

Options for consideration on the Sherwood Park Event Centre:

Option 1

That Administration include an additional \$4.5 million of tax supported funding in the 2023 budget process, equivalent to a 2 percent tax rate increase applicable to the Sherwood Park Event Centre.

Option 2

That the Mayor, on behalf of Council, write to the Crusaders Organization to advise that County is unable to undertake the Sherwood Park Event Centre initiative.

Summary

The proposed Event Centre has links to both the Recreation and Culture Strategy and Tourism Strategy. The Recreation and Culture Strategy outlines the following priorities related to understanding community needs by identifying the need, prioritizing community needs, investigating the feasibility of identified needs and appreciating the investment and effort provided within the recreation and culture community.

This Event Centre would support additional ice in Strathcona County for prime-time winter ice. Ice usage in winter is over 90% capacity which includes prime-time usage in buildings including Monday to Friday 5 p.m. to 8 p.m. and daytime use on the weekends. Daytime ice throughout the week tends to be available. The Centre may also fulfil the request from adult hockey teams/leagues, hockey academies and elite sport organizations who are looking for ice in the region but may not be specifically linked to Strathcona County organizations. It should be noted this Centre would not replace the Sherwood Park Arena and Sports Centre (which includes the Randy Rosen Rink), instead it would add additional ice surfaces within the community. A building condition assessment of the Sherwood Park Arena and Sports Centre will commence in 2022 and a future budget request for infrastructure upgrades will be presented to Council for consideration.

Sports Tourism is expected to rebound coming out of the pandemic in Canada. In 2018, sports tourism was valued at \$6.8 billion dollars annually in Canada according to Sports Tourism Canada. The economic impact of an arena and event centre facility could be significant to the local economy and assist in bringing in increased revenue for the existing restaurant and hospitality industry. However, analysis of the proposal for sport tourism events that the Event Centre could host may be high, based on the pre-covid number of actual events hosted in Strathcona County. Sport tourism initiatives at a larger scale, such as provincials and nationals, go through a bid process and typically one community does not receive multiple tournaments a year at this level per sport. The need for event and dry surface use such as court sports and tradeshow are currently being fulfilled at Millennium Place and multiple recreation facilities that have dry surface on arena surface or concrete floor curling rinks in off season. In addition,

the concrete surfaces at arenas support lacrosse, spin line and ball hockey. The Event Centre could possibly be competing for groups and organizations to use the facility in the same community. In discussion with other municipalities with similar size facilities partners, some have difficulty booking cultural performances at some venues as there are many technical requirements that were not thought of during the design process as it was sport focused. Strathcona County could work with the Sherwood Park Crusaders on learnings from other recreation and event facilities. If the design is equipped with the correct audiovisual such as sound, video, staging and seating for performances, the Event Centre would be better equipped to bring in cultural events.

The economic benefits presented on January 25 at the Priorities Committee by the Crusaders Arena group appear favourable from an Economic and Tourism perspective. Economic impacts are generally complex and require specialized sport tourism consulting expertise to review direct, indirect, and induced benefits coupled with employment and other expenditure activity into the local economy.

Such a facility could provide opportunity to assist in attracting guests to Sherwood Park and support sport tourism development as identified in the Tourism Strategy. Local hotels have asked the County for support in attracting more team events which generate overnight stays (there are synergies with the hotel room night bookings for this type of facility, but not consistent weekends throughout the year). Supporting our local hotels, accommodation providers and bed and breakfasts is crucial to the long-term viability of our hospitality industry. There is a capacity to increase guest stays to Sherwood Park to improve "heads in beds" for the approximately 1,326 hotel rooms spanning 10 hotels as well as over 200 local restaurants all of which would benefit from tourism expenditures.