



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 7.1.2
Special Events Advisory Committee
June 3, 2015

TO: Chair and Members of Special Events Advisory Committee

Original Signed

SUBMITTED BY: _____
Brad Anguish, Director of Parks & Recreation

DATE: May 14, 2015

SUBJECT: Canada vs Glasgow Rugby 2015

ORIGIN

Invitation to Halifax Regional Municipality (Attachment 1) to support Rugby Nova Scotia's bid to host an international rugby match between Team Canada and the Glasgow Warriors on August 29, 2015.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, Section 79, (1) (av)

RECOMMENDATION

It is recommended that the Special Events Advisory Committee recommend that Halifax Regional Council

1. Approve an event grant in the amount of \$50,000 from the 2015/16 Marketing Levy Special Events Reserve Q315 to fund the bid for the Canada vs Glasgow Rugby 2015 event conditional on HRM securing the event and securing no less than equal funding of the Municipal host fee from the Province of Nova Scotia; and
2. Authorize the Mayor to provide a letter of commitment outlining the financial support and conditions to the local host committee for inclusion in the bid for Canada vs Glasgow Rugby 2015 (Attachment 2).

BACKGROUND

The Marketing Levy Special Events Reserve (MLSER) is intended to provide funding to attract and host tourism, culture & heritage events. These events are defined as national or international in caliber, occurring on an infrequent basis and where HRM provides a leading and/or hosting role.

Rugby Nova Scotia has been approached by Rugby Canada as a possible host for an upcoming international game with Team Canada against the Glasgow Warriors of Scotland. Rugby Canada typically hosts their international rugby games either in Toronto, Calgary or Vancouver, but has expressed interest in hosting a game in Halifax. Halifax last hosted an international rugby game in 1989 when Team Canada played Wales on the Halifax Commons. The Canada vs Glasgow Rugby Game would be used as preparation for Team Canada as they head to England for the Rugby World Cup in September and October.

Rugby Canada requires confirmation of municipal financial support in order for Halifax to be selected as the host city by June 15, 2015. This confirmation can only be approved by Regional Council.

DISCUSSION

Hosting fees are typically required for international sporting events and are paid by the host governments. Staff has assessed this opportunity under the MLSER criteria using the bid information which was submitted. The bid proposal meets the definition for funding from MLSER under the National and International Sporting and Mega Events category. The hosting fee for the Canada vs Glasgow Rugby Game is \$200,000 and the event has requested \$100,000 each from HRM and the Province of Nova Scotia as outlined in the budget (Attachment 4). However, the organizers have indicated to staff that a financial commitment of \$50,000 would be acceptable. The bid will outline a financial partnership between HRM and the Province of Nova Scotia.

The event estimates the attendance to be 5,000 people with 1,000 coming from outside HRM but within Atlantic Canada and 250 from outside Atlantic Canada. The event estimates it would generate 500 room nights and would be supported by up to 200 volunteers. The event entrance fees are yet to be determined but would include accessible low cost student/senior options with adult and VIP options. The estimated budget is \$400,000.

Currently the game is scheduled to take place on August 29, 2015, at the Wanderer's Field downtown Halifax (next to the Halifax Public Gardens). The event will require additional infrastructure (bleachers, changing rooms, etc.) to host the game which will be the responsibility of the event organizers. The game is scheduled to be broadcasted on the local network EastLink which will then be carried by BT Sport in Great Britain.

In terms of sporting events, HRM has previously funded the bids associated with considerably larger events; the 2008 IIHF World Hockey Championships (\$250,000), the ICF World Senior Canoe Championships in 2009 (\$200,000), the CIS Men's Basketball Championship in 2011/12 (\$130,000), the CIS Men's Hockey Championship in 2015 (\$88,500) and the Men's World Curling Championship in 2015 (\$150,000). However the structure of this request makes it more comparable to the 2014 Davis Cup event where Team Canada hosted Team Columbia for a tennis match at the Scotiabank Centre. HRM funded the 2015 Davis Cup bid in the amount of \$65,000.

