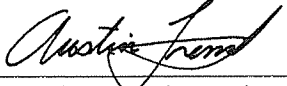




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Peninsula Community Council
March 3, 2010

TO: Chair and Members of Peninsula Community Council

SUBMITTED BY: 
Austin French, Acting Director, Community Development

DATE: January 29, 2010

SUBJECT: Halifax Common - Economic Generation Analysis of 2009 Concerts

INFORMATION REPORT

ORIGIN

December 14, 2009 Peninsula Community Council requests an analysis of the economic generation created by the 2009 concerts on the North Common.

BACKGROUND

The Common is often referenced in association with major concerts, however, the concert site in question is actually known as the “North Common”. This large green space is surrounded by Robie, Cogswell, North Park and Cunard streets. It is only one part of the much larger Halifax Common.

A) The History of Concerts

September 23, 2006 HRM hosted the Rolling Stones Bigger Band Tour concert, which purportedly was the biggest touring production in North America that year and was certainly the largest of any ticketed outdoor concert ever staged in HRM. This concert marked the advent of a renewed interest in the Common for hosting large outdoor concerts.

On March 6, 2007 Regional Council reestablished support for using the North Common as a venue for major outdoor concerts. However, Council established specific criteria to guide decision. First, it must be anticipated that an audience of 30,000 or more for a concert can be achieved; that no greater than three Major Concerts may occur per year; and that a preference for concerts in September and October, when possible.

Upon approval of the major concert criteria for the Common, Council established policy conditions. *Policy 2* of HRM’s Civic Event Funding Policy Framework states that the Marketing Levy Special Event Reserve “will be the source from which HRM will fund events focussing on economic and tourism development”. Further, that HRM will support commercial special events which include events such as major outdoor concerts, professional sports and or the bid associated with such events.

Given the confidentiality and fast-paced nature of the concert business, Regional Council also provided the Mayor and DCAO of Operations authority to negotiate contracts for concerts within this framework.

B) The Common Concert Program

The Common Concert Program supports a maximum of 3 concerts per year. The program is not a granting program, so the promoter does not receive a direct grant in support of the concert. Rather the program is designed to allocate specific budgets to offset the cost of ‘municipal/extraneous’ services associated with concerts. The maximum budget allocated for each concert is \$150,000. The funds are maintained in a reserve until the concert concludes, and is then reassigned to respective business units and service providers accordingly.

DISCUSSION

During the Peninsula Community Council meeting held on December 14, 2009 a motion was made by Councillor Watts requesting a staff report on the economic analysis of concerts and impact on regular users of the Common due to field closures. HRM Civic Events does not regularly maintain this type of analysis. Consequently, HRM staff approached Events Halifax and the Promoter for this information.

Economic Impact:

In July 2009, HRM hosted two major concerts on the North Common. The first was the Paul McCartney concert held on July 11th, and the second was the KISS concert held on July 18th.

Events Halifax report concludes that 25% of the Paul McCartney concert audience came from outside HRM and 22% of the audience came from outside Nova Scotia. The analysis further suggests that 87% of the non-HRM residents came to the municipality for the primary reason of attending the concert.

In terms of expenditures, the analysis found that attendee expenditures exceeded \$6,800,000, and direct spending by the promoter locally to support the concert (ie. construction etc.) was over \$1,400,000. The total estimated direct expenditures from the Paul McCartney concert was \$8,200,000.

In discussions with Events Halifax staff, HRM staff extrapolated the Paul McCartney economic generation figures to the KISS concert and conservatively reached a total economic generation figure for both concerts in excess of \$10,000,000.

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.

BUDGET IMPLICATIONS


There are no budget implications.

ATTACHMENTS

None

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

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