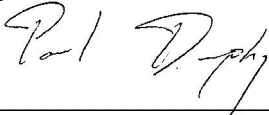


Item No.
Special Events Advisory Committee
April 13, 2011

TO: Special Events Advisory Committee

SUBMITTED BY: 
Paul Dunphy, Director, Community Development

DATE: March 23, 2011

SUBJECT: O'Neill Cold Water Classic Grant Application

ORIGIN

March 16, 2011 - the Special Events Advisory Committee directs staff to process a grant funding application for the O'Neill Cold Water Classic.

RECOMMENDATION

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

1. Approve the 2011/12 Non-Annual grant award of \$142,000 for the O'Neill Cold Water Classic, to be funded from the Marketing Levy Special Events Reserve (Q315), as outlined in the Budget Implications Section of this report.

BACKGROUND

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.

Subsequent to the first intake process closing, the event organizers contacted HRM to inquire about making an application for funding. Staff communicated to the event organizers that the application process had closed, and that the next process would open again in June 2011.

At the March 16th, 2011, SEAC meeting, the proposed surf event was added to the agenda. A brief overview of the event and the challenge with respect to funding was presented. The committee directed staff to process the grant application and to follow the official grant process approved by Regional Council.

The Proposed Event:

The O'Neill Cold Water Classic (CWC) event is one of four stops of an international surfing tour including Canada, Scotland, New Zealand, and the United States of America. This tour promotes Canada's event as one of the world's coldest surf destination. This event is a 6 star surf contest which is the highest non-professional level surf event. Athletes need to participate in these ranked star events to attain aggregate points to qualify for a professional tour.

Over the last two years, Tofino, British Columbia has been host. The event organizer has indicated that Tofino is no longer a preferred location due to its proximity outside Victoria. This year O'Neill is proposing to relocate the event to the east coast. This is due to HRM's outstanding reputation for hosting events, the close proximity to the ocean (Eastern Passage/Shore), and Halifax being a main transportation hub to Europe. Also, a professional circuit event will be taking place in New York a week prior enabling athletes to attend both.

The proposed event budget is approximately \$575,000. The event organizers require the host city to partner financially. A request of \$200,000 has been made of HRM.

DISCUSSION

This report will assist SEAC in its deliberations respecting the grants application to be funded through the Marketing Levy Special Event Reserve (MLSER). To be eligible for event funding under the MLSER, applicants must be non-profit, non-annual, and the proposed event needs to fall within one or more of the event program and categories. Additionally, events must score 50 or greater in order to qualify for funding.

Staff has determined this event eligible for consideration pursuant to the sporting event category.

Analysis of the Event Application

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. SEAC and Council may also consider matters related to other municipal supports - either from another grant program or capital investment in infrastructure required to support the event.

The application for the O'Neill CWC anticipates an estimated 20,000 spectators over the course of a week. The event is expected to attract one hundred forty-four of the world's best surfers with four entry spots to be reserved for Canadians. The event would broadcast online for the entire week of the contest, and is expected to generate significant international media coverage.

The O'Neil application has many strengths, primarily surfing is a strategic growth area identified in the new Event Strategy. Further, this event is located in the rural area of HRM, exposing our region's natural features to an international viewing audience and reinforcing HRM's position as an important surfing destination. This type of event involves a significant marketing budget, which will ensure HRM is highlighted positively to an international market. It is expected that this event will have both short and long-term economic benefits, given the extensive marketing and promotion campaign and the ability for it to attract a loyal alternative lifestyle audience. Weaknesses of the application include the fact this event is unproven in HRM, that its business case requires a level of clarity regarding its operating budget and anticipated impact.

Based on information contained within the application, staff have evaluated the O'Neill Cold Water Classic and identified a score of 73 points out of 100 on the MSLER Scoring Sheet. This score translates into 71% of the \$200,000 request which translates into a grant award of \$142,000.

BUDGET IMPLICATIONS

All recommendations are subject to approval of the proposed 2011/12 budget and availability of reserve funds. Assuming the Reserve remains consistent, the Reserve can accommodate the proposed grants to the events noted in the recommendations. Projected contributions and withdrawals are as follows:

Budget Summary Q315 Reserve

Projected Reserve Balance March 31, 2011	\$ 360,559
Proposed Contributions 11/12 (Marketing Levy)	\$ 1,267,000
Proposed 2011/12 Special Events Grants	\$ (298,000)
Proposed 2011/12 Hallmark Events Grants	\$ (330,000)
Infrastructure	\$ (90,000)
CIS Men's Basketball Championship \$80,000 over two years (2010/11-2011/12)	\$ (40,000)
Proposed O'Neill CWC	\$ (142,000)
FCM Conference	\$ (225,000)
Interest	<u>16,065</u>

Projected Reserve Balance March 31, 2012 \$ 518,624

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation and is subject to the approval of the proposed 2011/12 Reserve budget.

COMMUNITY ENGAGEMENT

Community engagement for this process involves staff seeking the input of relevant and knowledgeable stakeholders through the Special Event Advisory Committee to advise on the proposed events. Event organizers are also invited to attend a SEAC meeting to present and to answer questions.

ALTERNATIVES


Alternative 1: SEAC could approve the report with amendments.
Alternative 2: SEAC could not approve the report.


ATTACHMENTS

Attachment 1: O'Neill Cold Water Classic Scoring Sheet
Attachment 2: O'Neill Cold Water Classic Application

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.

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Report Approved by: 
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