A Sport Tourism Economic Assessment Model (STEAM) report generated by the Nova Scotia Tourism Agency in consultation with Rugby Nova Scotia (Attachment 3) states the net increase in economic activity in the province as a result of the initial expenditures of the event would be \$741,090. As well, the total level of taxes supported by the Canada VS Glasgow Rugby match is estimated at \$289,013. Of this, \$127,326 is allocated to the federal government, \$131,073 to the provincial government and \$30,613 to municipal governments across Nova Scotia. The level of municipal taxes supported within Halifax is estimated to be \$24,677.

Staff has consulted with the Nova Scotia Tourism Agency on the funding request for the Canada vs Glasgow Rugby Game. Staff share concerns regarding the number of out-of-town attendees and that the requested amount did not reflect the economic forecast provided by the STEAM analysis. However, based on HRM's reputation for hosting international sporting competitions and the potential for global recognition that results in hosting an event of this calibre, a hosting fee in the amount of \$50,000 from HRM is recommended, conditional upon no less than the same level of funding provided by the Province of Nova Scotia.

Should HRM be selected for the Canada vs Glasgow Rugby Game event, a contract between the local host committee, HRM, and the Province of Nova Scotia which outlines all conditions and benefits will be negotiated prior to the payment of any of the hosting fee. The contract would include details regarding the benefits outlined to HRM including national and international media coverage as well as advertising opportunities. In addition to specific and economic benefits, international sporting events historically have brought a degree of vibrancy to the city and it is expected that the Canada vs Glasgow Rugby Game would create similar excitement.

FINANCIAL IMPLICATIONS

All recommendations are subject to availability of MLSER reserve funds. Projected contributions and withdrawals are as follows:

Projected Balance April 1, 2015	\$ 133,619	
Plus: Marketing Levy projected revenue for 2015/16	\$1,201,412	
Less: Previous approvals for 2015/16 funding:		
Web.com PGA Tour Stop Host	\$ (300,000)	
Less: 2015/16 Hallmark Event Grants	\$ (400,000)	
Less: 2015/16 MLSER Event Grants (recommended)	\$ (419,500)	
Less: 2016/17 MLSER Event Grants (recommended)	\$ (41,000)	
Less: 2015/16 Canada vs Glasgow Rugby (pending)	\$ (50,000)	
Projected Reserve Balance March 31, 2016 once MLSER funds are determined	\$ 124,531	subject to change

COMMUNITY ENGAGEMENT

The Special Events Advisory Committee includes members of the public and a local hosting committee under Rugby Nova Scotia will be formed to provide an advisory role to Rugby Canada.

ENVIRONMENTAL IMPLICATIONS

None identified.

ALTERNATIVES

SEAC may choose to amend report recommendations to Regional Council.

ATTACHMENTS

- Attachment 1: Letter of Invitation
- Attachment 2: Letter of Commitment
- Attachment 3: Steam Report
- Attachment 4: International Rugby Match Budget

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Elizabeth Taylor, Manager, Culture & Events, 490-4387

Original Signed

Report Approved by:

Denise Schofield, Manager, Program Support Services, 490-6252

Original Signed

Financial Approval by:

Greg Keefe, Director of Finance & ICT/CFO, 902.490-6308

RUGBY

NOVA SCOTIA

March 24, 2015

His Worship Michael Savage
Mayor,
City of Halifax,
City Hall,
1841 Argyle Street,
Halifax, NS
B3J 3Y8

Dr. John Gillis
Director of Men's Rugby,
Rugby Nova Scotia
2025 North Park Street,
Halifax, NS
B3k 4B2

Dear Mayor Savage:

I am writing in follow-up to our recent conversation seeking Municipal funding to support a major sporting event in our Province's capital. On August 29, 2015, Rugby Nova Scotia has been given the opportunity to host a major event in the sport of Rugby: our National Senior Men's team vs. the Professional side, the Glasgow Warriors. Not since Canada played Wales on the Common in 1989 have we had a chance to host an event of this magnitude. The Canadian side will be ramping up for their departure for England for the Rugby World Cup in September and October. Glasgow are top of the table in the Irish Scottish league, the RaboDirect Pro 12. The hype leading up to the World Cup, coupled with the natural attraction of a Scottish side coming to New Scotland promises to make this a massive event for our City and our Province.

