

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed

**SUBMITTED BY:** \_\_\_\_\_  
Councillor Bill Karsten, Chair, Audit & Finance Standing Committee

**DATE:** June 19, 2014

**SUBJECT:** \_\_\_\_\_  
Scotia Bank Hockey Day in Canada

**ORIGIN**

June 18, 2014 meeting of the Audit & Finance Standing Committee, Item No. 9.1.7

**LEGISLATIVE AUTHORITY**

Audit and Finance Standing Committee Terms of Reference section 3.2.6 which states "Review , as required, any other policies, procedures, forecasts, reports or process as agreed to mutually by the Municipality's CAO and the Committee

**RECOMMENDATION**

It is recommended by the Audit and Finance Standing Committee that Regional Council:

1. Authorize the CAO to negotiate and execute an agreement with CBC/Rogers Communications for Halifax to act as host city for Hockey Day in Canada in February 2015;
2. Instruct staff to explore all available sponsorship opportunities and authorize the CAO to execute sponsorship agreements required to recover the cost of hosting the event;
3. Approve funding for any outstanding balance between the event expenses and the total sponsorship revenue from Operational Contingency Account M351 as provided for in the financial implications section of the staff report to Audit & Finance dated June 3, 2014.

## **BACKGROUND**

A staff report dated June 3, 2014 was before the Audit and Finance Committee pertaining to hosting the 2015 Scotia Bank Hockey Day in Canada event in the Halifax Regional Municipality.

For further information, please refer to the attached staff report dated June 3, 2014.

## **DISCUSSION**

The Audit and Finance Standing Committee expressed interest in potentially hosting the 2015 Scotia Bank Hockey Day in Canada Event and approved the recommendation as outlined in this report.

## **FINANCIAL IMPLICATIONS**

As outlined in the attached staff report dated June 3, 2014.

## **COMMUNITY ENGAGEMENT**

All meeting of the Audit & Finance Standing Committee are open to the public.

## **ENVIRONMENTAL IMPLICATIONS**

The Audit & Finance Standing Committee did not discuss environmental implications.

## **ALTERNATIVES**

The Audit & Finance Standing Committee did not discuss alternatives.

## **ATTACHMENTS**

- 1. Staff report dated June 3, 2014**

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A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.php> 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:           Liam MacSween, Legislative Assistant, 490-6521

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**Attachment 1**

**Audit and Finance Standing Committee  
June 18, 2014**

**TO:** Chair and Members of (Name of Community Council or Board)  
Original Signed

**SUBMITTED BY:** (\_\_\_\_\_  
Richard Butts - Chief Administrative Officer

**DATE:** June 3, 2014

**SUBJECT:** Scotia Bank Hockey Day in Canada

**ORIGIN**

This report originates from staff in response to inquiries from CBC and Rogers Communications.

**LEGISLATIVE AUTHORITY**

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

**RECOMMENDATION**

It is recommended that the Audit and Finance Standing Committee recommend that Regional Council:

1. Authorize the CAO to negotiate and execute an agreement with CBC/Rogers Communications for Halifax to act as host city for Hockey Day in Canada in February 2015;
2. Instruct staff to explore all available sponsorship opportunities and authorize the CAO to execute sponsorship agreements required to recover the cost of hosting the event;
3. Approve funding for any outstanding balance between the event expenses and the total sponsorship revenue from Operational Contingency Account M351.

**BACKGROUND**

Halifax's Event Strategy highlights the importance of the city as an event and entertainment centre. The Strategy provides a collective vision and policy framework to support the continued growth, development and management of events in the community. The vision is "to promote the vibrant, active and dynamic interests of HRM citizens and visitors through a diverse calendar of signature events which complement and enhance the individual and collective experience." The Strategy states that, in order to support the long term development of events, HRM must provide visible support to events. The Strategy also emphasizes the importance of developing new and expanded event markets along with innovative and unique events. Further, major sporting, tourism and entertainment events are recommended as core components of HRM's program.

**Hockey Day in Canada Opportunity:**

Hockey Day in Canada (HDIC) is an annual nationally televised event that celebrates hockey as Canada's national pastime. The day-long broadcast includes hockey-related features leading up to multiple NHL games featuring Canadian based teams. Lead commentary for the broadcast and segments from the local area are delivered from the host city. The tentative date for the 2015 broadcast is February 14.

Despite the event title, which could lead to the assumption HDIC is limited to a single day; the celebration is typically held over a 3-5 day period culminating with the national television broadcast which takes place in a single day. While the event makes reference to activities from across the continent, the majority of event components are held locally and the host city is featured prominently in the national broadcast.

HDIC has historically been part of the CBC Hockey Night in Canada brand. However, the NHL has entered into an agreement for broadcast rights with Rogers Communications. While CBC retains ownership of the Hockey Night in Canada brand, Rogers has contractual authority over the broadcast rights for games in the 2014/15 season. CBC and Rogers are developing a mutually beneficial arrangement that includes Hockey Night in Canada broadcasts integrated with the Rogers' NHL and CHL broadcast schedule. As a result, HDIC will now be supported and broadcasted by both CBC and Rogers. This will expand the profile of the 2015 event to include multiple broadcast days along with a corresponding increase in the exposure for the host city.

