

Item No. 11.6.1
Halifax Regional Council
April 1, 2014

TO: Mayor Savage and Members of Halifax Regional Council

Original Signed

SUBMITTED BY: _____
Councillor Brad Johns, Chair Special Events Advisory Committee

DATE: March 20, 2014

SUBJECT: _____
Hallmark Event Grants 2014

ORIGIN

The January 22, 2014 staff report; the February 20, and March 19, 2014 meetings of the Special Events Advisory Committee.

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, Section 79 (1) (av)

RECOMMENDATION

The Special Events Advisory Committee recommends that Halifax Regional Council approve the renewal of nine (9) Hallmark Event grants from the 2014/15 Marketing Levy Special Events Reserve (Q315) for a total of \$390,000, as listed below and subject to budget implications section of this report:

- \$90,000 to the Royal Nova Scotia International Tattoo;
- \$60,000 to the Bluenose International Marathon;
- \$50,000 to the Halifax International Busker Festival;
- \$40,000 to the Halifax Jazz Festival;
- \$40,000 to the Atlantic Film Festival;
- \$30,000 to the Halifax Pride Festival;
- \$25,000 to the Shearwater East Dartmouth Minor Hockey Association (SEDMHA) International Hockey Tournament;
- \$40,000 to the Halifax Pop Explosion, on the condition a free all ages concert is held or the grant will be lowered to \$25,000;
- \$15,000 to the Scotia Festival of Music.

BACKGROUND

As per the January 22, 2014 staff report included as attachment 1 of this report.

DISCUSSION

The Special Events Advisory Committee (SEAC) heard presentations and reviewed the January 22, 2014 staff report at their March 19, 2014 meeting.

Following discussion on the proposed awards presented by staff and following presentations and information provided to the Committee, SEAC members did not feel that there was any new information provided in the presentations that warranted any increase in awards. The Committee did agree to maintain the level of support provided in the past year based on information provided during the presentations.

FINANCIAL IMPLICATIONS

All recommendations are subject to approval of the proposed 2014/15 budget and availability of MLSER reserve funds. Projected contributions and withdrawals are as follows:

| | |
|--|-------------------|
| Projected Balance March 31, 2014 (as at Feb 28/14) | \$ 384,017 |
| Plus: Marketing Levy projected revenue for 2014/15 | \$1,200,000 |
| Less: Previous approvals for 2014/15 funding: | |
| World Men's Curling Championship Host bid | \$ (150,000) |
| Web.com PGA Tour Stop Host | \$ (300,000) |
| Canadian Figure Skating Championship Host bid | \$ (40,000) |
| 2013/14 2 nd intake for 2014/15 events | \$ (85,000) |
| Less: Cheer Expo (pending Council approval) | \$ (33,000) |
| Less: 2014/15 Hallmark Event Grants (per recommendation) | \$ (390,000) |
| Projected Reserve Balance March 31, 2015 | <u>\$ 586,017</u> |

Previous outstanding accounts have been addressed so none of the current Hallmark events have outstanding accounts receivables with HRM.

COMMUNITY ENGAGEMENT

The Special Events Advisory Committee is comprised of four members at large, three representatives from the following organizations: Destination Halifax, Hotel Association of Nova Scotia, and Greater Halifax Partnership; and three elected officials. The Special Event Advisory meetings are open to the public.

ENVIRONMENTAL IMPLICATIONS

None indicated.

ALTERNATIVES

SEAC did not provide an alternative.

ATTACHMENTS

1. January 22, 2014 staff report.
-

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: Quentin Hill, Legislative Assistant, 490-6732



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Special Events Advisory Committee
February 20, 2014

TO: Chair and Members of Special Events Advisory Committee

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

DATE: January 22, 2014

SUBJECT: Hallmark Event Grants 2014

ORIGIN

Pursuant to the Civic Events Policy and Granting Framework, the Special Events Advisory Committee (SEAC) reviews the funding for 2014/15 Hallmark Events.