As you will see in the attached budget, this event will not be cheap to produce, but we have attempted to provide as detailed a budget as we are able at this stage. Our goal is to have at least 5,000 fans from the Rugby Community in Nova Scotia and Atlantic Canada and from locals who are interest in the excitement of such and exciting high profile event. In brief, we are respectfully seeking **\$100,000 in support funding from each level of government** for this event.

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How will the event benefit Halifax and Nova Scotia?

First, the event will fill a minimum of 500 hotel room nights, 400 from the teams themselves, and more from those coming into town. With the right marketing, this figure could hit 600-700 room nights.

Second, the teams, their staff, and the thousands of fans in town for the event will generate significant income in the bars, restaurants, and shops of Halifax over what we hope to make into a multi-day event with lots to do and see for fans and those new to the game.

Third, we plan to produce the game for broadcast on TSN nationwide. In partnership with TSN and Rugby Canada, we will have ample opportunity to promote the game, Halifax, and our Province on other Rugby broadcasts throughout the summer and in the run up to the game.

Fourth, we hope to demonstrate our ability to attract more high level events, leading to better infrastructure and more tourism dollars being spent in our City/Province in the long run. Regular events like this help promote the view that Halifax and Nova Scotia are exciting places to live and visit.

To make this event happen, Rugby Nova Scotia has retained as a key partner, Mr. Derek Martin, and his sports promotion/management company Sport Entertainment Atlantic (www.seatlantic.com). Mr. Martin and his team have extensive experience in all aspects of event management in Halifax and the region, including but not limited to, venue/facility management, ticket sales, sponsorship acquisition/relations, travel and accommodation, and much more. Mr. Martin and his team also have extensive experience working with staff from all levels of government, an important fact to ensuring that our valued partners get maximum value for their investment in this event. Mr. Martin's group are responsible for producing the highly successful World Beach Volleyball Championships and the CIS Men's Ice Hockey Championships, right here in Halifax. This partnership will be key to the success of this event.

Please note below a more detailed analysis of the items required to make this event happen and some key points for discussion and decision:

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1) Site selection

We basically have four workable options at this point which I will discuss separately, identifying pros and cons.

a) The Garrison Ground- this is an historic “field” at the base of the Halifax Citadel National Historic site which for years has been used off and on as a rugby ground and practice field. In recent years, it has fallen into significant disrepair and mainly been used as a concert venue. The leadership of Parks Canada who own the land have in the last 1-2 years indicated that they would like to improve this field to a top standard and that they may have some funds to do so. Recent communication confirms this interest. If brought up to standard, this field would be attractive because it is surrounded by a natural grass bowl where thousands of fans could be accommodated in a natural setting with no infrastructure requirements. The field is in the heart of the city and would be a great venue from an optics and historical perspective, piping the teams in from the fort to do battle on the new field. The downside is the lack of supporting infrastructure such as any type of change rooms. Such facilities would have to be brought in on a temporary basis, which is doable. Ideally, a partnership with Parks Canada could lead to development of some concurrent infrastructure.

b) The Wanderer’s Ground- This is another even more historic Rugby Ground, across the street from the Garrison Ground. Rugby has been, and is still, played here for over 100 years. The grass field is in excellent shape and would be easy to manicure to top match standards. The field would require stands to be brought in as currently space exists for possibly 1,000 fans. There is some infrastructure here, but most would have to be brought in. The venue is fenced in and is a nicely contained area for such an event, making crowd management relatively easy.

c) St. Mary’s University turf stadium- This field is home to the St. Mary’s Huskies football team and has recently been renovated. Current capacity is 4,000 fans and 4,000 more stands could be easily added. The turf is brand new, but is probably not be the right type that is approved by World Rugby regulators (to be confirmed). The facility is attractive in that it has large locker room facilities and the supporting infrastructure of weight rooms, pool, sauna/hot tub for post-game recovery.

d) The Halifax Common- This is near the Wanderer’s Ground and has been used in the past for the Canadian Rugby Super League Final and as noted a match between Canada and Wales in 1989, as well as the CIS National Women’s Rugby Championship in 2004.

