





## Testimony on Sub H.B. 166 Senate Finance Committee

Leslie Spencer, Executive Director, Cincinnati USA Sports Commission David Gilbert, President & CEO, Greater Cleveland Sports Commission Linda Shetina Logan, Executive Director, Greater Columbus Sports Commission May 23, 2019

Chairman Dolan, Vice Chair Burke, Ranking Member Sykes, and members of the committee, thank you for the opportunity to provide testimony on Substitute House Bill 166. My name is David Gilbert and I am the President & CEO of the Greater Cleveland Sports Commission. I'm here today with my colleague, Linda Shetina Logan, Executive Director of the Greater Columbus Sports Commission.

The Cincinnati, Cleveland and Columbus Sports Commissions are 501 (c)(3) nonprofit organizations that exist to attract professional, collegiate, amateur and youth sport events to our regions and state. The Greater Columbus Sports Commission first hit the ground running in 2002, since then more than 500 new sporting events have come to Columbus, generating an estimated \$600 million in visitor spending.

Since 2000, the Greater Cleveland Sports Commission has been directly responsible for attracting, creating and/or managing over 190 sporting events and activities to the Greater Cleveland area, generating more than \$686 million in economic activity. For more than 25 years, Cincinnati USA Sports Commission has been working to bring sports to the Cincinnati region. Over the past decade, events have contributed over \$145 million to the local economy.

Last year, the legislature passed House Bill 531 to create the Sporting Event Fund used for grants under the Major Event Grant Program. Senators Schuring and Eklund, we appreciate your leadership in sponsoring this legislation. The fund supports local organizing committees that compete with other states to bring large-scale events to Ohio. We are here to ask for your continued support of this program with an amendment to increase funding for the program by an additional \$5 million over the biennium.

Competition to host major sporting events such as the NCAA Final Four Tournaments, Major League All Star Games, and national competitions such as the Presidents Cup, continues to grow. In response to the increased competition to host these events that generate millions in visitor spending, 34 states now offer some type of incentive designed to attract major events to their state.

The Major Sporting Event Grant Program was created in 2009 to assist local organizing committees in securing these very large sporting events for the economic benefit of our communities and the state. The program is established in Ohio Revised Code Section 122.121 and administered by the Development Services Agency (DSA).

To qualify, an event must be projected to generate at least \$250,000 in an incremental increase to the state sales tax, determined using a formula approved by DSA. Approved events qualify for a grant in an

amount up to half of the estimated sales tax increase to help fulfil a portion of the obligations to a site selection organization under the games support contracts. Post-event reporting is due to the agency following the event to confirm impact metrics were reached.

Until last year, what has been missing since the program's inception is a funding mechanism to ensure that bids made outside the current biennium will have state assistance to help defray the often-substantial costs associated with hosting an event. House Bill 531 was a great start, but additional support is needed to ensure the long-term viability of the program.

Funding this program is critical to our ability to continue to bring major events to our state. Many site selection RFPs now have a box that must be checked to indicate state support for hosting major events. In fact, Cleveland is in the process of bidding on the 2021 NFL Draft, and a key component of their analysis will be whether there would be financial support from local and state partners.

Without assurance that funding will be available through the state program, our organizations must be very conservative when deciding which and how many events we can bid on. As we are looking at RFPs into 2025, certainty is needed to demonstrate continued support for the program.

We appreciate your thoughtful consideration of this legislation to continue support for this important program that will ensure Ohio remains competitive with the rest of the nation. We are happy to answer any questions you may have.