

Special Events Advisory Committee
March 18, 2013

TO: Chair and Members of Special Events Advisory Committee

Original Signed

SUBMITTED BY: Brad Anguish, Director, Community & Recreation Services

DATE: March 1, 2013

SUBJECT: **Non-Annual Events & Event Infrastructure Report**

ORIGIN

Civic Events Policy and Granting Framework approved by Regional Council on March 27, 2007.

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 approve the 2013/14 Non-Annual Grants and Event Infrastructure Funding for a total of \$230,075 as identified in Table 1 from the Marketing Levy Special Events Reserve (Q315).

BACKGROUND

Currently there are four event grant programs operated by HRM: 1) Hallmark Events; 2) Non-Annual Events; 3) Summer Festival Events; and 4) Festivals and Events. This report outlines the recommended grant allocations for the 2013/14 Non-Annual Event Program and the 2013/14 Event Infrastructure Program. Each program is funded through the Marketing Levy Special Events Reserve (MLSER) and governed by the Special Events Advisory Committee (SEAC). The MLSER is an operating reserve funded through the hotel tax levy. HRM receives 40% of the total revenue generated from the hotel tax levy for the purposes of event and economic development.

Staff undertakes the grant application and evaluation process which is described in Attachment 1. All recommendations respecting the allocations of the MLSER are guided by the Civic Event Granting Framework and Policy and the MLSER Reserve Business Case. The Non-Annual Event Program supports Tourism, Sporting and Major Civic Celebration events. Detailed information on the programs and event categories is outlined in Attachment 2.

DISCUSSION

This report will assist SEAC in its deliberations respecting the Non-Annual grants applications for 2013/14 to be funded through the MLSER. The report also provides staff's recommended allocation for the Event Infrastructure program.

Applicant Eligibility and Qualification:

To be eligible for funding, events are to be non-annual and the proposed event must fall within one or more of the event program and categories outlined in Attachment 2. Events that require a bidding process are not considered annual because the event has to be awarded and therefore these events can only be considered eligible in subsequent years. Upon determining eligibility, each event is assessed to determine which, if any, grant program it may qualify for consideration. In addition, events must score 50 or greater in order to qualify for funding.

As part of the review process, SEAC and Council may also consider matters beyond the direct policy framework, such as delinquent or outstanding monies owed to HRM, event quality and image, event organizer's capacity and experience, and event organizer's governance structure.

Following the review of all applications, the proposed events fall into one of the following categories:

- Non-Eligible Events
- Applications Requiring Additional Information
- Non-Qualified Events
- Qualified Events

Following the review of all applications, the proposed events were placed into one of the three categories: applications requiring additional information, non-eligible events and eligible events (see Attachment 3). The eligible events were then scored using the MLSER Score Sheets to determine if they qualified for a grant award. Four out of the five applications qualified for grant

support (See Attachment 4). Currently, all eligible events do not owe any outstanding debt to HRM. The Non-Annual first intake proposed funding amounts are displayed in Table 1 below.

Table 1: PROPOSED FUNDING AMOUNTS Marketing Levy Special Events Reserve (Q315)			
Event Name	Request	Score	Proposed
Sporting Events			
SandJam Halifax	\$250,000	63	\$127,500
Female Bantam National Lacrosse Championships	\$2,500	54	\$825
SUBTOTAL	\$252,500		\$128,325
Tourism Events			
Hal-Con	\$100,000	60	\$45,000
SUBTOTAL	\$100,000		\$45,000
Major Civic Celebrations			
Dartmouth Book Awards 25 th Anniversary	\$15,000	60	\$6,750
SUBTOTAL	\$15,000		\$6,750
TOTAL NON-ANNUAL EVENTS	\$367,500		\$180,075
Event Infrastructure			
Infrastructure Maintenance and Upgrades			\$50,000
TOTAL INFRASTRUCTURE			\$50,000
TOTAL			\$230,075

Event Infrastructure Program

The Event Infrastructure Program, as stated in the Reserve Business Case, supports miscellaneous expenses such as maintenance, upgrades, and development of HRM owned and operated event infrastructure (i.e., HRM Float), equipment and sites. This funding program can be valued up to 10% of the MLSE budget (approximately \$1.2M projected for 2013/14) in any given budget cycle.

