GREATERT BALTIMORE SPORTS COMMISSION

OVERVIEW:
Hospitality Sports Entertainment Consulting (HSE) was contracted by the United States Conference of Mayors to investigate funding strategies, organizational structure, and the role of government, as it pertains to the potential creation of a Greater Baltimore Sports Commission. Based on a review of prior studies, literature, and interview analysis from industry professionals, HSE has identified best practices that are applicable to the city of Baltimore. These strategies and tactics are outlined below, complete with a recommendations section.

DEVELOPING A SPORTS COMMISSION:
There are several initial key steps required in order to establish a successful sports commission. First, the development of a mission statement, strategic plan, and value chain are critical. This will clearly identify the framework of the business and act as an indicator when evaluating future endeavors. The creation and execution of business opportunities should always align with the mission and values of the organization. Most sports commissions have common goals. These goals include:

1. Improve Quality of Life
2. Stimulate Positive Media/Exposure to the city
3. Increase Room night generation and ticket sales
   o Room nights should be a benefit and an ancillary result of a sports commission event, but not the driving force behind luring or creating an event

The next important step to help develop a sports commission is to analyze city demographics and identify how residents view and participate in sports and leisure activities in the area. Then identify all resources available and assess the possible interplay between city residents and stated resources. This will enable a sports commission to identify events that are an ideal fit for the community. Investigate both advisory and financial resources, but also venues and geographic resources that are at the commission’s disposal for hosting events. For example, look at all stadiums, arenas, convention halls, parks, rivers and bays, restaurants, hotels, historical sites, etc. that would not only be able to host the event but also local attractions that would keep visitors and athletes alike in the city.

After assessing these resources, the next step is to start talking, quietly, to possible stakeholders. Stakeholders include local CEO’s, organizations, foundations, political entities, colleges and universities, city municipalities, and any other individuals or organizations that
could be beneficially involved in the success of a sports commission. At this point, make sure to only converse with individuals and entities that are needed to assist with the development of the commission. This initial group of people that you talk to needs to be connected to the community in some way. These stakeholders can help connect the sports commission with both luring events to the city and creating new events. In this start up phase of the sports commission, it is vital to keep the public sector in the loop about what you are planning. The sports commission will receive far more support from the public sector if there are no surprises. The relationship with the public sector is one of the more important ones that you will have. They will be involved with all events hosted in the city and you want to ensure the public sector is involved in this process.

It is also important to avoid announcing the creation of a sports commission until it has been solidly organized, structured, and able to accomplish its mission. Ideally, the announcement of a sports commission would happen after creating an event, bringing a large event to the city, or going after a large event so that constituents can see the reasoning for why the city needs a sports commission and what it can do for the city.

**Leadership:**
An important decision the sports commission needs to consider is who the CEO/President/Chairman will be. Most often it seems that sports commissions are most successful when a local business leader, who is invested and well respected in the community, is at the helm. This especially makes a difference when trying to sell sponsorships, garner support, and recruit volunteers because application of their local business acumen and knowledge of the community can support these functions. A CEO/President/Chairman should be a “lifer” whenever possible. This will display the passion, commitment, and dedication that this individual has to the success of the sports commission, which will resonate positively with stakeholders and residents.

In addition to the CEO/President/Chairman of the sports commission, having an advisory board should be considered. An advisory board can be extremely helpful in the management and the direction of the sports commission. Advisory boards differ from a Board of Directors, which is required to be considered a charitable foundation, in that they are comprised of individuals that have more expertise in the commission’s specific area. For a sports commission advisory board, people who have a specialized knowledge in planning, hosting, executing, and/or participating in a specific event would be most helpful. Sport and/or event specific personnel can provide unrivaled insight, which will better position the sports commission to successfully lure and execute an event.

**Role of Government:**
Ideally, a sports commission is a separate entity from a mayor’s office or any political group. Bipartisanship allows the sports commission to be detached from political strife and success will not be predicated on political regimes, which can be dynamic as local politicians are elected, re-elected, and/or retire. The sports commission should ground its relationship with the local
government through formal contracts. This will clearly define objectives, strategies, tactics, and outline expectations.

**Structure & Funding:**

**Not-for-Profit Structure:**
Sports Commissions are usually structured as either a 501c(3), 501c(6) or some type of combination of the two. A 501c(3) allows for the most favorable tax law treatment while, a 501c(6) allows for the ability to lobby for federal funds. Ideally, the Greater Baltimore Sports Commission would be structured as a 501c(3).

**Rationale:**
Usually a 501c(3) organization attracts more funding through member support and corporate donations because of the favorable tax treatment mentioned above. Corporations that donate to a 501c(3) organization have the ability to write off membership fees and donations, which is vital when attempting to align with community corporations.

**Membership/Partnerships:**
Partnerships are critical to the success of a sports commission. Member support allows the commission to create and sustain partnerships that drive community support and revenue generation. Companies want to be involved with sports commissions because they want their employees volunteering and supporting community initiatives. Strategic partnerships and activities positively position the company in the minds of local residents. Creating a tiered member structure (unique to the city), allows corporations to better identify and understand their support presence.

Sports Commissions should also have modest support from the local Convention and Visitors Bureau (CVB). The CVB can provide access and networking opportunities to the sports commission with its constituents. Additionally, they can provide initial monetary support and services, which can be used for operational support such as human resources, public relations, and accounting.

