

# ECONOMIC IMPACTS OF EVENT ACTIVITY AT THE BMO CENTRE

PRE AND POST EXPANSION

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*Calgary Stampede*

COMPLETED BY

**CBRE**

## ANNUAL ECONOMIC IMPACTS

2013

- \$180 million to Canada's GDP, including \$150 million for Alberta.
- 1,258 direct full-time jobs, of which 1,130 will be retained in Calgary.
- 876 additional jobs supported by indirect and induced spending.
- Direct wages of \$54 Million for BMO Centre and other front line businesses.
- Close to \$33 million in direct taxes to three levels of government.

## ANNUAL ECONOMIC IMPACTS

POST Expansion

- \$267 million to Canada's GDP, including \$223 million for Alberta.
- 1,757 direct full-time jobs, of which 1,580 will be retained in Calgary.
- 1,297 additional jobs supported by indirect and induced spending.
- Direct wages of \$79 Million for BMO Centre and other front line businesses.
- Over \$44 million in direct taxes to three levels of government.

## INCREMENTAL ANNUAL IMPACTS

(2013 > Expansion)

- \$87 million to Canada's GDP, including \$73 million for Alberta.
- 500 direct full-time jobs, of which 450 will be retained in Calgary.
- 421 additional jobs supported by indirect and induced spending.
- Direct wages of \$25 Million for BMO Centre and other front line businesses.
- Close to \$12 million in direct taxes to three levels of government.

## MARKET PROJECTIONS

- Market projections for the expanded BMO Centre have been prepared based on numerous factors including economic influences, historical operating results, and supply and demand in the competitive Canadian Convention Centre landscape.
- Market projections have also been based on two key assumptions: 1. The BMO Centre expansion is accompanied by an on-site and/or closely located hotel project; and 2. The Telus Convention Centre does not expand.
- BMO Centre hosted 17 major conventions in 2013; post expansion the facility is projected to host an average of 40 conventions per annum.
- Overall event activity at BMO Centre is forecast to grow from approximately 370 events held in 2013 to an average of 550 events per annum post expansion. Events include conventions, trade and consumer shows, meetings, social/banquets, concerts and attractions.
- Approximately 60% of the new event demand and attendees for the expanded BMO Centre is projected to originate from Alberta.
- Canadian and U.S. associations will be at the core of the sales solicitation strategy, as well as targeted sectorial international associations (oil, gas, agri-business related).

## ANNUAL ECONOMIC IMPACTS GENERATED INCLUDE SPENDING BY MEETING DELEGATES, EVENT PLANNERS AND BMO CENTRE:

### Spending by Meeting Delegates includes:

- Transportation to and from the event, car rentals, taxis, fuel, parking, accommodation, food and beverage, registration fees, retail purchases, entertainment, attractions and recreation, fees for optional programs, such as receptions, golfing events, local tours and sightseeing.

### Operating Expenditures by BMO Centre includes:

- Salaries, wages, benefits and contract labour costs; meeting services (audio/visual, equipment rental, technology, electrical ); food and beverage costs; utility expenses, building maintenance and repairs, advertising, promotion, marketing and sales, general and administration expenses (supplies, professional fees, and contracted services) and all other operating expenditures.

# ECONOMIC IMPACTS OF CAPITAL EXPANSION OF THE BMO CENTRE

- 535,500 sq. ft. of total rentable space and 177,000 sq. ft. of pre-function space, for a total building footprint of just under 1 million sq. ft. .
- Capital costs of \$500 million.
- Construction for the expanded BMO Centre is projected to generate \$497 million for Canada, with \$402 million aiding Alberta alone.
- The construction phase will support 1,862 direct full-year jobs in Alberta, with over \$155 million in wages and salaries for Alberta workers.
- Close to \$70 million in direct taxes to all three levels of government.

<b>BMO CENTRE EXPANSION PLANS</b>		
<b>Rentable Space</b>	<b>Sq. Ft.</b>	<b>%</b>
New Exhibition	195,800	
New Ballroom	43,200	
New Meeting Space	77,900	
<b>Total Rentable Space</b>	<b>316,900</b>	<b>32%</b>
Balance of Rentable Space	218,600	
<b>Total Rentable Space</b>	<b>535,500</b>	<b>54%</b>
<b>Pre Function Space</b>		
New Function Space	141,000	14%
Existing Function Space	36,000	
<b>Total Function Space</b>	<b>177,000</b>	<b>18%</b>
<b>Support Space</b>		
Front of House Support	29,900	
Back of House Services	247,000	
<b>Total Support Space</b>	<b>276,900</b>	<b>28%</b>
<b>Total BMO Centre</b>	<b>989,400</b>	<b>100%</b>

Source: Gage Gibbs Architects and Conventional Wisdom Preliminary Concept Only-15.07.10

# ANNUAL ECONOMIC IMPACT OF EVENT ACTIVITY AT BMO CENTRE POST EXPANSION (STABILIZED)

## GDP GENERATED BY EVENT ACTIVITY AT BMO CENTRE (IN MILLIONS)

Impact Phase	Calgary	Alberta	Canada
Direct Impact	\$91.2	\$112.0	\$112.0
Indirect Impact	\$31.3	\$70.4	\$94.9
Induced Impact	\$22.0	\$40.6	\$60.5
<b>Total Impact</b>	<b>\$144.5</b>	<b>\$223.0</b>	<b>\$267.4</b>

## FULL-TIME JOBS SUPPORTED BY EVENT ACTIVITY AT BMO CENTRE

Impact Phase	Calgary	Alberta	Canada
Direct Impact	1,580	1,757	1,757
Indirect Impact	255	622	849
Induced Impact	110	269	448
<b>Total Impact</b>	<b>1,945</b>	<b>2,648</b>	<b>3,054</b>

## WAGES SUPPORTED BY EVENT ACTIVITY AT BMO CENTRE (\$MILLIONS)

Impact Phase	Calgary	Alberta	Canada
Direct Impact	\$66.7	\$78.8	\$78.8
Indirect Impact	\$18.4	\$41.1	\$55.9
Induced Impact	\$7.6	\$17.3	\$27.9
<b>Total Impact</b>	<b>\$92.7</b>	<b>\$137.1</b>	<b>\$162.5</b>

## TOTAL (DIRECT, INDIRECT AND INDUCED) TAXES GENERATED BY EVENT ACTIVITY AT BMO CENTRE (IN MILLIONS)

Category of Tax	Calgary	Alberta	Canada
Personal Income Tax	\$10.6	\$14.4	\$14.5
Corporate Income Tax	\$3.5	\$5.3	\$6.7
S.S., Pension & Medical	\$9.4	\$12.8	\$15.3
Excise, Duties & Gas	\$7.3	\$9.9	\$11.9
Municipal Taxes	\$4.4	\$6.4	\$7.6
GST	\$19.3	\$20.0	\$20.0
PST	\$0.0	\$0.1	\$0.1
<b>Total Taxes (Direct, Indirect, Induced)</b>	<b>\$54.6</b>	<b>\$69.0</b>	<b>\$76.1</b>

## TOTAL (DIRECT, INDIRECT AND INDUCED) TAXES GENERATED BY EVENT ACTIVITY AT BMO CENTRE (IN MILLIONS)

Level of Government	Calgary	Alberta	Canada
Federal	\$36.7	\$44.1	\$46.9
Provincial/Territorial	\$13.5	\$18.6	\$21.5
Municipal	\$4.4	\$6.4	\$7.6
<b>Total Direct Taxes</b>	<b>\$54.6</b>	<b>\$69.0</b>	<b>\$76.1</b>