount of \$225,000 (\$75,000 in each 2018, 2019 and 2020) for event marketing and promotion associated with the 2020 Brier Championships to the Budget Standing Committee; and

That a member of Economic Development and/or Parks, Recreation and Culture Services staff be appointed to the organizing committee; and

Further, that staff be directed to prepare a report for the Budget Standing Committee as soon as possible that shows all costs, including relocating teams / events, and potential sources for the funds. FORTHWITH"

This report responds to the BSC motion of November 29, 2017.

## **Report**

The Host Committee is seeking financial support from the City of St. Catharines to submit a bid for the 2020 Brier Championship. The Brier is regarded as the world's premier curling event and by far the best supported curling competition in terms of paid attendance and attracting large crowds in –venue and television audience. The event is supported through the efforts of on average 500 volunteers. The statistical data from the Canadian Sport Tourism Alliance (STEAM model) indicates the economic assessment varies on location at a minimum of \$11M to an upper limit estimate of \$15M. The visitor expenditures, combined with the operational expenditures and revenues of the host committee, members of the media, and others contribute to a net increase in economic activity throughout the host community.

## **The host committee contributes to the event, community and provides opportunities for future champions**

The Host Committee is the local lead and provides 400+ volunteers and countless hours of donated time to the organization and operation of successful championship bids. If the bid is successful, The Brier would be the fourth national curling championship organized by the Host Committee (2001 & 2007 Canadian Junior Curling Championships; 2017 Scotties Tournament of Hearts; 2020 Brier Championship).

The Host Committee and Curling Canada has identified the requirement to continue to further the sport in the community and ensure that programs and opportunities are provided for all to participate. Any funds realized by the Host Committee are directed by Curling Canada to be available to grow and develop the sport through curling clubs. The funds must be used for curling development – lessons, programs, clinics and

competitions to grow the game. The funds are not to be earmarked for other uses or placed into a holding fund for future curling bids. Curling Canada's direction and mandate is that funds realized are put back into the sport, and specifically junior curling – to build future opportunities for homegrown champions.

Through the successful hosting of the 2017 Scotties Tournament of Hearts, funds realized provided The St. Catharines Golf and Country Club with the opportunity to hire a Curling Manager/Instructor. This new position has afforded the proper resources be allocated to develop new Learn to Curl programs for club and non-club members, provide sport specific development programs and allow coaching and competitive programs for junior curlers.

Further information can be found in the Host Committee response (Appendix 1).

### **Curling Canada serves as the event operator and provides direction on budget and revenue sharing opportunities**

The current event design and operation has not provided the host city additional revenue sharing opportunities. The financial support that is provided by municipality, region, and Provincial government are provided to Curling Canada to assist in the operation of the event. Curling Canada serves as the event operator, with full control on event budget expenses and assumes all liabilities in operating the event. There is no direct revenue sharing but the City is also not liable for any losses. Staff will continue to explore and propose new revenue sharing formats to the governing bodies and organizers on this and other like events.

### **Meridian Centre net profits directed into the Event Fund Reserve**

On [February 1, 2017](#), the Budget Standing Committee approved the creation of a Meridian Centre Capital Reserve, as well as an Event Fund Reserve. The Meridian Centre Capital Reserve would be used to fund capital replacement and upgrades, including capital for new events. It would be funded by positive year end results in relation to annual net expenditure budget. The Meridian Centre Event Fund Reserve would be used to fund events held at the facility that have a significant benefit to the community and that have revenue generating potential.

It is recommended that any net profit realized on this event by the Meridian Centre be directed back into the Meridian Centre Event Fund Reserve for future support of events. The Meridian Centre was successful during the hosting of the 2017 Scotties Tournament of Hearts with total spectators of 60,000 plus. The hosting of the Brier expects between 75,000 and 100,000 during the ten days of the championship.

## City's financial contribution for City events of significance

Signature Sport Event	Fee Waiver	Capital	Operating
<a href="#">2021 Canada Summer Games</a>	\$303,024	\$1,081,000 (facility improvements)  \$192,500 (capital equipment)	\$0
<a href="#">2018 FIBA U18 Americas Championship</a>	\$64,200	\$40,000	\$0
<a href="#">2017 Scotties Tournament of Hearts</a>	\$140,000	\$0	\$0
2016 IIHF U18 Womens Hockey <a href="#">January 13, 2014</a> <a href="#">September 14, 2015</a> <a href="#">December 14, 2015</a>	\$35,250 (approx.)	\$0	\$0
2015 Pan/Parapan Am Games	\$0	\$365,200	\$5000

## Financial Implications

The City of St. Catharines will be asked to support the Brier Championships by providing the necessary infrastructure, through the requested waived fees, and municipal supports, through a staff liaison, both required to ensure that the event is a success.

## Total Estimated Partnership / Fee Waiver

Request	Amount
First Ontario Performing Arts Centre approximate costs associated with use of facility for VIP Mayor's Reception, Curling Canada Meeting hosting opportunities.	\$4,260*
Meridian Centre approximate costs associated with 6 days load in/out and 10 event days.	\$198,400*
City grant to Curling Canada to offset operating expenses of the event	\$225,000
<b>Total Estimated Partnership/Fee Waiver</b>	<b>\$427,660</b>

\*2017 Rates – would be adjusted to 2020 rates once determined

Staff recommend financial support in the amount of \$225,000 per the host committee request with an annual allocation from the Civic Project Fund;

Year	Amount
2018	\$50, 000
2019	\$87, 500
2020	\$87, 500

Staff recommend that the Host Committee's financial request of the City in the amount of \$50,000 - \$100,000 to support a Brier Patch and Street Festival be considered once the scope of work and cost estimates for this portion of the event are confirmed; for this reason there is no further funding request included as a recommendation within the report pertaining to a Brier Patch and Street Festival.