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It would require significant set up but might take advantage of some facilities at the nearby Halifax Common Skating Oval, or the Pavilion on the South Common.

2) Cost/ Sponsorship/ Funding

Defining the cost of putting on this event is a key first step, and is so noted in the budget. Based on discussions with local officials and with Mr. Martin, we estimate we will have to generate \$300,000 in capital from government sources.

On top of this funding, we will also aggressive seek out corporate sponsorship for the day of the game itself and the run up with promotion of the game on local and national media.

Ticket sales will generate extra revenue to cover contingency, fees for Mr. Martin's company, and a modest financial benefit to the host rugby union for programming.

3) Fan Support and Ticket sales/prices

Fan Demographics

It is obviously critical to create a well-attended events both for the quality and excitement of the event for both teams and fans, and for the financial success of the event. We believe that a goal of 5,000 fans is an attainable conservative goal, and that as many as 10,000 may be possible. To achieve this, we must heavily leverage the local (Halifax area) rugby community, the entire Atlantic Rugby Community, and the general public. Each are important in different ways. The local community should provide a base of 1-2 thousand fans to get the ball rolling. The broader rugby community needs to bring similar numbers and are perhaps more important because they will fill the hotel rooms, a key impetus for government funding. Public ticket sales will provide the "gravy" driving the event up to and beyond 5,000 and providing that key buzz to spread the excitement about the event. Reaching each of these three fan groups will involve a slightly different marketing plan, but all are key to reaching our goals.

Ticket sales/prices

Much of this will be left to the expertise of Mr. Martin and his team. They will consider various price points from basic general admission to allow students and young ruggers to join us, through top end VIP Services. Some of these options/levels may be linked to level of sponsorship provided by those who support the game.

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4) Concurrent Events

As with any large rugby/sporting event, it is wise to consider other sources of revenue and/or how to bring more people into town. A dinner with both teams might provide another fundraising opportunity and an important chance for fans to interact with top players from both teams. Such an event may fit nicely on the Thursday night prior to the game. Similarly, some fan events, or clinics with local/regional rugby players, whether junior players or high performance, would be a nice compliment on one of the days, possible the Friday before the game. A tournament or rugby festival for younger players held on the same weekend is another way to boost attendance and increase the number of full hotel rooms. All options are to be considered.

Key Next Steps

- 1) Secure key funding commitments from Government- Our group has been given a short time line of 1-2 weeks to garner some hard commitments. This is a big ask but we believe that this event will provide a great payoff for the Halifax area.
- 2) Confirm viability of venues and book best option- We are pleased with the options available and believe that the venue will work out well as long as full funding is secured.
- 3) Develop detailed marketing and operational plan- For this event to be a comprehensive success, this plan will be key and promises to have dedicated involvement from many members of the local sport and business communities.

I thank you in advance for your kind attention to this matter and look forward to answering any questions you or your staff may have. This event represents an exciting opportunity and we look forward to working with you and your team to make it happen.

Regards,


Original signed by

Dr. John Gillis
Director of Men's Rugby
Rugby Nova Scotia

**Attachment 2
Letter of Commitment**

Dr. John Gillis
Director of Men's Rugby,
Rugby Nova Scotia
2025 North Park Street,
Halifax, NS
B3k 4B2

Dear Dr. Gillis,

The Halifax Regional Municipality is pleased with Rugby Canada's interest in the Municipality as a host city for the Canada vs Glasgow Warrior's Rugby Game. Should the Halifax Regional Municipality be awarded the hosting rights, Halifax Regional Council has pre-approved funds for payment of a hosting fee, up to a total of \$50,000.

The payment of the hosting fee would be contingent on the following:

- A commitment of no less than \$50,000 from the Province of Nova Scotia to cost share the event.
- Opportunity to promote Halifax Regional Municipality through in broadcast vignettes (pending television broadcast agreement).
- Logo inclusion on all promotional materials related to Halifax Regional Municipality as the host of the Canada vs Glasgow Warrior's Rugby Game.
- Activation opportunity (to be determined).