Sports Commissions that are supported by their local CVB receive partial funding through the CVB and their city’s hotel taxes. The remaining funds are received through donations and fundraising. Sports Commissions that are stand alone organizations receive the majority of funds through sponsorships and the remainder through hosting events, donations and fundraising.
EVENTS:
There are two broad categories that events fall under: participatory and spectator. Specific information pertaining to these two categories can be found below.

Participatory events are events that rely on direct residential and community involvement (active participation). Participatory events will:
1. Improve quality of life within the local community
2. Yield positive media exposure (primarily locally)
3. Improve room night generation depending on the size and scale of the event

Spectator events are events that most people watch or attend, but do not directly participate in (passive participation). Spectator events will:
1. Yield positive media exposure (if successfully executed)
2. Improve the quality of life, especially psychologically, through positive media exposure
3. Improve room night generation and direct spending

Out of the two event categories referenced above, a sports commission can either be the owner of an event or bid to host on another owner’s event. Bidding on events allows for a potentially larger media attraction and more ticket sales however, there is never a guarantee that “your bid” will succeed. Therefore, a sports commission must decide if the opportunity costs outweigh the actual costs associated with a bid, which can include application/bid fees, human capital, and time. Additionally, sports commissions that mainly rely on bidding for mega events (i.e. NCAA Championships, Olympic events, X Games) usually have more peaks and valleys on their annual financial reports, which can impede the long term growth of the commission. Ultimately, while bidding on events can be beneficial for the sports commission, the driving force behind success should rely more heavily on owning smaller events.

Owning events, especially smaller ones, help flatten out the valleys in a business model and balance the lag periods that can occur between mega events. These events provide balance and diversification and decrease the reliance on attracting big events. For those events that are owned, it is vitally important to clearly define benchmarks and metrics for success from the onset. For example, when creating an event, state that it has 3-5 years to “come to life” and that each year should have incremental increases in room nights, participation rates, and/or health reports. If an event does not reach these benchmarks, the event should be reevaluated, altered, and/or terminated all together.

In addition to owning an event, a sports commission can own legacy awards. By honoring local talent or businesses, this award can infuse civic pride and bring prestige to the sports commission. A legacy award is essentially a branding play that can provide fundraising and marketing opportunities for the sports commission.

Ideally, a sports commission should have a focus that has a combination of all these elements. Hosting both participatory and spectator events, while using legacy awards to brand their
commission will bring balance to the commission’s annual pipeline. This will also allow for the longevity and sustainability of a sports commission.

**Metrics for Success:**
Measurement metrics are important in order to sustain and evaluate success. Economic impact studies and/or health surveys allow the sports commission to present solid evidence on how successful the organization is overall.

Event specific success can be evaluated through multiple sources, including media exposure, ticket sales, visitor spending, room-night generation, participation rates, and overall improved quality of life in the community.

**Recommendations:**

**Legacy Awards**

“The Cal Ripken, Jr. Award”
- The Cal Ripken, Jr. Award will be awarded annually to the most dedicated collegiate baseball or softball player on a local Baltimore team. This athlete will be identified as someone who has played a varsity sport for all four years, as well as displays a commitment to the local community and unrivaled passion and commitment in their pursuit for athletic success.
- Cal Ripken, Jr. is considered the Iron Man of baseball. For 17 years, Ripken took the field 2,632 consecutive times, impervious to injury, slumps, and personal crisis. A 19-time All-Star and two-time American League MVP winner, Ripken truly personifies hard work, commitment, and dedication for the pursuit of athletic success.
- This Award will help preserve the legacy of one of Baltimore’s favorite sons and promote the city as a flourishing sports town.

“The Ray Lewis Award”
- The Ray Lewis Award will be awarded annually to a committed football player in either high school or college on a local Baltimore team. This athlete will be recognized as a leader on and off the field, who portrays dedication, sportsmanship, and enthusiasm for athletic success.
- Ray Lewis is recognized as the backbone of the Baltimore Ravens for 17 seasons. He led the Ravens to two Super Bowl championships in 2001 and 2013. Lewis was a 13-time Pro Bowler, 2-time defensive player of the year, and holds numerous other accolades for his commitment on and off the field. A proven leader and driving force behind his team, Lewis’s passion for sports on and off the field is unparalleled.

**Events**

Partner with Corrigan Sports Enterprises - Baltimore Participatory Events
- Baltimore can create a variety of running, biking, and activity events
Baltimore Running Festival, Full Marathon, Half Marathon, 5k, Team Relay, Kids Fun Run, Bike Jam, etc.

- Create training groups for these events
  - Weekly, Monthly training sessions
  - Different classes
    - Men, Women, Children
    - Running, Biking

Additional Infrastructure
Build additional fields and parks which will enable the Greater Baltimore Sports Commission to lure amateur and Olympic Sports.

- Capitalize on the popularity of lacrosse and basketball
  - Lacrosse Tournaments
  - 3 v. 3 Basketball Tournaments
- Look at Indianapolis World Sports Park as a potential model
  - 40 acre multi-sport complex designed to host cricket, lacrosse, hurling, rugby, and international basketball.
  - Walking trail, bike trail, and cultural center are also included
  - One-stop-shop model

CONCLUSION:
From our research outlined above, there are a number of ideas Baltimore can use to start a sports commission. The most important rule to follow is to do what works for Baltimore. There are many great sports commissions working towards bettering their own cities, but what works for one city will not necessarily work for Baltimore. It is important to use Baltimore’s strengths to its advantage and to have patience, as the most successful sports commissions did not emerge overnight but grew consistently with each passing year. Baltimore is a strong city and is already a major player in the sports world. A sports commission in the Greater Baltimore area would further benefit the people of Baltimore as well as help develop its economy even more.