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 nine (9) Hallmark Event grants from the 2014/15 Marketing Levy Special Events Reserve (Q315) for a total of \$405,250, as listed below and subject to financial implications section of this report:

- \$97,500 to the Royal NS International Tattoo;
- \$60,000 to the Blue Nose International Marathon;
- \$54,250 to the Halifax International Busker Festival;
- \$43,500 to the Halifax Jazz Festival;
- \$40,000 to the Atlantic Film Festival;
- \$30,000 to the Halifax Pride Festival;
- \$25,000 to the Shearwater East Dartmouth Minor Hockey Association (SEDMHA) International Hockey Tournament;
- \$40,000 to the Halifax Pop Explosion, on the condition that a free all ages concert is held or the grant will be lowered to \$25,000; and
- \$15,000 to the Scotia Festival of Music.

BACKGROUND

In March 2007, Council approved the Civic Events Policy and Granting Framework which outlines the overall approach to HRM's civic event granting process. The framework enables the Marketing Levy Special Events Reserve, which is an operating reserve funded through the hotel tax levy, to fund annual Hallmark Events. All past funding of Hallmark events can be found in Attachment 1.

Under the framework, a Hallmark Event is defined as:

"a recurring event possessing such significance, in terms of tradition, attractiveness, image, or publicity that it provides the host community with a competitive advantage. These events are associated with HRM's identity, help raise its profile globally, and position it as a place to invest. Over time, the event and destination can become inseparable in terms of their image."

Hallmark Event Annual Assessment Criteria

Pursuant to the SEAC procedures, all Hallmark Events must table a year-end report annually and present on the past year's activity. The report is to provide information on:

- i. Current Event Information
- ii. Event Sustainability
- iii. Community Engagement
- iv. Tourism Impact
- v. Economic Impact
- vi. Direction
- vii. Financials

In addition, each Hallmark Event is required to make a presentation to SEAC to communicate important updates and future directions.

Based on the information presented, the impact of the event is assessed and one of the following options is recommended by SEAC for Council's consideration:

1. Maintain the grant amount from previous year
2. Increase the grant amount
3. Decrease the grant amount

This report outlines the proposed Hallmark grant funding for SEAC's consideration for recommendation to Regional Council.

DISCUSSION

Hallmark events are vital to HRM's commitment to provide dynamic, creative and entertaining urban experiences for tourists and citizens of HRM alike. Upon review of past Hallmark grant awards, staff notes that funding levels for 3 Hallmark events, the Royal Nova Scotia International Tattoo Festival, the Halifax International Buskers Festival, and the Halifax Jazz Festival, have not been increased since 2008. Given the rise in costs of event operation services

over the past 6 years, it is recommended that SEAC review these amounts and consider increasing them by the average inflation rate over that period.

Staff has used the Bank of Canada Inflation Calculator to calculate an inflation adjusted grant awards for all 9 Hallmark events. Based on these calculations, there are 6 Hallmark events that have already achieved a grant award increase equal or higher to the inflation rate since 2008. The remaining 3 events, the Royal Nova Scotia International Tattoo Festival, the Halifax International Buskers Festival, and the Halifax Jazz Festival, have not received a grant award increase equal to the inflation rate since 2008. Therefore, an increase in funding consistent with the Bank of Canada inflation rate calculations is recommended for those 3 Hallmark events.

Staff has reviewed the above calculations with the information submitted by each respective Hallmark event and recommend the following proposed event grants:

1. The Royal Nova Scotia International Tattoo

The Tattoo features over 2,000 world-class Canadian and international military and civilian performers. In 2006 the Tattoo received the designation "Royal" from Queen Elizabeth II and currently is promoted as the world's largest annual indoor event.

In 2013, the Tattoo celebrated 2 milestones, the Battle of Boston and the Battle of the Atlantic in World War II. Over 2,000 participants from Canada, Australia, Germany, New Zealand, and the United States performed in the show. Also in 2013, the Tattoo Canada Day parade changed routes to Sackville Street due to the construction of the library on Spring Garden Road which allowed for better viewing from Citadel Hill. The Tickets for Youth Program, where funds are donated to send various local youth groups to see the Tattoo, was supported by 19 businesses.

The Tattoo was supported by 547 volunteers in 2013. As well, the Tattoo employs 8 full time staff and up to 50 part time staff. The Tattoo had an increase of PBS broadcast showings in 2013 for a total of 17 and received increased media coverage including numerous stories on the first female Tattoo Parade Commander.

