



City of Richmond

Report to Committee

To: General Purposes Committee **Date:** August 27, 2002
From: Marcia Freeman **File:** 4150-01
Manager, Business Liaison & Development
Re: **Economic Impact/Community Benefits Assessment**
Richmond Tall Ships 2002

Staff Recommendation

That the report (dated August 27th, 2002, from the Manager Business Liaison and Development), regarding the Economic Impact/Community Benefits Assessment of the Richmond Tall Ships 2002, be received for information.

Marcia Freeman
Manager, Business Liaison & Development

Att.

FOR ORIGINATING DIVISION USE ONLY
CONCURRENCE OF GENERAL MANAGER

Staff Report

Origin

At the Finance Select Committee meeting on Thursday, August 15, 2002 staff were asked to investigate and report back to committee with details, including estimated costs, of an Economic Impact/Community Benefit Assessment of the Richmond Tall Ships 2002 event.

Analysis

The purpose of undertaking an Economic Impact/Community Benefit Assessment is to establish the economic effect of the event and provide information that will assist in planning future events.

Staff developed a Terms of Reference (attachment 1) to act as a framework for the study. It describes overall objectives, key stakeholders, related information and project expectations. It is important to note that the project is being proposed *post-event*, and as a result several key constraints will impact on any final report. The most significant of these is the lack of primary data on spectator spending. This is noteworthy as most accepted economic models require this type of data to make statistically accurate projections.

After reviewing the proposed Terms of Reference with several consulting firms staff have made the following observations as to what can be reasonably expected from the study:

Organizational review, employment, revenues

- . it will be possible to determine this information with data from the City on person years of employment and related wages associated with planning the event

Government tax impact

- . for direct employment (federal income taxes) an impact assessment will be possible
- . it will be a challenge to calculate government revenue (GST, PST, Liquor Tax, etc.) impacts associated with spectator/tourism spending due to lack of credible spectator data

Tourism activity

- . a qualitative assessment of the range of tourism activities associated with the event can be prepared from use of business surveys, anecdotal information, Tourism Richmond, etc.
- . one possibility may be to post a spectator survey on the Tall Ships web site

Local business activity

- . a survey of local business can be used to determine the nature and scope of business activity associated with the event
- . in addition, information on hotel sales etc. can be used to determine if there were incremental differences during the event

Impact of the event

- . an overall economic impact of the event will be difficult to accurately quantify due to lack of spectator spending data, however a reasonable qualitative assessment can likely be prepared

Who benefited and who did not

- . based on interviews with involved government representatives (Steveston Harbour Authority, BC Lottery Corporation, City staff, etc.) tourism organizations and businesses, it will be possible to determine who benefited from the Tall Ships event and who did not
- . non-quantifiable impacts such as improved profile, increased awareness etc. could also be included

Tall Ships lasting effect

- . a qualitative assessment of the likely scope and extent of the lasting benefits of the event can be provided based on input from community and business associations

Social benefits

- . with information and tracking data from volunteer coordinators, an assessment of social benefits is possible

Issues and concerns

- . with the provision of documents on complaints received by the City and other survey and interview results this section could be addressed

Success indicators

- . it would be possible to identify (although not necessarily quantify) both economic and social indicators based on the results of the range of research done (increased hotel nights, business spending, etc)

Employment created by the project

- . this will be hard to quantify given the lack of spectator spending information
- . it will be possible to identify the nature of employment created

Financial Impact

A brief survey was conducted with several consulting firms with experience in economic impact analysis of special events and tourism related activities. Without benefit of a formal Request For Proposal, but with the attached Terms of Reference as a guide, the firms were asked to estimate fees associated with the undertaking of such a project. The estimates came in between \$20,000 - \$30,000 with larger established firms at the higher end and independent consultants estimating more conservatively.

If Council wishes to proceed with the study, funds are available in the Council Contingency Account.

Conclusion

It does not appear to be possible to accurately state the true economic impact of the Richmond Tall Ships 2002 without benefit of credible spectator spending data. Nevertheless, a reasonable qualitative assessment including both economic and social indicators could be prepared to show the many benefits the community has experienced as a result of this event.

