

Re 5.1

Executive Director



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Deputy Mayor Reg Rankin  
Chairman, Transportation Standing Committee

Re: Charging for City Services for Events

Deputy Mayor Rankin and members of the Transportation Committee,

After speaking with Councillor Wayne Mason, he suggested I submit a letter to the standing committee, as they examine the practice of charging for city-related services for events. I wish to share our experience as the organizer of the Holiday Parade of Lights, as well as some general feedback. The Parade is a wonderful event which, though it is organized by a business commission, does not generate any revenue directly. It is only possible because of sponsorships, and the fact that we absorb the cost of staffing in our general budget. HRM civic events and other staff have been very cooperative with regards to the parade. However, the cost of city services is an ongoing source of tension.

Throughout most of the history of the Holiday Parade of Lights, typically HRM would give us a grant of \$10,000. However, our largest cost were required city services (policing, transit re-routing, street closure, and cleaning) which were typically in the \$20,000 range.

Last year, HRM increased this grant to \$17,000 which closed the gap. The HRM services bill for 2013 was \$23,000. So a net cost, as it were, of \$5,000. However, the city service costs are perpetual, and the grant is awarded annually by the Special Events Advisory Committee (SEAC), so there are no guarantees. We've long advocated for waiving the fees, or making sure the grant matches the bill. We feel this would still be a great deal for HRM, as many citizens assume the parade is organized by the city.

Is this a normal practice? Not in our experience.

I recently sent an email to many of my colleagues across Canada. Of those who responded, only Calgary charges for city services for the parade. As a consequence, Downtown Calgary has ceased operating it. The following cities communicated to me that their municipalities waive or cover these costs for the Christmas-time parade:

Charlottetown  
Fredericton  
Saint John  
Truro  
Saskatoon

Moncton  
Windsor  
Regina  
Victoria

I would be happy to share the actual correspondence with you.

Another ongoing issue is the Transit bill. We get billed fully for the costs of re-routing and advertising. But we also know that transit ridership is much heavier on that night than normal. Assuming most of those people do not have monthly passes (the demographics of the crowd suggest most do not), we're also contributing to above-average transit revenue. HRM Transit informs us that they cannot track specific revenues and tie them to the parade. Even so, some sort of formula by which some additional revenues could be factored in, and deducted from the bill, would seem to be fair. This doesn't apply to many downtown events (most don't drive heavy transit traffic, unless they are of a certain size – Tall Ships for instance would), but it does to the parade. We actively promote transit/ferry use for the parade.

These comments are very specific to the Holiday Parade of Lights. This is an event which is perhaps more 'civic' in nature than others, and has very little sources of revenue. As such it would seem to be the right event to make an exception for, when charging for city services.

We also work with many other event-organizers who operate downtown, and I can tell you that the cost of city services is a detrimental factor for many of them. Indeed the events that do happen manage to overcome these costs barriers. There are also events that do not happen downtown because of city service costs. A soapbox derby on George Street a couple of years ago is one example. Another, just this year was a family-themed Natal Day event on Argyle Street. With decreasing sponsorship options for most event organizers, the cost of city services takes on an even more pronounced impediment.

Events happen in downtown Halifax because we have tremendously creative people and the population demands/supports them. But they often happen despite HRM costs. I would suggest that if HRM wants to be supportive of events, the way and amount they charge event organizers needs to be reconsidered.

Sincerely,

Paul MacKinnon  
Executive Director  
Downtown Halifax Business Commission