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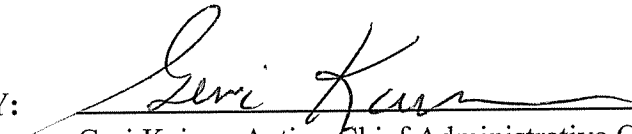


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Halifax Regional Council
July 4, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Geri Kaiser, Acting Chief Administrative Officer



Wayne Anstey, Deputy Chief Administrative Officer

DATE: June 27, 2006

SUBJECT: Festivals and Events Funding Committee

ORIGIN

Staff review of HRM funding programs for festivals and events, including a previous Information Report to Regional Council entitled *Events Funding Review*, March 7, 2006.

RECOMMENDATION

It is recommended that :

1. Council direct the Cultural Advisory Committee to establish an interim sub-committee, for a one year term, to review and make recommendations on funding and policy for festivals and events; future governance to be determined during this time.
2. That the Cultural Advisory Committee, using the attached Terms of Reference as a guide, recommend a Subcommittee Terms of Reference to Council
3. That the Terms of Reference enable the following:
 - implementation of the work plan contained in the attached draft Terms of Reference
 - representation including that outlined in the attached draft Terms of Reference under Composition of Committee
 - a mechanism for 'exceptional circumstance' under Reporting Relationships to address time sensitive opportunities (e.g. an opportunity to host a major international event on short notice, requiring a condensed review and approval process).

BACKGROUND

In relation to recent HRM corporate projects such as the Cultural Plan and Economic Development Strategy, Community, Culture and Economic Development (CCED) initiated a review of funding and investment programs used to disseminate funding to festivals and events. A previous Information Report to Regional Council (March 7, 2006) provided an overview, time lines, and expected outcomes for the review process. This report contains the first recommendation to Council as a result of this review.

Through its annual budget process, Halifax Regional Council approves a variety of different funds to support festivals and events. There are two categories of events delivered in HRM. The first category consists of events that are organized and implemented directly by HRM staff and/or Committees of Council. These “civic” events are generally planned to celebrate or commemorate holidays or historic events. The second category consists of events that receive funding from the municipality but are conducted by external event organizers. These festivals and events range from annual community and regional events to large national or international events hosted in HRM.

In terms of funding support, all internal civic events are supported directly from the CCED operating budget. External events are funded in several ways. Direct funds from operating are provided to a specific list of annual events. The Special Events Reserve enables strategic opportunities to invest in hosting national or international events.

In addition, two grant programs are funded from operating. The Festivals and Events (F&E) Grants Program is an annual program that provides grants to community groups and non-profit organizations to assist in hosting community events. The Summer Festival grant is awarded annually to provide a legacy enhancement for a community event that is geographically located within the former Halifax County municipal boundaries.

DISCUSSION

According to the Reserves Business Case for the Special Events Reserve, all requests for withdrawals must be initiated by Tourism (now CCED). Approvals are primarily done through the annual budget process or on an individual basis prior to being approved by Council, based on staff recommendations. In order to access community talent, empower the creative community and to establish a more formalized and transparent process for screening and approving reserve funds, it is recommended that Council and other stakeholder representation be added to the funding process for events. Additional participation in the review and approval process would allow for a broader scope of accountability and transparency.

To achieve this goal, an events sub-committee of the Cultural Advisory Committee (CAC) consisting of Councillors and external stakeholders (i.e. industry/sector representatives, event organizers, cultural community representatives, economic development stakeholders) will be established for the purpose of making recommendations on event funding. This responsibility may include

recommending revised and/or new funding tools, strategies, and principles in relation to municipal investment in major regional, national, and international festivals and events.

A related recommendation that has emerged from the event funding review is to establish a formal funding program for annual events that are regional in nature and organized by external parties. Levels of funding for those events currently funded on an annual basis from the HRM Civic Events and Festivals operating budget were established at amalgamation. The budget line, list of events supported, and the annual amount provided to each event has remained fairly static since that time. All events being supported are established annual community and/or regional events but there is no application process or supporting information required to access this funding. There is little flexibility in the operating budget to increase funding to those events currently supported, provide funding to existing annual events currently not funded by HRM, or support new annual festivals or events. Therefore, the events currently funded from operating and the levels of funding provided to those events requires review and development of a more formal process to assess funding requests as well as select and justify funding levels for annual events funded from the operating budget. In addition for responsibility for the Event Reserve, the CAC and/or events sub-committee could take on the role of assisting staff with developing this program.

The intention is to establish the Festivals and Events Funding Committee for a term of one year, at which point the structure and mandate of the group will be reviewed in the context of progress and implementation of other related HRM initiatives, i.e. the Cultural Plan, Economic Development Strategy, and Grants Policy Review. As per the CAC Terms of Reference, the CAC will refine and/or approve the attached draft Terms of Reference for the interim Festivals and Events Funding Committee.