Marcia Freeman
Manager, Business Liaison & Development

MF:mf

Economic Impact/Community Benefits Assessment Richmond Tall Ships

Terms of Reference

Project Lead: Marcia Freeman

Project Timeline: Completed October 25 2002

Objectives:

To establish the net economic/social/community benefit of the Richmond Tall Ships 2002 event and to provide information to help plan future events. Areas for consideration include (and are not limited to):

- Organizational review, employment, revenues
- Government (federal and provincial) tax impact
- What tourism activity occurred
- What local business activity occurred (in Steveston) in surrounding Richmond areas
- What was the impact of the event (beneficial or not)
- Who benefited by the event (city, business, tourism industry) and who did not
- What overall economic benefits occurred
- Will tall ships 2002 have a lasting effect
- What social benefits occurred (volunteer base and hours of volunteer time)
- What were the issue and concerns
- What were the success indicators
- What employment was created by this project

Stakeholders:

- American Sail Training Association
- Tourism Richmond
- Chamber of Commerce
- City of Richmond
- Local business (hotel, food, grocery, art galleries, developers (Onni), merchandise, books, home décor, Vancouver Whale Watch and Steveston Seabreeze Charters in the village of Steveston and outside the immediate area including restaurants, Richmond Centre, Ironwood Malls)
- Sponsors (key funders \$10,000 and up)
- Translink (Coast Mountain)

Stakeholders Continued:

- Local community groups (Museum, Steveston Harbour Authority, Britannia, Steveston Community Society)
- Consultants
- Marketplace businesses, concessions and kiosks
- Richmond Tall Ships 2002 Committee members
- Richmond Sunset Rotary
- Steveston Residents

Related information:

- 300+ on site surveys
- Sponsor surveys
- Complaints and compliments
- Internal reports

Summary and Conclusions:

A summary of key findings

A summary analysis of the results of the economic benefits review

A summary of factors contributing to success

Was the event a success (community benefits, social benefits)?

What were the economic Impacts?

What long-term benefits could be forecasted?

Will require:

Data collection through surveys, interviews, and report reviews

Data Analysis

Report writing



Contract 2455P

**Economic Impact/Community Benefit Assessment -
Richmond Tall Ships**

1. Introduction

The City of Richmond proposes to engage the services of a Consultant to undertake an Economic Impact/Community Benefit Assessment of the Richmond Tall Ships event held August 8th to August 12th, 2002. The Consultant will provide to the City a summary/analysis in report form.

The objective of this request for proposal is to provide the City with qualified proponents capable of carrying out the work herein defined. The subsequent proponent submissions will form the basis for evaluation, interview and selection.

2. Submission Details

Three (3) copies of proposals marked "Economic Impact/Benefit Assessment - Richmond Tall Ships Contract 2455P" addressed to the Office of the Manager - Purchasing and Insurance, will be received at the Information Counter, Main Floor, Richmond City Hall, 6911 No. 3 Road, Richmond BC V6Y 2C1, until **12:00 noon, local time, September 13, 2002**. Submissions received after this time will be returned to the sender.

The City reserves the right to cancel this Request for Proposal for any reason without any liability to any proponent or to waive irregularities at their own discretion.

Proposals shall be irrevocable until the City awards this Contract or cancels this Request for Proposals, whichever first occurs.

All proposals will remain confidential, subject to the Freedom of Information and Privacy Act.

All pricing is to be in Canadian Funds.

3. Enquiries

Clarification of terms and conditions of the proposal process shall be directed to:

Sheryl Hrynyk, Buyer II
City of Richmond - Finance Division
Phone (604)276-4135 Fax (604)276-4162 purchasing@city.richmond.bc.ca

Technical Inquires shall be directed to:

Marcia Freeman, Manager – Business Liaison & Development

Phone: (604)276-4133 Fax (604)276-4222 mfreeman@city.richmond.bc.ca

Enquiries on matters that affect the nature of this document will be conveyed to all parties receiving this document.

The City, its agents and employees shall not be responsible for any information given by way of verbal communication.