For 2013, \$50,000 is recommended to support the Event Infrastructure Program to fund twinnings with HRM, maintenance of audio equipment, float and millennium flag infrastructure, and the purchase of event equipment. This amount will be reflected in the proposed project budget to be funded by this reserve.

FINANCIAL IMPLICATIONS

All recommendations are subject to approval of the proposed 2013/14 budget and availability of MLSE reserve funds. Projected contributions and withdrawals are as follows:

Budget Summary Marketing Levy Special Events Reserve, Q315:

Projected Balance March 31, 2013(as at Jan 31/13)	\$ 47,948
Plus: Marketing Levy projected revenue for 2013/14	\$1,177,996

Less: Previous approvals for 2013/14 funding:	
CCMA	\$ (250,000)
2012/13 2nd intake for 2013/14 events	\$ (17,250)
Less: 2013/14 Hallmark Event Grants (per recommendation, Feb 6, 2013)	\$ (370,000)
Less: 2013/14 Non-Annual Grants (per recommendation)	\$ (180,075)
Less: 2013/14 Event Infrastructure (per recommendation)	\$ (50,000)
Projected Reserve Balance March 31, 2014	<u>\$ 358,495</u>

None of the applicants have outstanding accounts receivable with HRM.

COMMUNITY ENGAGEMENT

Not applicable.

ENVIRONMENTAL IMPLICATIONS

None identified.

ALTERNATIVES

1. SEAC may choose not to approve the recommendation as outlined.
2. SEAC may choose to amend the proposed grant award pending budget capacity.

ATTACHMENTS

Attachment 1: Grant Application and Evaluation Process
Attachment 2: Event Programs & Categories
Attachment 3: Non-Eligible & Eligible Events
Attachment 4: MLSER Scoring Sheets

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.

Report Prepared by: Paul Forrest, Coordinator, Regional Recreation & Culture, 490-6979

Original Signed

Report Approved by: Denise Schofield, Manager, Regional Recreation & Culture, 490-6252

Original Signed

Financial Approval by:

Greg Keefe, Director of Finance and ICT/CFO, 490-6308

Attachment 1
Grant Application and Evaluation Process

There are two intake processes for all HRM events granting programs. The first intake process begins the last Friday of October and closes the last Friday of January. The second intake process opens the last Friday in May and closes the last Friday of August. Grant applications are located on the HRM web page with accompanying instructions each intake. The application process requires several steps until a final decision is made by Regional Council, as outlined below:

Step One: Grant Application Submission

Candidate applications are submitted. Upon receipt, staff communicates receipt of the application. An application reference number is provided.

Step Two: Applications Scoring and Presentations

Applications are reviewed to determine eligibility for the respective grant program. Staff analyzes and scores each application accordingly (eligible events must reach the minimum score to be recommended a grant award). Award recommendations are developed within the allocated budget based on a grant allocation formula and capping system shown in Table 2 (Approved by Regional Council on April 21, 2009). Approved applicants requesting over \$20,000 in funding are contacted and required to make a presentation to the Special Events Advisory Committee.

Table 2: MLSER Granting Cap Amount Totals	
Event Category	Grant Cap Amount
Hallmark	
• Hallmark	\$100,000
Sport	
• National	\$50,000
• International	\$250,000
Tourism	
• Major	\$100,000
Major Civic Celebrations	
• Anniversary	\$25,000

Step Three: Special Events Advisory Committee Deliberations

Upon review of all applications, and hearing presentations, SEAC prepares and forwards its recommendations to Regional Council. A committee report is tabled for Council's consideration.

Step Four: Regional Council Decision

Upon review of the recommendations provided by the SEAC, Regional Council makes a final decision on the proposed grants. Both successful and unsuccessful grant applicants are officially notified of Regional Council's motions.

Attachment 2 Event Programs & Categories

The Reserve Business Case as approved by Regional Council in 2007 acts as the governing document for funding allocations from the Marketing Levy Special Events Reserve (MLSER). The purpose of the Reserve Business Case is to provide funding to attract and host exceptional tourism, culture, and heritage events that are typically national or international in calibre, and that occur on an infrequent basis, where HRM plays a leading and/or hosting role.

The Event Infrastructure Program, as stated in the Reserve Business Case, supports miscellaneous expenses such as maintenance, upgrades, and development of HRM owned and operated event infrastructure (i.e., HRM Float), equipment and sites. This funding program can be valued up to 10% of the MLSER budget in any given budget cycle.