Since the inaugural event in 2000, the following cities/towns have hosted HDIC:

2000: Toronto, Ontario	2008: Winkler, Manitoba
2001: Red Deer, Alberta	2009: Campbellton, New Brunswick
2002: Windsor, Nova Scotia	2010: Stratford, Ontario
2003: Iqaluit, Nunavut	2011: Whitehorse, Yukon
2004: Shaunavon, Saskatchewan	2012: Prince Edward Island
2006: Stephenville, Nfld. and Labrador	2013: Peterborough, Ontario
2007: Nelson, British Columbia	2014: Lloydminster, Alberta

The host city is typically determined through a "competitive bid" type of process with the winner being announced during the NHL playoffs in the year preceding the event. CBC/Rogers have approached Halifax and offered the opportunity to host the event in 2015. Staff met with company representatives, consulted with municipal officials from the 2014 host city (Lloydminster, Alberta), observed the operational delivery of the 2014 event and conducted a tour of potential event venues in the Halifax and Cole Harbour areas with the executive producer of HDIC.

## **DISCUSSION**

### **Event Specifics:**

Due to the NHL contract changes and the new relationship between Rogers and CBC, confirming the viability of the event, procuring a national sponsor and choosing a host city for the 2015 HDIC event has been delayed. However, Scotiabank has now been named as the national corporate sponsor and a letter from Rogers confirming their interest in Halifax hosting the event was received on June 3<sup>rd</sup> (copy attached). Due to the unavoidably late completion of these steps, it is not possible to provide Council with a formal event agenda at this time. However, the following types of activities are expected to make up the content of the local event schedule:

- Event kick-off at the Emera Skating Oval including greetings from officials, a celebrity skate and outdoor entertainment
- Celebrity breakfast and the Hockey Hall of Fame displays
- Stanley Cup visits at various locations throughout the community
- Reception and hockey themed concert
- Reception, silent auction and Rogers Friday Night QMJHL game
- Shiny tournament on the Oval
- Coordinated hockey themed activity with the Canadian Armed Forces
- "Winterfest" outdoor carnival type activities on the Emera Oval grounds
- NHL alumni game
- QMJHL game and Coaches Corner live from the Halifax Metro Centre
- On-Ice hockey clinics conducted by NHL stars
- Referee clinic with Ron MacLean

### **Funding and Sponsorship:**

Typically, requests for event funding are considered by the Special Events Advisory Committee (SEAC). However, as there is insufficient funding remaining in MLSE to consider the request, it does not fall under mandate of SEAC outlined in its terms of reference. Rather, since it is a request for "committing funds where there is insufficient approved budget", the terms of reference for Audit & Finance Standing Committee require that this request be considered by that committee.

Staff estimates the gross expenses for the local event schedule will be approximately \$500,000. This is consistent with expenses from the 2014 event in Lloydminster Alberta and aligned with the magnitude of costs for previous versions of the HDIC event.

While the host city is responsible for local event expenses, the broadcast component of the event has a single national corporate sponsor and the local community events are supported by local corporate sponsorship. The national sponsor for the 2015 event is Scotiabank. Subject to Council's agreement for Halifax to host, local sponsors will be recruited as the event schedule is developed. Staff's expectations are that 100% of the hosting costs will be recovered through merchandise sales, ticket sales and corporate sponsorship.

Agreeing to host the event means Halifax must assume the financial risk associated with any shortfall between revenue and expenses. Given the expected community interest and the inherent value in the HDIC brand, staff believes this risk is low.

**Benefits:**

The STEAM event projection model indicates the combined total of visitor, capital and operational spending as a result of hosting the 2015 Hockey Day in Canada is \$2,384,055. These expenditures are expected to generate a total of \$5,243,092 of economic activity in the province, of which \$3,512,643 will be in Halifax.

In addition to the local economic benefits, it is also anticipated the exposure as a result of the national television broadcasts can be expected to supplement the traditional marketing and tourism initiatives and effectively promote the region. Staff has engaged Destination Halifax and Events Nova Scotia and will work with these agencies to maximize the promotional potential as the event and broadcast schedule are developed.

Staff anticipates local economic benefits in terms of increased business activity associated with the local events as well as broad promotion and awareness of Halifax as a visitor destination through exposure from the national television broadcast. Staff believes the overall potential benefits to Halifax exceed the small risk associated with assuming responsibility for the local event costs.

**FINANCIAL IMPLICATIONS**

The financial goal of this event is to have a net zero impact on HRM's operating budget by recovering all event expenses through ticket sales, merchandise sales and corporate sponsorship. In the event that recoveries do not completely offset the total expenses, the approved operating budget in cost centre M351 Managers Contingency will be used to fund any shortfall, up to and including 30% (\$150,000) of the total estimated expenses.

**COMMUNITY ENGAGEMENT**

Hosting of this event will be supported by volunteer contributions during both the planning and event delivery phases.

**ENVIRONMENTAL IMPLICATIONS**

None identified

**ALTERNATIVES**

Regional Council could choose to not support the Hockey Day in Canada event.

**ATTACHMENTS**

Rogers Communications (Sportsnet) Letter.

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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: Steven Higgins, Executive Assistant to the Chief Administrative Officer, 490-2292

Original Signed

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

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Steven Higgins  
Executive Assistant to the Chief Administrative Officer  
Halifax Regional Municipality  
PO Box 1749, Halifax N.S.  
B3J 3A5

Tuesday, June 3, 2014

Dear Mr. Higgins,

I am pleased to confirm that Halifax will play host to the 2015 edition of Scotiabank Hockey Day in Canada on February 14.

It is our hope that through the great work of the host committee and our ability to promote the event across both CBC and our Rogers media assets, that this will be the most successful Hockey Day yet.

I can also confirm that the Canadian Hockey League is working with us to schedule games in Halifax and Dartmouth for that weekend, so we are guaranteed a full weekend to celebrate the game.

I have been fortunate enough to attend many sporting events in the Halifax-Dartmouth area and I know first-hand what a great job your community does staging events.

We look forward to a tremendous event.

Sincerely,

Original Signed

Scott Moore  
President, Sportsnet and NHL Hockey  
Rogers Media Inc.