

SECTION 2: FEASIBILITY OF 2017 OR 2020 EXPO



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As part of Phase 1 work, a feasibility study was undertaken to assess whether Edmonton should consider pursuing a registered EXPO in 2020, or a recognized EXPO in 2017. Each category of EXPO has different requirements, bringing issues of capacity and practicality into play.

EXPO CATEGORIES

The main criteria that distinguish registered and recognized EXPOs are size, duration, and attendance targets.

Registered (larger) EXPOs can be up to 6 months long, can be of unlimited size, and expect between 29 and 70 million visits.

Recognized (smaller) EXPOs run for up to 3 months, have a site size limit of 25 hectares (62 acres), and expect between 4 and 20 million visits.

While registered EXPOs tend to select broad and comprehensive themes, recognized EXPO themes tend to be more targeted and specific.

The halls and facilities for exhibits also differ between EXPO categories. Countries, non-government organizations and corporations are invited to participate in all EXPOs. In the case of registered EXPOs, participants often design, construct and build their own exhibit pavilions. In recognized EXPOs, the host organization is responsible for constructing halls and other exhibit facilities.

ATTENDANCE ESTIMATES

North American visit estimates for an EXPO are calculated based on the population base available within a 10-hour drive radius of the host city. Registered EXPOs are typically held in major world cities with high populations. Recognized EXPOs are usually held in smaller cities with populations of around 1 million.

The size of the population in the immediate area has a strong bearing on how many visits an EXPO can realistically expect. Shanghai, for instance, has a population of over 16 million people, with 400 million people residing in the surrounding Yangtze River Delta area. The attendance target of 70 million for Shanghai's 2010 EXPO can easily be reached if only a fraction of domestic residents attend.

Attendance estimates for an Edmonton EXPO in 2017 or 2020 assumes that current regional population projections hold, the fair site is well designed, implemented and operated, and the price of fuel continues to rise affecting the cost of all modes of transportation. Estimates also assume that a 6-month-long registered EXPO would be held between May and November 2020; and a 3-month-long recognized EXPO would be held between June and September 2017.

	2017 Recognized EXPO (90 days)		2020 Registered EXPO (180 days)	
	Total Attendance (visits)	Average Daily Attendance	Total Attendance (visits)	Average Daily Attendance
Target Attendance	4.7 million	52,222	5.9 million	32,785

As the above chart indicates, a registered EXPO in 2020 could expect approximately 1.2 million more visits than a recognized EXPO in 2017, even though the duration of the event is twice as long.

In terms of average daily attendance rates, a recognized EXPO would expect a higher number of visits per day. For comparison purposes, the average daily attendance over Edmonton's 10-day Capital EX in 2007 was 77,000 visits per day. Other visitor-related factors need to be considered in selecting a category of EXPO:

- Visits fluctuate over the lifetime of an EXPO, with larger attendance typically occurring during the initial and final weeks. Not surprisingly, visits tend to peak on weekends and drop off during the early days of the week.
- The length of an EXPO can impact attendance, especially when climatic conditions are considered. A 3-month recognized EXPO in Edmonton could start and finish during the summer months, when tourism is normally at its peak. A 6-month registered EXPO, on the other hand, would encompass the "shoulder months" of May, September and October.
- Failing to meet attendance expectations can negatively impact an EXPO in its early weeks, resulting in poor publicity and lower attendance in later weeks.

Given visitor projections and other considerations, holding a recognized 3-month EXPO in Edmonton would be more advantageous for attendance than a larger 6-month registered EXPO.

ACCOMMODATING VISITORS

The larger, registered EXPOs, generally require greater capacity to move and accommodate attendees.

The recognized 2012 EXPO in Yeosu, South Korea, is anticipating 8 million visits. Organizers of South Korea's EXPO have said that 27,877 guestrooms and 1,800 rooms for participant staff will be required.

According to Edmonton Economic Development Corporation, 12,173 guestrooms (i.e. hotel rooms) are available in the Edmonton area. Typically about 75 to 80 per cent of these guestrooms are already occupied throughout the year. While additional facilities, such as campgrounds, hostels, bed & breakfasts and dormitory rooms are available, these alternatives bring Edmonton's capacity to 16,610 spaces.

A significant portion of the 80 per cent occupancy level is a result of Edmonton's unique geographic location as the largest urban centre for Northwestern Canada. It is reasonable to assume that large portions of EXPO visitors will be recurring visitors whose accommodation needs are already included in the current occupancy levels.

The city could further expect a substitution and displacement affect in other regular travelers who are not interested in the EXPO. These visitors (business and leisure) who traditionally visit the city will defer their travel arrangements away from the EXPO timeframe, thereby creating additional space for EXPO visitors. Even with the substitution and displacement of traditional visitors, a number of additional spaces would need to be created to successfully accommodate the expected attendees to a recognized EXPO 2017.