The 2013 Tattoo had a total viewing attendance of 53,911. Of the surveyed audience of 46,695, 41.2% or 19,238 were tourists to the province and of those tourists, 56.2% or 10,812 were either influenced to visit Nova Scotia or only came to Halifax because of the Tattoo. These tourists contributed an estimated \$19.1 million to the HRM economy. In addition, tourists from the United States increased from 3,358 to 4,950 and tourists from other provinces outside Atlantic Canada rose from 5,830 to 7,004 in 2013. The budget for this event was approximately \$2.3 million.

2013 HRM Grant: \$90,000

2014 Proposed HRM Grant: \$97,500

2. *The Blue Nose International Marathon*

The Blue Nose International Marathon is the largest marathon east of Ottawa and celebrated its 10th anniversary in 2013. The marathon's registration increased by eighteen percent and was nominated as Tourism Event of the Year by TIAC (Tourism Industry Association of Canada). The youth run is the largest youth run in Canada (3,800 participants).

The 2013 Blue Nose Marathon reached a new participant record of over 14,000 people, increased the Facebook page to over 7,000 fans and Twitter followers to 2,600. The event had over 1,500 volunteers providing over 40,000 hours of assistance. The charity challenge raised \$560,000 for 60 local charities.

Based on the 2013 registration data, almost half of the attendees are from Halifax and Dartmouth, while the other half are from outside HRM. Based on survey results, runners from over 10 countries participated and 96% of all participants' expectations were met or exceeded. The total operating budget was approximately \$800,000.

2013 HRM Grant: \$60,000

2014 Proposed HRM Grant: \$60,000

3. *The Halifax International Busker Festival*

The Halifax International Busker Festival is one of the largest busker festivals in the world and the largest outdoor festival in Atlantic Canada. Traditionally the festival takes place along the Halifax Waterfront and has attracted millions of visitors over the past twenty-seven years.

In 2013, the festival structure was changed in terms of schedules and stage locations. The 2013 festival was held over 6 days with increased hours for shows running from noon to 10:00 pm every day. As well, a new stage location was included further south on the Halifax boardwalk at Bishop's Landing.

The Busker Festival was supported by over 150 volunteers in 2013 including numerous volunteers from the YWCA Immigration Centre. There is an 8 member volunteer Board of Directors that helps deliver the event as well as 6 contract staff.

In 2013, a partnership with the Halifax International Airport Authority was continued. This partnership provided the opportunity to showcase 3 days of performances at various locations throughout the airport. Social media was included for the first time in the marketing campaign in 2013 which saw 4142 likes on Facebook and 858 Twitter followers.

Over the 6 days of the festival it is estimated that there was between 50,000 and 80,000 visitors per day. The event budget was approximately \$485,000.

2013 HRM Grant: \$50,000

2014 Proposed HRM Grant: \$54,250

4. *The Halifax Jazz Festival*

The Halifax Jazz Festival's objective is to promote jazz, blues, world and other music to educate the public and to develop an audience for non-commercial music. The Halifax Jazz Festival began in 1987 and states that it is the largest annual festival in Halifax and the Atlantic Region.

In 2013, the 9 day festival presented 300 local musicians and numerous artists from around the world on stages throughout Halifax. The festival offered 4 free evening concerts (3 at the festival tent and 1 at the Marquee Ballroom) as an opportunity for anyone to experience the festival (and live jazz music) for the first time. In 2013 nearly 52,000 people attended the festival which is supported by over 500 volunteers from the Halifax community. JazzEast, the organization that produces the Jazz Festival, employs 4 full time staff, 2 part time staff, and 9 seasonal contractors.

The marketing campaign consisted of print, radio, television and utilizing Metro Transit advertisements. The event budget was approximately \$1,000,000.

2013 HRM Grant: \$40,000

2014 Proposed HRM Grant: \$43,500

5. *The Atlantic Film Festival*

The Atlantic Film Festival (AFF) has grown from a small grass roots operation into one of Canada's premier film festivals. The AFF is now a yearlong celebration with the film festival in September, the outdoor film festival in the summer and the Atlantic Youth film festival in April. As well, the festival works with many other events to host film screenings.

The 2013 AFF event had an attendance of 25,108. The event had 224 volunteers to help deliver the event which showed over 184 films at 106 screenings. The AFF showed 77 Atlantic shorts in 10 Atlantic Shorts programs.

The event had 65 registered media representatives and received coverage in print, radio, television and online. The Association went from a total of 23 full time staff in 2012 to 11 in 2013 as part of establishing a full time management team that was complimented by contract staff.