Halifax has the hotels, venues, suppliers, volunteers and talent to make the Canada vs Glasgow Warrior's Rugby Game an overwhelming success. We look forward partnering with Rugby Canada and local host committee should Halifax be successfully chosen as the host city.

Regards,

Mayor Mike Savage

2015 Canada vs. Glasgow Rugby Test Match (Halifax, Nova Scotia)

Economic Impact Analysis – STEAM Report Halifax, NS May 2015

The combined total of visitor, capital and operational spending as a result of hosting the **2015 Canada vs. Glasgow Rugby Test Match** are estimated to total **\$647,214**. These expenditures are expected to generate a total of **\$1,458,312** of economic activity in the province, of which **\$1,024,718** will be in **Halifax**.

The **2015 Canada vs. Glasgow Rugby Test Match** is estimated to provide a total of **12.5** jobs for **Halifax** and an additional **2.1** jobs for the remainder of the province. These jobs will create a total of **\$503,405** in wages and salaries for Nova Scotia as a whole.

The net increase in economic activity in the province as a result of the initial expenditures of the event is **\$741,090**.

The total level of taxes supported by the **2015 Canada vs. Glasgow Rugby Test Match** is estimated at **\$289,013**. Of this, **\$127,326** is allocated to the federal government, **\$131,073** to the provincial government and **\$30,613** to municipal governments across Nova Scotia. The level of municipal taxes supported within **Halifax** is estimated to be **\$24,677**.

Disclaimer: The results of this pre-event economic impact analysis are intended to act as a guide and are not considered definitive of the actual events. All projections should be considered an event's potential economic impact. The projections are based on standardized spending estimates that may or may not reflect that of the highlighted event's attendees. In addition, the projections are based on the organizer's assumptions regarding attendance, composition and characteristics. These forecasts are subject to uncertainty and evolving events, therefore actual results may vary from forecasted results. Additionally, these forecasts only recognize the economic benefits of the event, and do not consider any displacement or substitution costs that may occur as a result of hosting the event.

STEAM® is the federally recognized economic impact assessment model used for sport tourism in Canada.

The Local Organizing Committee (LOC) and Event Governing Body (EGB) release Events Nova Scotia from any and all claims which it may have relating to or resulting from the use of the results by the LOC, EGB or its agents.

International Rugby Match Budget

Revenue					
		#	\$	Total	
Partner Funding					
	Halifax			\$100,000	25%
	Tourism (NSTA + ACOA)			\$100,000	25%
Sponsorship					
				\$125,000	
					31%
Ticket Sales					
	GA	1750	\$15	\$26,250	
	Side	1500	\$20	\$30,000	
	Side Reserved	400	\$25	\$10,000	
	VIP Tents	350	\$30	\$10,000	
		4000			19%
Total Revenue				\$401,250	100%
Expenses					
				Total	
Venue					
	Bleachers			\$15,000	
	Sound & Electrical			\$10,000	
	Tenting			\$10,000	
	Printing/Signage			\$10,000	
	Equipment Rentals			\$5,000	
	Venue rental			\$5,000	
	Fencing			\$5,000	
					15%
Operations					
	Volunteer (Clothing & Food)			\$5,000	
	Security			\$2,500	
	Rentals			\$2,500	
	Game staff			\$2,500	
	Misc			\$5,000	
					4%
Marketing					
	Broadcast			\$25,000	
	Radio			\$20,000	

	Print			\$20,000	
	Outdoor			\$10,000	
	Online			\$5,000	
	Creative			\$5,000	
	Other			\$5,000	
					23%
Administration					
	Event Management			\$60,000	
	Contract services			\$25,000	
	Sponsorship servicing			\$5,000	
					23%
Teams					
	Glasgow Flights	40	\$1,250	\$50,000	
	Hotel Rooms	300	\$150	\$45,000	
	Hotel Meals	100	\$200	\$20,000	
	Local Transportation			\$5,000	
	Officials			\$5,000	
					31%
Contingency					
				\$17,500	4%
Total Expenditure				\$400,000	100%