It should be noted that Edmonton has recently been receiving a significant increase of interest from several global hotel chains. If an EXPO bid were to be successful, it would be reasonable to assume that some of this interest would be translated into new facilities prior to the EXPO. A number of options might be considered to enhance accommodation capacity, including a home stay program, similar to the one created by Calgary for the 1988 Olympic Winter Games; the erection of temporary facilities; rentals of apartment buildings, houses, and condominiums; and the use of luxury trailers. Another strategic option could include the construction of a permanent urban village, which could be converted into affordable housing following the completion of the EXPO creating accommodation capacity and potentially addressing ongoing housing needs in Edmonton.

Regardless of what options are employed, the accommodation needs of a recognized EXPO 2017 would be considerable, with the requirements of a registered EXPO 2020 even more challenging. Although the longer duration of a registered EXPO spreads requirements out over a greater number of months, some space options (such as dormitory rooms) would become unavailable during certain periods.

INFRASTRUCTURE

TRANSPORTATION

The transportation needs of either a recognized or registered EXPO will be considerable. Upgrading and adjustment of key roads, routes, and transit facilities would be necessary. Details would depend on the site selected to host the EXPO.

Edmonton's location offers superior transportation links to domestic, trans-border and international destinations. Most major highways into Edmonton are divided, four-lane highways and the development of the Anthony Henday has augmented the Capital Region's highway system.

The Edmonton International Airport (EIA) is Canada's 6th largest air service market, has 24-hour customs service, and offers state-of-the-art facilities for international cargo and equipment movement. EIA is undertaking a \$1 billion expansion project which will add additional gates, parking, and passenger services over the next several years.

The City of Edmonton also offers a well-developed public transit system that could efficiently transport attendees. The City's light rail transit (LRT) already connects major destination points, including the downtown, the University of Alberta, and major sports facilities, and is currently expanding south. The City's bus network offers an intricate array of routes to points across the city.

From a transportation perspective, Edmonton has the capacity to handle either a recognized or registered EXPO.

LAND USE

The land requirements for either category of EXPO would be considerable. The average registered EXPO site is 190 hectares (472 acres), with an additional support area of 60 to 100 hectares. A recognized EXPO site is limited to 25 hectares (62 acres), but an additional support area of between 50 to 75 hectares would be required. Edmonton has site options that could accommodate both types of EXPO, although the smaller requirements of a recognized EXPO offer more options.

REALIZING THE ECONOMIC IMPACT

The estimated economic impact of an EXPO is more thoroughly examined later in this report, but initial numbers suggest that a recognized EXPO would offer better “bang for the buck”. The spending realized from a 6-month registered EXPO would be about \$200 million more than a 3-month recognized EXPO. In per-day terms, the economic impact of a recognized EXPO is significantly larger. A registered EXPO, on the other hand, would be twice as long and consequently involve higher operating costs.

STRATEGIC CONSIDERATIONS

In addition to the physical requirements of an EXPO, strategic factors about the event must be considered.

One of these is human resources. Both the recognized and registered EXPO would require a large number of workers and volunteers. Up to 40,000 volunteers and 1,000 staff are typically required, regardless of an EXPO’s size. But the key difference is the length of time the resources are required.

A 3-month recognized EXPO could be held from June to September, when most post-secondary, high school and junior high students are out of classes and could be available. These populations could provide a major employee and volunteer source. By contrast, a 6-month registered EXPO would run into months of the academic year, significantly reducing the potential available workforce.

Another factor to consider is the ‘strategic fit’ of the event. Any EXPO will require significant financial assistance from federal, provincial and municipal governments. The Alberta government is supportive of Edmonton’s exploration of an EXPO bid. The federal government’s support of the event is crucial, since representation to the BIE’s General Assembly occurs at a national level.

The federal Department of Canadian Heritage is responsible for selecting and advancing Canadian bids for EXPOs. Before submitting a bid under the BIE’s official process, the City of Edmonton would need to secure the federal government’s support for an Edmonton 2017 or 2020 EXPO bid.

From a federal perspective, the year 2017 has advantages over 2020. A bid for a recognized EXPO would entail less risk to partner governments and 2017 is significant as it will be the 150th anniversary of Canada’s Confederation. A recognized EXPO in 2017 would offer excellent opportunities for celebrating Canada’s people, potential and pride. Canadian Heritage will look favourably on a 2017 bid as it is responsible for planning celebrations related to Canada’s birthday.

EDMONTON SHOULD PURSUE A RECOGNIZED EXPO IN 2017

If Edmonton is to submit a bid for EXPO, the considerations strongly favour pursuing a recognized EXPO in 2017. Accordingly, Phase 1 study has focused on this option.

- The population in Edmonton and surrounding area cannot support the high number of expected visits that a large registered EXPO would require.
- The Edmonton region is of comparable size to other cities that have successfully hosted recognized EXPOs.
- The duration of a recognized EXPO is more favourable in terms of climate, peak tourism periods, and workforce availability.
- A recognized EXPO would realize higher per-day visitor spending than a registered EXPO, while enjoying lower operating costs.
- A recognized EXPO in 2017 could incorporate celebrations of Canada's 150th birthday, offering better strategic alignment with the federal government's objectives and interests.