# City of Hamilton - Planning and Economic Development Department

**Tourism Division**

TO: Chair and Members  
   Economic Development and Planning Committee  

WARD(S) AFFECTED: CITY WIDE

**COMMITTEE DATE:** September 21, 2010

**SUBJECT/REPORT NO:**  
City of Hamilton Support for the 2012 Canadian Open Golf Championship  
(PED10187) (City Wide)

**SUBMITTED BY:**  
Tim McCabe  
General Manager  
Planning and Economic Development

**PREPARED BY:**  
David Adames (905) 546-4132

**SIGNATURE:**

## RECOMMENDATION:

(a) That the proposal for Hamilton to host the 2012 Canadian Open in July 2012, at the Hamilton Golf and Country Club, as per the Letter of Intent attached as Appendix A to Report PED10187, be endorsed;

(b) That support for the event, in the form of services-in-kind to an upset limit of $375,000, for services outlined in Appendix A to Report PED10187, to be funded from the Unallocated Capital Levy Reserve, be approved;

(c) That staff be directed to work with the Hamilton Golf and Country Club to coordinate event logistics, as per Special Event Guidelines, and ensure all established guidelines and policies are adhered to;

(d) That the Mayor and City Clerk be authorized and directed to execute the 2012 Canadian Open Host Contract, between Golf Canada and the City of Hamilton, and that staff report back to Council; and,

---

**Vision:** To be the best place in Canada to raise a child, promote innovation, engage citizens and provide diverse economic opportunities.  
**Values:** Honesty, Accountability, Innovation, Leadership, Respect, Excellence, Teamwork
(e) That a 2012 Canadian Open Steering Committee, with representatives from Golf Canada, the City of Hamilton and the Hamilton Golf and Country Club, be established, and that staff report back to Council.

EXECUTIVE SUMMARY

Golf Canada, formerly The Royal Canadian Golf Association (RCGA), approached the City of Hamilton and the Hamilton Golf and Country Club to request that Hamilton host the 2012 Canadian Open. Based on the recent success and the strength of the organizational partnership comprising Golf Canada, the City of Hamilton and the Hamilton Golf and Country Club, in hosting both the 2003 and 2006 Canadian Open Championships, as well as the positive comments received from players, officials and media, Golf Canada believes that Hamilton would provide the ideal venue for the 2012 Open. On July 20, 2010, the membership of The Hamilton Golf and Country Club voted in favour of hosting the 2012 Open.

The 2012 Canadian Open: The Opportunity

By all accounts, both the 2003 and 2006 Canadian Open Championships, hosted at the Hamilton Golf and Country Club were successful. The Professional Golf Association, the RCGA, players, media and sponsors praised the course, the volunteers, and the City in how well the event was executed. Over 125,000 spectators attended each event. The economic impact for the City of Hamilton for each event was over $23 million. The event was viewed by millions of people through the broadcasts. The 2012 Canadian Open is expected to bring these benefits as well.

Key Benefits of hosting the 2012 Canadian Open

- Opportunity to bring one of Canada’s and the PGA’s premier events back to Hamilton;
- Top PGA players coming to Hamilton;
- Significant number of pre-Championship events;
- Supports Tourism Hamilton’s Sport Tourism Action Plan, providing significant out-of-town visitors and hundreds of hotel room nights;
- National and world-wide media exposure;
- Opportunity to leverage hosting the event to profile the City of Hamilton leading up to and during the event;
- Global recognition, generating interest leading up to and long after the event, to build on Hamilton’s sport event resume;
- Civic engagement (will need hundreds of volunteers) and community pride;
- Support for golf and sport locally, both amateur and professional; and,
- Economic impact for Hamilton in excess of $23 million.

Event Highlights

- Over 125,000 spectators
- $5 million purse
- 37 hours of national television coverage
- international television coverage, including 13 hours on CBS and coverage in over 27 countries around the world
- hundreds of media
- volunteer involvement from club members and the community.

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS**

**Financial:**

The recommendation is to provide services-in-kind to Golf Canada, to an upset limit of $375,000. The services-in-kind would comprise:

- Police Services
- Emergency Services
- Traffic Planning
- Transportation Planning
- Waste Management
- Permits
- Arrange Parking Areas
- Work with Community
- VIP Programs
- Communications
- Tourism Services

The above costs are over and above normal budgeted costs and as such will be reimbursed from the Unallocated Capital Reserve. There will be other staff costs for administrative-type services, which will be absorbed in existing budgets.

In return for the services-in-kind contribution, the City of Hamilton will receive a sponsor recognition package in keeping with this level of support. The terms of the recognition package are to be negotiated as part of the Host Contract.

For the 2006 Canadian Open, Council approved $300,000 for services in kind in addition to $25,000 for event building. For the 2003 Canadian Open, the City had committed to a $500,000 contribution to secure the event. The final net cost to the City for the 2003 Open was approximately $430,000.

**Staffing:**

The Director of Tourism will act as the City’s liaison with Golf Canada and the Hamilton Golf and Country Club to coordinate the City’s involvement in hosting the 2012 Canadian Open.
Legal:
A Host Contract/Agreement between the Golf Canada and the City of Hamilton will be negotiated and reported back to Council.

