

TO: Mayor John Koniar, Foley City Council and Mike Thompson
FROM: Don Staley, Executive Director of Sports City of Foley
DATE: December 8, 2014

RE: Formation of Foley Sports Commission

Summary of Sports Commissions-Research

The research prepared in this report on municipalities with an established sports commission is provided to recommend the expeditious formation of the Foley Sports Commission. The analysis of various sports commissions around the country and in Alabama include both large and small in order to give informational data and comparisons.

The following jurisdictions were used as samples; San Antonio, Jacksonville, Memphis, Tuscaloosa, Huntsville, Mobile, and Orange Beach.

A sports commission is any City or non-City organization characteristically designed to market a city as an attractive destination for amateur and professional sporting events. Historically, local chambers of commerce conducted all marketing activities for a city. Over time, these activities became so specialized that separate chamber divisions or totally independent organizations were formed to handle them. Sports commissions are offshoots of these first marketing activities. These organizations originated in several manners throughout the country. Some were and are still associated with the local convention and visitors bureaus. Others were formed as independent nonprofit organizations (either 501c3, 501c6 or both). Still others are local government agencies. Whatever the case, the primary goal of a sports commission is to capitalize on the economic and public image impacts that sports events can have on cities.

Background

What sports commissions do

Apart from marketing a city as an attractive destination for amateur and professional sports events, a sports commission may also perform the following functions:

- Solicit events
- Bid events
- Stage events
- Partner-promote-and advertise these sports events
- Help event sponsors and groups to find athletic facilities, accommodations and businesses
- Develop a bank of volunteers from which sports event sponsors can draw
- Produce sports events
- Measure and report economic impact of events
- Develop charitable and/or non-charitable sporting events for people of all ages
- Support the development and maintenance of athletic facilities

How sports commissions are organized

The three major forms of sports commissions are:

Independent nonprofit organization (either 501c3, 501c6 or both);
Division of local convention and visitors bureaus; and
Local government agency.

How sports commissions are funded

Some of the main sources of revenue currently being used by the sports commissions include the following:

- Local Governmental funding;
- Local tax on hotel accommodations;
- Government and foundation grants;
- Individual and corporate donations (cash and/or in-kind services);
- A combination of these revenue sources.

Sports commissions in the Southeast

San Antonio, TX

Population: 1,144,646

San Antonio Sports Foundation

Board-22

Type- 501 C3

Jacksonville, FL

Population: 735,617

Jacksonville Sports & Entertainment Board

Board-4

Type- Governmental Agency

Memphis, TN

Population: 650,100

Memphis & Shelby County Sports Authority

Board-8

501 C3

Sports Commissions in Alabama

Huntsville, AL (2)

Population-180,000

Organization- Huntsville Sports Commission & Huntsville CVB

Board-15/12

Type- 501 C3

Mobile, AL

Population-195,000

Organization -Mobile Sports Authority-CVB

Board-10

Type- 501 C3

Gulf Shores/Orange Beach, AL

Population-5,400

Organization-Gulf Shores and Orange Beach Sports Commission-CVB

Board-12

Type-501 C3

Tuscaloosa, AL

Population- 90.000

Organization-Tuscaloosa Tourism and Sports Commission-CVB

Board-8

501 C3

Current Practices in many cities

The following City agencies perform some of the functions of sports commissions, yet they fall short of the needed areas of expertise a sports commission can provide.

- Recreation and Park Department
- CVBs
- City Marketing and Promotions Departments
- Economic Development Departments

Foley Departments

Recreation and Park Department

In most cities this department's mission is to provide and schedule enriching recreational activities, maintain parks and preserve the environment for the well-being of a community.

Foley Welcome Center

The Foley Welcome Center promotes visitors and is responsible for planning and promoting cultural, entertainment, and other events throughout the City.

Economic Development

The Economic Development Department, which includes sports facility development, was instrumental in landing the Blue Collar Destinations partnership. It has a number of mandates designed to grow the City's economy and labor force. The Department continues to work with sports organizations to build new and/or relocate facilities to Foley.

Example of the formation of a Sports Commission-Tuscaloosa

Established in 2007, the Tuscaloosa Sports Foundation (TSF) was a 501c3 nonprofit organization whose mission was to enhance the economic growth, image and quality of life in Tuscaloosa by actively attracting, hosting and supporting amateur athletic events and sports related activities. To achieve this mission, TSF did the following:

- Facilitated and streamlined the process of working with the City of Tuscaloosa by assisting with the coordination of critical City services
- Served as the liaison between the City and sports promoters, organizations, National Governing Bodies (NGBs) and existing sporting events regarding sports and recreational activities that Tuscaloosa could provide
- Worked with the TCVB to organize, fund and bid for regional, national amateur sports.
- Ensured that the appropriate marketing, organizational, administrative and volunteer support systems were in place to enhance the ultimate success of sporting events in Tuscaloosa
- Educated general public on the importance of sports and recreational facilities in Tuscaloosa

TSF believed that it would improve the City's ability to attract sporting events to Tuscaloosa because its focus was exclusively on sports, while the above-mentioned City agencies had multiple and sometimes competing goals. It helped these agencies to coordinate their sports event related services in an effort to make Tuscaloosa a more sports event friendly city. Moreover, TSF operated as a subsidiary 501c3 nonprofit foundation to support charitable sports and fitness programs for youth in the area. A Board of Directors governed TSF and its foundation. TSF offered internships and volunteer opportunities in sports event management, marketing, promotions and public relations. TSF operated with 1 full-time staff member. The budget was expected to grow each year as new staff was added. Both TSF and its foundation was funded by a combination of government funding and grants.