The AFF estimates that it booked approximately 700 room nights and the total event budget was \$2,800,000.

2013 HRM Grant: \$40,000

2014 Proposed HRM Grant: \$40,000

6. *Halifax Pride Festival*

The Halifax Pride Festival is Canada's 4th largest Pride Festival in Canada and the largest in Atlantic Canada. It consists of several events spread throughout HRM over 8 days and it aims to educate the local community and to celebrate diversity and culture in HRM.

The 2013 event had approximately 120,000 people attend the festival which includes the Queer Acts Theatre Festival, Dykes vs. Divas softball game, Community Fair and the marquee event, the Pride Parade. The festival was supported by 125 volunteers and is operated by a 12 member volunteer Board of Directors.

The festival partnered with Halifax Magazine in 2013 to produce 20,000 Pride Guides which were partly distributed through Nova Scotia hotels. Other media partnerships for 2013 include the Coast, Metro Halifax and Energy103/ Live105.

The Halifax Pride Festival estimates that over 1,000 hotel nights were generated in 2013. The total event budget was approximately \$350,000.

2013 HRM Grant: \$30,000

2014 Proposed HRM Grant: \$30,000

7. *Shearwater East Dartmouth Minor Hockey Association (SEDMHA) International Hockey Tournament*

SEDMHA is a minor hockey tournament which promotes that it is the largest annual sporting event in Nova Scotia. The tournament includes hundreds of participants each year ranging in age from 8 to 18 and attracts teams from across North America and occasionally from Europe. The team mix over the past ten years has been 90% Atlantic Canada and the remaining 10% from Quebec, Ontario, USA and an occasional European team.

The 2013 tournament had 250 teams and 600 games during the 4 day weekend event. SEDMHA is organized by an 8 person volunteer Board of Directors and a 25 person operational committee. The event also has numerous sport team groups and organizations volunteering their time to help operate the 18 venues used throughout the weekend tournament. The total audience for this event was estimated at 35,000, but does not include those under the age of 18 who enter for free.

The marketing program included the event website and a tournament brochure that was sent to all teams who have previously played in the tournaments as well as the majority of minor hockey associations in the Maritime Provinces.

The event generates a \$19.8 million economic impact based on a 2012 economic assessment. The total event budget was approximately \$350,000 in 2013.

2013 HRM Grant: \$25,000

2014 Proposed HRM Grant: \$25,000

8. *The Halifax Pop Explosion*

Founded in 1993, the Halifax Pop Explosion Festivals blends new music with exhibitions of visual art, interactive media and technology. The Halifax Pop Explosion Festival presents 5 days and nights of programming in over 20 various sized venues.

The Halifax Pop Explosion attendance was approximately 30,000 in 2013. The event utilized over 300 volunteers and presented 180 bands. Approximately 32% of the volunteers were under the age of 19. The event is directed by a volunteer Board of Directors and employs 3 full time staff, 25 contract staff along with assistance from many technicians and service providers.

The festival focused on direct to fan marketing through an online outlet, especially on a Google remarketing campaign. Through new partnerships with media outlets, the total direct marketing value for the event grew to \$450,000 in 2013 (an increase of \$175,000).

Approximately 44% of the audience was from outside HRM and 5% of those from outside of Canada. More than 13,320 tourists came to HRM for the 5 day festival. The total economic impact of the event is estimated over \$4.6 million over 5 days. The 2013 event budget was approximately \$770,000.

2013 HRM Grant: \$25,000 plus \$15,000 conditional on free all ages concert

2014 Proposed HRM Grant: \$25,000 plus \$15,000 conditional on free all ages concert

9. *Scotia Festival of Music*

The Scotia Festival of Music is an annual 2 week long chamber music festival and has been recognized internationally for its diverse programming and level of performers.

The 2013 festival engaged 22 musicians not including orchestra extras giving 6 highlight concerts, 5 recitals, 4 student concerts, final gala, 17 master classes and 8 open dress rehearsals. The festival also had 31 students from across North America attend the Young Artist Program in 2013. The event was supported by 27 volunteers in 2013 and is operated by a 14 member volunteer Board of Directors with seasonal contracts and 3 full time staff. The total attendance was 2,331 for all events.

The festival distributed 20,000 brochures province wide and advertised in the International Musician magazine. Over 270 people traveled from outside HRM to be part of the festival and it is estimated that over 300 hotel nights were booked. The budget for the Scotia Festival of Music and its Association (Scotia Chamber Players) was approximately \$415,000.