The Civic Event Granting Framework and Policy was also approved by Regional Council in 2007 and guides all decisions respecting the allocation of the MLSER. The following policies were identified for funding and are referred to as the Non-Annual Event Categories:

Non-Annual Event Categories

- **Sporting Events:** large, compelling, major market events with high expenditure potential. Such (sporting) events also have a high potential for national and international exposure and the ability to encourage multi-day visits. A grant program for local sporting events is not included.
- **Tourism Events:** large, compelling to a major market and with high expenditure potential. Such events also have a high potential for international exposure and the ability to encourage multi-day visits. To be considered a true tourism event, a material share of total participation must come from overnight tourists/visitors.
- **Major Civic Celebrations:** special and significant major civic events that mark important celebrations, memorials, commemorations, anniversaries, or significant functions.

**Attachment 3
Non-Eligible & Eligible Events**

A. *NON-ELIGIBLE EVENTS*

Following the review of the applications, one event does not qualify for grant support. This event is as follows:

CBC 4 on 4 Street Hockey

This event is proposed for June 15 & 16, 2013, at the Halifax Commons, Halifax. Approximately 110 volunteers, 4,000 participants and 35,000 spectators will take part in the event in 2013. The fee to participate is approximately \$40 per person for the weekend and the event is free to watch. This event has not received an event grant from HRM before and the funding request is \$30,000.

The *Halifax Regional Municipality Charter* (Section 71(2)) states that the Municipality may not grant a tax concession or other form of direct financial assistance to a business or industry. The application states that the planning organization is a registered business and as such, the event is deemed non-eligible.

B. *ELIGIBLE EVENTS*

Following the review of the applications, four events have been identified that are eligible for grant support. These events are listed below as either Non-Qualified Events or Qualified Events.

a) *Non-Qualified Events*

There may be events which are eligible for funding but do not score enough points to qualify for the respective funding (an application must score the minimum of 50 points to qualify for a grant award recommendation). There were zero non-qualified events.

b) *Qualified Events*

Staff has identified 4 events that are eligible and qualified for grant support. A detailed description of each event is outlined in the following discussion and an evaluation sheet for each is provided in Attachment 4.

Major Sporting Events

The following Major Sport Event applications have been received within the first intake of the 2013/14 grant season:

SandJam Halifax

Grant requested: \$250,000

Grant proposed: \$127,500

This event is proposed for Wednesday, August 14 to Sunday, August 18, 2013, at the Salter Lot, Halifax Waterfront. Professional volleyball athletes from Canada, USA, Germany and Britain, will compete over four days and in addition there will be a tennis exhibition featuring retired professional players. The estimated attendance for this event is 25,000 people, plus 50 participants and 150 volunteers. The event will host a free volleyball youth clinic and a free

tennis clinic. Ticket prices will range from \$10 to \$40. The event estimates 700 hotel nights from visitors and has a \$825,000 budget.

Based on information contained within the application, staff have evaluated SandJam Halifax and identified a score of 63 points out of 100 on the MSLEER Scoring Sheet. Strengths of this application include experienced event organizers with a proven local track record, a strong economic business case, and further advancement of HRM's reputation of hosting high caliber international sporting events.

Female Bantam National Lacrosse Championships

Grant Requested: \$2,500

Grant Proposed: \$825

This event is proposed for July 23 to 28, 2013, at the BMO Centre, Bedford. This event marks the first time a national indoor lacrosse championship will be played in Nova Scotia. The championship will have three age categories: bantam, midget and premier. The estimated attendance of the event is 6,000 people plus 500 athletes and 100 volunteers. The event is free to the public to attend which includes the championship finals. The event estimates 22,100 hotel nights from visitors and has a budget of \$65,000.

Based on information contained within the application, staff have evaluated the Female Bantam National Lacrosse Championships and identified a score of 54 points out of 100 on the MSLEER Scoring Sheet. Strengths of this application include contributing to the strong reputation Halifax has for hosting national sporting events and operating a fiscally responsible budget.