## Relationship to Strategic Plan

If the bid is successful, the 2020 Brier supports many of Council's Strategic Plan Goals' including the development of partnerships to enhance the economic vitality of the community, connecting people, places and neighbourhoods, supporting cultural festivals and events that build on civic pride, encouraging local engagements and attracting people to the community.

## Notification

It is in order to notify Mr. Doug Geddie, Mr. John F.T. Scott, and Mr. Peter Scott Jr. of the St. Catharines Golf and Country Club.

### Prepared by:

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### Submitted by:

Amy Tomaino, Manager Business Planning and Strategic Services

### Approved by:

Phil Cristi, Director of Parks, Recreation and Culture Services

Brian York, Director of Economic Development and Government Relations

## **Comments on the Report to Budget Standing Committee from St Catharines Golf & Country Club, the Host Committee**

We are asking the City of St. Catharines to join us in preparing a bid to bring the Brier, the men's national curling championship, to St. Catharines in March, 2020. This two-week event will bring thousands of people to the City and will produce a substantial economic impact for the host city of \$12,000,000 to \$15,000,000.

### **The Challenges**

In considering a Brier bid, we identified two significant problems that occurred during the Scotties that must be resolved to create a bid worthy of Curling Canada's consideration:

1. Support Funding – of \$1,000,000 plus
2. Location for a Brier Patch – the entertainment venue that accompanies the playing competition

### **Support Funding**

The support funding is grants to Curling Canada to be used to offset the operation costs of the event. We will solicit funds from all levels of government and from the hotel and tourism industry in Niagara. We know from preparation of previous bids and from current conversations with Curling Canada, that the funds required to enter a competitive bid are in excess of \$1,000,000.

### **The Brier Patch**

The accompanying entertainment venue or "Brier Patch" location is a unique problem for a St Catharines bid because we do not have an adjoining conference centre at the Meridian Centre arena. We know from hosting another championship, the Scotties, that the entertainment venue has to be immediately adjacent to the arena.

There is a large parking lot immediately opposite the Rankin Bridge, at 123 St Paul Street and with the City we would like to erect a temporary structure on that parking lot to accommodate a Brier Patch.

We are also hoping to close St Paul Street between William Street and James Street to create a street festival that will involve all the restaurants and pubs in that area. We need the City's support in closing the street and we need the City's financial assistance of \$50,000 to \$100,000 to secure the property, and the building and heating of the Brier Patch structure.

### **What Does the St. Catharines Golf & Country Club Contribute?**

The Golf and Country Club is donating 400+ volunteers and countless hours of donated time to the organization and operation of the championship. This is the fourth national curling championship organized by St. Catharines Golf & Country Club and the opportunity to pursue these events is because of the Club's recognized expertise.

There are some funds realized by the Host Committee, the SCG&CC. Curling Canada makes these funds available to grow and develop the sport through curling clubs. The funds must be used for curling development – for lessons, programs and competitions to grow the game. The funds cannot be earmarked for other uses or placed into a holding fund for future curling bids.

With the funds realized from the Scotties, the Club was able to hire a curling manager/instructor, to develop new Learn-to-Curl programs for non-club members, and to develop coaching and competition programs for junior curlers.

### **Will the Club Direct Dollars Towards a Future Bid Fund?**

No. Curling Canada is specific about the use of funds raised through these championships. The money is to be spent on curling development and programming. They don't want money locked into savings for future unknown expenses.

However, the Club does allocate current operating funds for the preparation of bids such as the Brier bid. The costs of creating a website, logos, promo materials, and some travel expenses are recognized as an investment by the Club in securing a bid.

## Potential Sharing Opportunities

The grants received from the City, Region and Province go to Curling Canada to assist in the operation of the event. Curling Canada is the event operator and controls expenses and assumes all the liabilities in operating the event.

There is no direct revenue sharing but we are also not liable for any losses. Having said that, the biggest winner in the operation of any event like the Brier is the host city, who can realized a substantial economic impact with packed hotels and over-flowing restaurants over a 10 day period in one of the quietest times in the tourism season.

The City does realize profits through the substantial sales of food at the Meridian Centre during the competitions, and we know that parking revenues will receive a boost from the stream of visitors. However the largest benefits will go to those who accommodate and serve the Brier visitors. During the Scotties, total spectators were 60,000 plus. For the Brier we expect between 75,000 and 100,000 during the ten days of the championship.

There is one substantial revenue saving for the City in hosting a national curling championship – free advertising. The host city is identified in all pre-event advertising, in print and in television broadcasts. And during the 75+ hours of the Brier telecast on TSN, all intros and extros to commercial breaks feature scenes around the city. The cost of all that city advertising is priceless. That advertising comes at no expense to the city.

## Summary

1. Waiving of the operating cost of the Meridian Centre for a two week period - \$202,000
2. A grant to Curling Canada to offset operating expenses - \$225,000
3. Assistance in creating and building a Brier Patch and street festival in downtown - \$50,000 - \$100,000
4. If we are not successful in acquiring the 2020 Brier, none of these allocated funds will be spent.
5. The City's support and enthusiasm in hosting this national event.

DJG

12/13/17