4. **Project Description**

Objectives:

To establish the net economic/social/community benefit of the Richmond Tall Ships 2002 event and to provide information to help plan future events. Areas for consideration include (and are not limited to):

- Organizational review, employment, revenues
- Government (federal and provincial) tax impact
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- What overall economic benefits occurred
- Will tall ships 2002 have a lasting effect
- What social benefits occurred (volunteer base and hours of volunteer time)
- What were the issue and concerns
- What were the success indicators
- What employment was created by this project

Stakeholders

- American Sail Training Association
- Tourism Richmond
- Chamber of Commerce
- City of Richmond
- Local business (hotel, food, grocery, art galleries, developers (Onni), merchandise, books, home décor, Vancouver Whale Watch and Steveston Seabreeze Charters in the

village of Steveston and outside the immediate area including restaurants, Richmond Centre, Ironwood Malls)

- Sponsors (key funders \$10,000 and up)
- Translink (Coast Mountain)
- Local community groups (Museum, Steveston Harbour Authority, Britannia, Steveston Community Society)
- Consultants (Anne Phelps)
- Marketplace businesses, concessions and kiosks
- Richmond Tall Ships 2002 Committee members
- Richmond Sunset Rotary
- Steveston Residents

Related information

- 300+ on site surveys
- Sponsor surveys
- Complaints and compliments
- Internal reports

5. Consultant Duties

The Consultant will be required to provide:

- Data collection through surveys, interviews, and report reviews
- Data Analysis
- Report Writing

The Consultant must provide the following information:

- A summary of key findings
- A summary analysis of the results of the economic benefits review
- A summary of factors contributing to success
- Was the event a success (community benefits, social benefits)?
- What were the economic Impacts?
- What long-term benefits could be forecasted?

This Consultant must provide final assessment to the City by close of business Friday, October 25, 2002.

6. Proposal Submissions

Proponents shall provide in their submissions a Corporate profile of their firm outlining its' history, philosophy and target market.

Identify the staff to be assigned to this project and their relevant experience and qualifications to this project.

Provide a priced methodology complete with a time allotment for each task in the approach you propose to employ to carry out the work, this shall form the basis for payments to the successful proponent. Supplement this with a schedule of fees for staff to be assigned to the project. These rates shall be the basis for adjustments to the value of the contract in the event the scope of work varies from that proposed.

Show what coordination and meetings the City will be required to provide.

7. Working Agreement

The successful proponent will enter into an contract for services with the City based upon the information contained in this request for proposal and the successful proponents submission and any modifications thereto.

Proponents may include their standard terms of engagement.

8. Evaluation Criteria

Proposals shall be evaluated to determine the best value offered to the City against conformance to the following criteria:

- methodology of work program proposed
- experience and qualifications of those staff to be assigned to the project
- cost of proposal
- references
- interview (if required)



Note: Receipt of this completed form will assist us in calling for future bids. Please complete and submit this form prior to the closing date and time as shown on the Request for Quotation/Proposal/Tender form.
Please remember to include Quotation/Proposal/Tender No. at right.

Quotation/Proposal/Tender No.

A Quotation/Proposal/Tender is not being submitted for the following reason(s):

- | | |
|--|--|
| <input type="checkbox"/> We do not manufacture/supply the required goods/services | <input type="checkbox"/> Cannot obtain raw materials/goods in time to meet delivery requirements |
| <input type="checkbox"/> We do not manufacture/supply to stated specifications | <input type="checkbox"/> Cannot meet delivery requirements |
| <input type="checkbox"/> Specifications are not sufficiently defined | <input type="checkbox"/> Cannot quote/tender a firm price at this time |
| <input type="checkbox"/> Insufficient information to prepare quote/proposal/tender | <input type="checkbox"/> Insufficient time to prepare quote/tender. |
| <input type="checkbox"/> Quantity too small | <input type="checkbox"/> We are unable to competitively quote/tender at this time. |
| <input type="checkbox"/> Quantity too large | <input type="checkbox"/> We do not have facilities to handle this requirement |
| <input type="checkbox"/> Quantity beyond our production capacity | <input type="checkbox"/> Licensing restrictions (please explain) |
| <input type="checkbox"/> Cannot meet packaging requirements | <input type="checkbox"/> Agreements with distributors/dealers do not permit us to sell directly. |
| <input type="checkbox"/> Cannot handle due to present plant loading | <input type="checkbox"/> Other reasons or additional comments (please explain below) |

I / We wish to quote / tender on similar goods / services in future <input type="checkbox"/> Yes <input type="checkbox"/> No	Authorized Company Official – Signature and Title	Date
This space for City of Richmond Comments	Firm Name	
	Address	
	City	
	Province Postal Code	
	Telephone Number	