In 2011 TSF was merged with the TCVB to create Tuscaloosa Tourism and Sports Commission. Its funding sources were the City of Tuscaloosa (\$100,000), Tuscaloosa County (\$50,000), and the City of Northport (\$25,000).

Sports Commission Missions-Alabama

Huntsville-The Huntsville Sports Commission is a not for profit 501 C (3) advocacy organization that promotes an enhanced quality of life in the Huntsville area by identifying, recruiting, promoting and staging amateur sports events and meetings.

Mobile-Mobile Sports Authority is a not for profit organization created to attract regional national and international sporting events and sports related business to the Mobile area.

Gulf Shores/Orange Beach- Gulf Shores Orange Beach Sports Commission- A division of the CVB tasked to market the Alabama Gulf Coast as a year round destination for sports, thus enhancing the economy and quality of life for all residents of Gulf Shores and Orange Beach, Alabama

Tuscaloosa- Tuscaloosa Tourism and Sports Commission a 501c3 nonprofit organization whose mission was to enhance the economic growth, image and quality of life in Tuscaloosa by actively attracting, hosting and supporting amateur athletic events and sports related meetings.

Sports Commission Missions-Other Jurisdictions

San Antonio Sports Foundation

Established in 1984, this 501c3 nonprofit organization attracts sports events to San Antonio that have a positive effect on the San Antonio economy, acts as a catalyst in the development of sports and fitness programs for people of all ages and supports the development and maintenance of athletic facilities. The Sports Foundation estimates that in the last two decades, its events have added over \$200 million to the San Antonio economy.

Jacksonville Economic Development Commission

Established in 1996, this City agency includes a Sports and Entertainment Division that works to infuse dollars into the local economy by attracting sporting and entertainment events to the Jacksonville area. The Sports and Entertainment Division is governed by the Sports and Entertainment Board (SEB) that consists of members which are appointed by the mayor and confirmed by the city council. The SEB also serves as an in-house event production, marketing and advertising agency for regional sporting events. The Division and the SEB are funded entirely by the City of Jacksonville's General Fund.

Memphis and Shelby County Sports Authority

Founded in 1997, this 501c3 nonprofit organization's mission is to promote the mid-south region of Tennessee by supporting and developing economic impact and quality of life through sporting events. Its main focus is to attract sporting events to the area, as well as supporting professional, college and high school athletics.

Conclusion

As the City of Foley prepares to open first class sports venues at Blue Collar and enhancements at Graham Creek Nature Preserve and the Foley Sports Complex, it is my recommendation that we create this division to stay current with the national movement toward cities with sports commissions.

It is my hope this document in addition to the below news release from Dallas, Texas gives clarity for this recommendation. Also, below I have broken down funding and staffing questions.

Funding- No change to the FSTC fiscal year 2014-15 budget. Create a line item in the FSTC budget to reflect Sports Commission. In future years build budget as needed

Staffing- No added staff needed currently as we will utilize current FSTC staff

Board (7)- Foley City Councilman, Executive Director of Sports, Economic Development Director, City of Foley Environmental Manager, South Baldwin Chamber of Commerce Representative, Foley Hotel Representative, Tanger Representative

Dallas tourism bureau creates sports commission to 'elevate profile' in industry

By JEFF MOSIER-jmosier@dallasnews.com

Staff Writer

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Dallas is no longer one of the nation's largest cities without a sports commission.

The Dallas Convention & Visitors Bureau has spun off its sports marketing department to create an affiliated commission.

Dallas CVB officials are scheduled to announce the change Thursday at its annual luncheon. Monica Paul, the Dallas CVB's vice president of sports marketing, will head the new Dallas Sports Commission.

She said the move allows her staff to expand its expertise in volunteer recruitment, sponsorship development and fundraising, and will also draw more attention to Dallas' growing reputation as a sports destination.

"It elevates our profile within the sports industry," Paul said.

In the transition, the staff has increased from four to six employees and will have a budget of \$700,000 to \$1 million. The commission will operate as a division of the Dallas CVB, which will provide its basic funding.

As a separate operation, it will be freed from the CVB's primary emphasis on booking hotel room nights and will consider other economic and community impacts when pursuing events. The commission will also have more opportunities to seek outside sponsorships and raise money.

Phillip Jones, president and CEO of the Dallas CVB, described this as a natural next step.

"We'll still be joined at the hip, but it still gives us independence and flexibility," he said. "It's easier to explain to people it's a sports commission as opposed to the sports marketing division of the Dallas Convention & Visitors Bureau. ... It's time to take that leap."

Commission perception

Larry Kelly, the commission's communications and marketing manager, said another benefit of the spin off is how the staff is viewed elsewhere.

"When we go to bid on these events, a sports commission is perceived much better by the sports rights holders, rather than having to deal with the CVB," he said, adding that there's an expectation of greater expertise with a commission.

Dallas takes this industry very seriously with so much at stake. The Dallas CVB's sports marketing department has hosted more than 200 events in the past six years. They estimate the economic impact at more than \$1 billion, and another 35 events with a projected impact of \$452 million are scheduled.

Paul said that in future years the commission will also consider creating its own events to attract more visitors and generate revenue. Other sports commissions have started and run their own amateur athletic tournaments, all-star games and marathons and other races.