The Terms of Reference will enable the following:

- implementation of the work plan contained in the attached draft Terms of Reference
- representation including that outlined in the attached draft Terms of Reference under Composition of Committee
- a mechanism for 'exceptional circumstance' under Reporting Relationships, to address time sensitive opportunities (e.g. an opportunity to host a major international event on short notice, requiring a condensed review and approval process)

In the short term, the existing decision-making process and administration for community events (F&E and Summer Festival programs) will continue. However, staff is examining closer linkages of these programs to the existing HRM Community Grants process as part of a larger review of Community Grants policy. The initial recommendations from this review are expected to be implemented for the 2007/08 fiscal year.

BUDGET IMPLICATIONS

Approximate annual funding provided directly to internal and external events from operating (including the Summerfest and F&E programs) is \$538,585. Funds available annually in the Special Events Reserve varies annually but is generally in the range of \$750,000 to \$1,000,000. Festivals and special events significantly contribute to economic activity within HRM.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

Council may choose to opt for a different decision-making structure for major events and festivals.

ATTACHMENTS

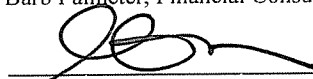
(1) Draft Festivals and Events Funding Committee Terms of Reference

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Paul Johnston, Business Services Coordinator, 490-5623

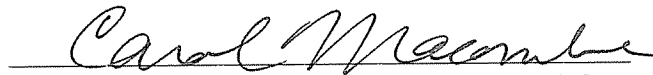


Financial Review: Barb Palmeto, Financial Consultant, 490-7221



Finance Approval: Catherine Sanderson, Senior Manager, Financial Services, 490-1562

Report Approved by:



Carol Macomber, Acting Director, Community, Culture & Economic Development, 490-5908

ATTACHMENT A - Draft Terms of Reference

HRM Festivals and Events Funding Committee

MANDATE

The HRM Festivals and Events Funding Committee is a sub-committee of the HRM Cultural Advisory Committee (CAC) appointed to review and make recommendations on funding for major festivals and events in HRM and to advise staff on funding programs and policies. The purpose of the committee is to deliver the work plan contained in this Terms of Reference.

Composition of Committee

Committee members shall be appointed by the Membership Selection Committee. The Festivals and Events Funding Committee shall include:

10. Two members of Halifax Regional Council;
11. One representative from Destination Halifax;
12. One representative from Events Halifax (non-voting);
13. One representative from the merged Greater Halifax Partnership / Halifax Regional Development Authority;
14. One representative from the Festival and Event industry;
15. Two representatives from the Cultural Advisory Committee;
16. One representative from the Sport community.

The committee will be logistically supported by staff from the Clerk's Office and advised by staff from the Community, Culture and Economic Development and Finance Business Units.

Term of Office

Initially, membership will be for a term of one year, at which point the structure and mandate of the group will be reviewed in the context of progress and implementation of other related HRM initiatives, i.e. the Cultural Plan, Economic Development Strategy, and Grants Policy Review.

Chair and Vice Chair

The committee shall appoint a Chair and Vice-Chair from among its members at the beginning of the first meeting.

The Chair shall preside at all committee meetings, seek ratification by the committee of all actions and decisions relative to the mandate and purpose of the committee, and prepare and present to the Cultural Advisory Committee all actions and decisions recommended by the committee relative to festival and event funding. Some exceptional circumstances related to event opportunities

may require a different process (see reporting relationship).

The Vice-Chair shall fulfill the duties of the Chair in the absence, disability, or refusal of the Chair to act.

Quorum

Five (5) voting members of the Festivals and Events Funding Committee shall constitute a quorum.

Meetings

The Festivals and Events Funding Committee shall meet at least monthly, or as required to deliver the work plan.

Absenteeism

Any member of the committee who misses three (3) consecutive meetings without notification may be replaced. Absentee members must first be notified in writing by a letter from the Chair. The final approval to remove and replace any member will be the decision of the Cultural Advisory Committee.

Reporting Relationship

The Festivals and Events Funding Committee will report through the Cultural Advisory Committee to Council.

In exceptional circumstances, i.e. when requests for funding or opportunities to support events arise which are after established time lines or deadlines established by the committee, the subcommittee will develop a condensed review and recommendation process.

The subcommittee shall develop and recommend a process to address time sensitive opportunities (eg this could include but isn't limited to a major international event becoming available on short notice).

**Festivals and Events Funding Committee
Draft Work Plan**

ACTION	TARGET DATE
(1) Establish a formal committee process for reviewing and recommending Special Event Reserve funding	September 2006
(2) Review and recommend to Council Special Event Reserve funding	To be established as part of committee process
(3) Assist in establishing a program to provide funding for annual external events that are Regional in nature	September 2006
(4) Review and recommend to Council funding for annual external events that are Regional in nature	To be established as part of committee process
(5) Assist in formally defining "Internal" Civic Events and "External" Festivals and Events and establish separate approaches to funding the two categories	October 2006
(6) Assist in reviewing and revising policy regarding municipal costs on external events	Winter 2006
(7) Assist in developing a sponsorship rights and benefits policy	Winter 2006
(8) Advise on the development of a Major Events Hosting Strategy for HRM	Ongoing