Major Tourism Events

The following Tourism Event application has been received within the first intake of the 2013/14 grant season:

Hal-Con

Grant requested: \$100,000

Grant proposed: \$45,000

This event is proposed for November 8 to 10, 2013, at World Trade Convention Centre, Halifax. The event aims to have a family environment that is designed to inspire creativity, acceptance, imagination and fun. The estimated attendance of the event is 7,000 people plus 100 participants and 250 volunteers. Hal-Con offers free public access to the retail floor tradeshow and the main event area has an entrance fee range of \$20 - \$30 daily or \$65 - \$75 for the entire event. The event estimates 3,300 room nights and has a budget of \$250,000.

Based on information contained within the application, staff have evaluated Hal-Con and identified a score of 60 points out of 100 on the MSLEER Scoring Sheet. Strengths of this application include experienced event organizers with a proven local track record at delivering successful events, an event date in the tourism off season, and potentially high exposure for HRM.

Major Civic Celebrations

The following Major Civic Celebration application has been received within the first intake of the 2013/14 grant season:

Dartmouth Book Awards 25th Anniversary

Grant requested: \$15,000

Grant proposed: \$6,750

This event is proposed for May 16, 2013, at Alderney Landing Theatre, Dartmouth. The event provides annual recognition and celebration of the best Nova Scotia fiction and non-fiction books as adjudicated by panels of HRM residents. The event consists of free public appearances of authors at libraries, schools and other venues and the main Award event. The event is free to the public to attend and the estimated attendance for 2013 is 1,500. The event has a budget of \$25,000.

Based on information contained within the application, staff have evaluated and determined a score of 60 points out of 100. The strengths of this application are that it celebrates arts and culture and the event occurs during the shoulder event season.

**Attachment 4
MLSER Score Sheets**

MLSER Sporting/ Tourism Score Sheet
Applicant: SandJam Halifax

Criteria	Score	Values
Free or low costs (if gated)	10/15	Free = 15 Combination = 10 Low Cost = 5
Attendance (Event Size)	9 /15	Less than 10,000 = 3 10,000 to 24,999 = 6 25, 000 to 49,999 = 9 50,000 to 249,999 = 12 Greater than 250,000 = 15
Tourism Period (Seasonality)	3 /9	Prime Season (July to Sept.) = 3 Shoulder Season (Apr. – June & Oct.) = 6 Off Season (Nov. To Mar.) = 9
Primary Event Location	3 /9	Urban = 3 Mixed = 6 Rural = 9
Event Sustainability - Partnership Support - Volunteers - Event delivery experience	9 /12	Partnership support – Prov./Fed./Corp./Comm. – 3/4 Volunteers – 0-50/50-100/ 100-200/200+ – 3/4 Experience – Track record in Halifax – 3/4
Community Engagement - Legacy (social, cultural, infrastructure) - HRM's Identity - Culture - Diversity	8 /12	Legacy – Appropriateness, scale– 3/3 Identity – Physical attributes, heritage – 2/3 Culture – Innovative/creative, diverse – 2/3 Diversity – Inclusive – 1/3
Tourism Impact - HRM Exposure - Reputation	8 /8	Reputation –Event delivery – 4/4 Exposure – TV, radio, print, online – 4/4
Economic Impact - Spectators from outside HRM - Local expenditures - Employment - Budget	13 /20	Number of tourists – 4/8 General Economic Impact – 4/4 Buying local products, equipment, services – 3/4 Size/ fiscal management/ appropriateness of budget/ low admin O/H – 2/4
Final Total	63/100	

Total points: 63

Percentage of grant award proposed: 51%

Recommended grant award: \$127,500

MLSER Sporting/ Tourism Score Sheet

Applicant: *Female Bantam National Lacrosse Championships*

Criteria	Score	Values
Free or low costs (if gated)	15/15	Free = 15 Combination = 10 Low Cost = 5
Attendance (Event Size)	3 /15	Less than 10,000 = 3 10,000 to 24,999 = 6 25, 000 to 49,999 = 9 50,000 to 249,999 = 12 Greater than 250,000 = 15
Tourism Period (Seasonality)	3 /9	Prime Season (July to Sept.) = 3 Shoulder Season (Apr. – June & Oct.) = 6 Off Season (Nov. To Mar.) = 9
Primary Event Location	6 /9	Urban = 3 Mixed = 6 Rural = 9
Event Sustainability - Partnership Support - Volunteers - Event delivery experience	8 /12	Partnership support – Prov./Fed./Corp./Comm. – 3/4 Volunteers – 0-50/50-100/ 100-200/200+ – 3/4 Experience – Track record in Halifax – 2/4
Community Engagement - Legacy (social, cultural, infrastructure) - HRM's Identity - Culture - Diversity	7 /12	Legacy – Appropriateness, scale– 1/3 Identity – Physical attributes, heritage – 1/3 Culture – Innovative/creative, diverse – 2/3 Diversity – Inclusive – 3/3
Tourism Impact - HRM Exposure - Reputation	3 /8	Reputation –Event delivery – 1/4 Exposure – TV, radio, print, online – 2/4
Economic Impact - Spectators from outside HRM - Local expenditures - Employment - Budget	9 /20	Number of tourists – 3/8 General Economic Impact – 1/4 Buying local products, equipment, services – 2/4 Size/ fiscal management/ appropriateness of budget/ low admin O/H – 3/4
Final Total	54/100	