2013 HRM Grant: \$15,000

2014 Proposed HRM Grant: \$15,000

Granting Framework

A review of the granting framework has been completed in order to align the policy to HRM's Event Strategy. As a result, proposed changes to the funding approach will be presented to Regional Council for consideration for implementation for the 2015/16 fiscal year. Therefore, Hallmark funding consistent with past years' awards has been recommended for the 2014/15 fiscal year, with the proposed inflationary increases as noted.

FINANCIAL IMPLICATIONS

All recommendations are subject to approval of the proposed 2014/15 budget and availability of MLSER reserve funds. Projected contributions and withdrawals are as follows:

| | |
|---|---------------------|
| Projected Balance March 31, 2014 (as at Dec 31/13) | \$ 365,538 |
| Plus: Marketing Levy projected revenue for 2014/15 | \$1,200,000 |
| Less: previous approvals for 2014/15 funding: | |
| World Men's Curling Championship Host bid | \$ (150,000) |
| Web.com PGA Tour Stop Host | \$ (300,000) |
| Canadian Figure Skating Championship Host bid (pending Council approval) | \$ (40,000) |
| 2013/14 2 nd intake for 2014/15 events | \$ (63,750) |
| Less: 2014/15 Hallmark Event Grants (per recommendation) | <u>\$ (405,250)</u> |
| Projected Reserve Balance March 31, 2015 | <u>\$ 606,538</u> |

Previous outstanding accounts have been addressed so none of the current Hallmark events have outstanding accounts receivables with HRM.

COMMUNITY ENGAGEMENT

The Special Events Advisory Committee includes members of the public.

ENVIRONMENTAL IMPLICATIONS

None identified.

ALTERNATIVES

Alternative 1: SEAC may choose to recommend that Regional Council not include an inflation increase for the three Hallmark events as noted. This is not recommended as the three event grants have not increased since 2008.

Alternative 2: SEAC may choose to recommend that Regional Council include an inflation increase for all Hallmark events. This is not recommended as the other 6 events have received increases that met or exceeded inflation since 2008.

Alternative 3: SEAC may choose to recommend that Regional Council amend some/all of the proposed grant awards pending budget capacity. This is not recommended as changes to the amount allocated may impact budget capacity allocations for other events.

ATTACHMENTS

Attachment 1: Hallmark Funding History

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.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, Civic Events Coordinator, Regional Events & Culture, 490-6979

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

Financial Approval by: Original Signed
Greg Keefe, Director of Finance & ICT/CFO, 490-6308

**Attachment 1
Hallmark Funding History**

| Hallmark Event | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---------------------------|-----------|----------|----------|----------|-------------|------------|-------------|
| Royal NS Tattoo | *\$60,000 | \$90,000 | \$90,000 | \$90,000 | \$90,000 | \$90,000 | \$90,000 |
| Blue Nose Marathon | - | \$40,000 | \$50,000 | \$50,000 | \$50,000 | \$60,000 | \$60,000 |
| Halifax Busker Festival | *\$43,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 |
| Halifax Jazz Festival | - | \$40,000 | \$40,000 | \$40,000 | **\$45,000 | \$40,000 | \$40,000 |
| Atlantic Film Festival | - | \$25,000 | \$40,000 | \$40,000 | \$40,000 | \$40,000 | \$40,000 |
| Halifax Pride Festival | - | - | \$25,000 | \$25,000 | \$25,000 | **\$40,000 | \$30,000 |
| SEDMHA | - | - | \$15,000 | \$15,000 | \$25,000 | \$25,000 | \$25,000 |
| Halifax Pop Explosion | - | \$10,000 | \$10,000 | \$10,000 | ***\$40,000 | \$25,000 | ***\$40,000 |
| Scotia Festival of Music | - | \$10,000 | \$10,000 | \$10,000 | \$15,000 | \$15,000 | \$15,000 |
| NS International Air Show | *\$40,000 | \$30,000 | - | - | - | - | - |

*In 2007 the Hallmark events were identified by policy.

**One time increase for Anniversary.

*** Halifax Pop Explosion received a \$10,000 grant plus a one-time conditional grant of \$30,000 for a free public concert in 2011 and received a \$15,000 plus a one-time conditional grant of \$25,000 for a free public concert.