HISTORICAL BACKGROUND

September 2003: City of Hamilton and Hamilton Golf and Country Club hosted the 2003 Canadian Open.

POLICY IMPLICATIONS
The City’s Special Events Policy would apply to hosting the 2012 Canadian Open.

RELEVANT CONSULTATION
Golf Canada
Hamilton Golf and Country Club
Community Services Department
Hamilton Emergency Services
Hamilton Police Services
Public Works Department – Operations and Maintenance and Waste Management
Corporate Services Department – Finance and Legal Services

ANALYSIS / RATIONALE FOR RECOMMENDATION
Hosting prestigious events such as the Canadian Open is in keeping with Tourism Hamilton’s Sport Tourism Action Plan and supports the City’s Strategic Plan. The event provides a significant economic impact and profile opportunities for Hamilton, particularly through the broadcast of championship. The event also supports local not-for-profits and provides volunteer opportunities.

Planning Logistics:
The City provided a substantial amount of the hosting logistics for both the 2003 and 2006 Championships. Staff can use and leverage the expertise and plans to host the 2012 Open, providing efficiencies for planning purposes.
ALTERNATIVES FOR CONSIDERATION:

N/A

CORPORATE STRATEGIC PLAN


Skilled, Innovative & Respectful Organization
- More innovation, greater teamwork, better client focus

Financial Sustainability
- Delivery of municipal services and management capital assets/liabilities in a sustainable, innovative and cost effective manner

Growing Our Economy
- A visitor and convention destination

Healthy Community
- An engaged Citizenry

APPENDICES / SCHEDULES

Appendix “A” - Letter of Intent – RBC Canadian Open Sponsorship

DA:mh
(Attachment)
LETTER OF INTENT
RBC CANADIAN OPEN SPONSORSHIP
Between:
ROYAL CANADIAN GOLF ASSOCIATION
(Operating as Golf Canada “Golf Canada”)
And
CITY OF HAMILTON
(“Hamilton”)

WHEREAS Golf Canada operates a National Championship golf event on the PGA Tour, namely the RBC Canadian Open, each year at a venue in various regions of Canada;

AND WHEREAS Golf Canada and Hamilton wish to enter into this agreement with respect to a Host City Sponsorship for 2012 and to undertake negotiations toward a long form agreement to be entered into prior to December 31, 2010 for the Sponsorship, on terms and conditions that are consistent with 2006 and as outlined below, as agreed between Golf Canada and Hamilton:

1. The term of the contract will cover the 2012 RBC Canadian Open as the exclusive Host City Sponsor.

2. For the 2012 RBC Canadian Open (RBCCO), Hamilton will receive the following benefits:
   o Designation as the Official Host City of the 2012 RBC Canadian Open
   o Hamilton representation at event related media events and activities including Media Day, Championship Pro-am Draw Party and applicable media conference(s) as identified
   o Two (2) invitations to Media Day (or equivalent) with playing positions in golf activity related to media day
   o Rights to use RBC Canadian Open logo as Official Host City in advertising or promotions (subject to approval of Golf Canada)
   o Hamilton and Golf Canada to work cooperatively on a joint Economic Impact study, the results of which will be issued in a joint press release following the conclusion of the 2012 RBCCO.
   o Right to a special advance ticket offer to the residents/employees of the City of Hamilton, to be mutually agreed by Hamilton and Golf Canada

   Advertising, Promotion and On-site activity
   o Hamilton exposure in pre-tournament advertising and media relations activities
   o 1 – 30 second commercial per hour on the on-site closed circuit network
   o Golf Canada to use best efforts to negotiate additional profiling opportunities with the Host Television broadcaster to profile Hamilton during the telecast
   o Hamilton logo, hot link and rotating banner ad on the official RBCCO website
   o Hamilton logo to appear on RBCCO materials such as pairing sheets, event brochures, event program, ticket jackets or other such items as the Hamilton and Golf Canada agree.
   o Hamilton to receive a copy of any on-site spectator research or comparable study conducted during the 2012 RBCCO.

   Hospitality
   o A credit of $75,000 will be provided to Hamilton to select for its use Hospitality, Tickets and On site activation booth space subject to final product availability and pricing as provided to Hamilton by Golf Canada not later than June 1, 2011. Hamilton will be given priority access to these items in advance of public availability and may select up to $75,000 (plus applicable taxes) in value based on retail prices as provided by Golf Canada. Additional requirements beyond $75,000 will be to the account of Hamilton.
3. Hamilton will provide services in-kind to Golf Canada, the final allocation of those in-kind services to be mutually agreed by the parties, which may include but is not limited to the following;
   - Secure parking lands and preparation of those lands for parking
   - Materials, including the installation of signage, barricades, cones for road closures and golf course access.
   - Transportation needs for various groups, including volunteer and spectator transportation
   - Police traffic control and related services including access restrictions
   - Public Information Meetings for area residents, as well as the printing and distribution of hang tags and necessary information to area residents
   - Police services for the purposes of on-site security
   - Emergency Services, Permits and Road and Highway signage

Total Cost to City of Hamilton- $375,000

Acknowledged by the parties,

CITY OF HAMILTON  ROYAL CANADIAN GOLF ASSOCIATION