Request: \$2,500

Total points: 54

Percentage of grant award proposed: 33%

Recommended grant award: \$825

MLSER Sporting/ Tourism Score Sheet

Applicant: *Hal-Con*

Criteria	Score	Values
Free or low costs (if gated)	10/15	Free = 15 Combination = 10 Low Cost = 5
Attendance (Event Size)	3 /15	Less than 10,000 = 3 10,000 to 24,999 = 6 25, 000 to 49,999 = 9 50,000 to 249,999 = 12 Greater than 250,000 = 15
Tourism Period (Seasonality)	9 /9	Prime Season (July to Sept.) = 3 Shoulder Season (Apr. – June & Oct.) = 6 Off Season (Nov. To Mar.) = 9
Primary Event Location	3 /9	Urban = 3 Mixed = 6 Rural = 9
Event Sustainability - Partnership Support - Volunteers - Event delivery experience	10 /12	Partnership support – Prov./Fed./Corp./Comm. – 4/4 Volunteers – 0-50/50-100/100-200/ 200+ – 4/4 Experience – Track record in Halifax – 2/4
Community Engagement - Legacy (social, cultural, infrastructure) - HRM's Identity - Culture - Diversity	6 /12	Legacy – Appropriateness, scale, etc. – 1/3 Identity – Physical attributes, heritage – 0/3 Culture – Innovative/creative, diverse – 3/3 Diversity – Inclusive – 2/3
Tourism Impact - HRM Exposure - Reputation	5 /8	Reputation –Event delivery – 2/4 Exposure – TV, radio, print, online – 3/4
Economic Impact - Spectators from outside HRM - Local expenditures - Employment - Budget	14 /20	Number of tourists – 6/8 General Economic Impact – 3/4 Buying local products, equipment, services– 3/4 Size/ fiscal management/ appropriateness of budget/ low admin O/H – 2/4
Final Total	60/100	

Request: \$100,000

Total points: 60

Percentage of grant award proposed: 45%

Recommended grant award: \$45,000

Major Civic Celebration Score Sheet
Applicant: Dartmouth Book Awards 25th Anniversary

Criteria	Score	Values
Significant Community Celebration	25/25	High = 25 , Medium = 15, Low = 10
Free or low costs (if gated)	15/15	Free = 15 Combination = 10 Low Cost = 5
Attendance (Event Size)	2 /15	Less than 10,000 = 2 10,000 to 24,999 = 4 25, 000 to 49,999 = 6 50,000 to 249,999 = 8 Greater than 250,000 = 10
% Non-resident participants/ spectators	2 /8	Greater than 75% = 8 50 to 75% = 6 25% to 50% = 4 Less than 25% = 2
Tourism Period (Seasonality)	6 /10	Prime Season (July to Sept.) = 3 Shoulder Season (Apr. – June & Oct.) = 6 Off Season (Nov. To Mar.) = 10
Primary Event Location	3 /9	Urban = 3 Mixed = 6 Rural = 9
Financial Support	3 /6	Provincial Government = 1.5 Federal Government = 1.5 Corporate = 1.5 Community = 1.5
Other factors:	3 /6	Traditional, attractive, cultural impact, publicity = 1.5 Reoccurring = 1.5 Associated with HRM's identity = 1.5 Raises HRM's profile globally = 1.5
-Economic Impact -Budget breakdown -Local investment	1 /10	Local expenditures
Final Total	60 /100	

Request: \$15,000

Total points: 60

Percentage of grant award proposed: 45%

Recommended grant award: \$6,750