


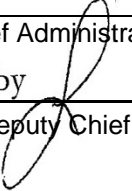
HALIFAX

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

Item No. 8.1
Halifax Regional Council
November 10, 2015

TO: Mayor Savage and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: October 23, 2015

SUBJECT: **Revised Marketing Levy Special Event Reserve Grants Administrative Order #2014-020-GOV**

SUPPLEMENTARY REPORT

ORIGIN

On February 3, 2015 Regional Council consider the proposed Administrative Order 2014-020-GOV, *Respecting Marketing Levy Special Event Reserve Grant*, as follows:

1. Adopt Administrative Order 2014-020-GOV, *Respecting Marketing Levy Special Event Reserve Grants*, as outlined in Attachment 1 of the staff report dated December 5, 2014 with the following amendment:

That section 17 is amended by deleting the words "as well as its own agencies, such as Greater Halifax Partnership and Destination Halifax," so it reads: "Staff may consult with provincial and federal government funders to thoroughly assess the rights and benefits being offered by the applicant."

.....

3. Approve the revised Marketing Levy Special Event Reserve Business Case as outlined in Attachment 5 of the staff report dated December 5, 2014;

4. Approve the transfer of oversight for event grants to the Grants Committee from the Special Events Advisory Committee;

.....

Regional Council referred the main motion, as amended, to Committee of the Whole, as follows:

MOVED by Deputy Mayor Nicoll, seconded by Councillor Karsten that this matter be referred to a Committee of the Whole, with staff providing a presentation.

On May 26, 2015, Committee of the Whole passed the following motion with respect to Administrative Order 2014-020-GOV *Respecting Marketing Levy Special Event Reserve Grant*, as follows:

MOVED by Councillor Mosher, seconded by Councillor Whitman that Committee of the Whole recommend that Halifax Regional Council:

1. Defer a decision on Recommendation 1 and direct staff to prepare a report and recommendation regarding necessary amendments to Recommendation 1 that would address the deletion of Recommendation 4 and maintaining SEAC to provide oversight of event grants which are funded through MLSER.

.....

3. Approve the revised Marketing Levy Special Event Reserve Business Case as outlined in Attachment 5 of the staff report dated December 5, 2014;

.....

On May 26, 2015, Regional Council passed the following motion with respect to Administrative Order 2014-020-GOV *Respecting Marketing Levy Special Event Reserve Grant* as follows:

1. Defer a decision on Recommendation 1 and direct staff to prepare a report and recommendation regarding necessary amendments to Recommendation 1 that would address the deletion of Recommendation 4 and maintaining SEAC to provide oversight of event grants which are funded through MLSER.

On May 26, 2015 with respect to item #3 of the motion from Committee of the Whole, the following motion was put and passed at Regional Council:

That recommendation 3 be deferred pending a staff report.

LEGISLATIVE AUTHORITY

- *Halifax Regional Municipality Charter*, Section 79 (1) (av) "Council may expend money required by the Municipality for a grant or contribution..."
- *Halifax Regional Municipality Marketing Levy Act*, 2001, c.51, subsections 3(4)&(5);

(4) The levy collected pursuant to this Section shall be used by the Council to promote the Municipality as a tourist destination.

(5) Without restricting the generality of subsection (4) and notwithstanding any other enactment, the Council may pay such portion of the levy collected by way of a grant as determined by the Council to any organization formed to promote the Municipality as a tourist destination, whether such organization is non-profit or otherwise

- HRM By-law H-400, Marketing Levy By-law.

RECOMMENDATION

It is recommended that Halifax Regional Council:

1. Amend item 1 of the motion of the main motion before Regional Council on February 3, 2015 as follows:

Recommendation continued on next page...

- (a) by striking out the word “staff” after the word “the” and before the word “report”;
- (b) by adding the word “supplementary” after the word “the” and before the word “report”;
- (c) by striking out the words and date “December 5, 2014” after the word “dated” and before the word “with”;
- (d) by adding the words and “October 23, 2015” after the word “dated” and before the word “with”;
- (e) striking out the words “with the following amendment:” after the words and date “October 23, 2015”; and
- (f) striking out the amendment

So it reads:

Adopt Administrative Order 2014-020-GOV, *Respecting Marketing Levy Special Event Reserve Grants*, as outlined in Attachment 1 of the supplementary report dated October 23, 2015;

2. Amend item 3 of the motion of the main motion before Regional Council on February 3, 2015 as follows:
 - (a) strike out the number “5” after the word “Attachment” and before the word “of”;
 - (b) add the number “2” after the word “Attachment” and before the word “of”;
 - (c) by striking out the word “staff” after the word “the” and before the word “report”;
 - (d) by adding the word “supplementary” after the word “the” and before the word “report”;
 - (e) by striking out the words and date “December 5, 2014” after the word “dated” and before the semicolon;
 - (f) by adding the words and “October 23, 2015” after the word “dated” and before the semicolon;

So it reads:

Approve the revised Marketing Levy Special Event Reserve Business Case as outlined in Attachment 2 of the staff report dated October 23, 2015; and

3. Item 4 of the motion of the main motion before Regional Council on February 3, 2015 is deleted.

BACKGROUND

On February 3, 2015, Regional Council deferred a staff report on Administrative Orders for Special Events Grants to a Committee of the Whole (COW) meeting to enable a staff presentation. On May 26, 2015, Regional Council held a COW discussion on the report and passed the following motions:

1. Defer a decision on Recommendation 1 and direct staff to prepare a report and recommendation regarding necessary amendments to Recommendation 1 that would address the deletion of Recommendation 4 and maintaining SEAC to provide oversight of event grants which are funded through MLSER;
2. Adopt Administrative Order 2014-021-GOV, Respecting Regional Special Events Grants, as outlined in Attachment 2 of the staff report dated December 5, 2014;
3. Approve the Regional Events and Cultural Initiatives Operational Event Programs criteria and realignment;
4. Retain Bedford Days and the Dartmouth Tree Lighting as HRM delivered events;
5. Approve the wording of Administrative Order 2014-021-GOV, Respecting Regional Special Events Grants, Recommendation #2 so that clause d of section 4 be amended by:
 - a) Adding the word "annual" after the word "maximum" and before the word "Grant" and
 - b) Adding the words "and up to a three (3) year sustainable funding commitment" after the number \$60,000.00" and before the word "to".
6. Request a staff report which examines expanding the number of Council and Citizen members who serve on the Grants Committee.

This supplementary report deals with items 1, 3 and 4 of the original February 3, 2015 Regional Council motion. Staff recommends amending the original February 3, 2015 motion to consolidate Administrative Order 2014-020-GOV arising from Committee of the Whole and deleting the transfer of oversight for MLSER grants to the Grants Committee (item 4) as directed by Council.

DISCUSSION

In order to implement the direction outlined in Motion 1, a report outlining recommendations to the following components is required:

- Maintain the Special Events Advisory Committee (SEAC) as the advisory body for event grant programs funded from the Marketing Levy Special Events Reserve (MLSER);
- Revise the proposed Administrative Order 2014-020-GOV;
- Revise the MLSER Business Case; and
- Revise the SEAC Terms of Reference.

This report outlines those proposed amendments to the respective administrative documents as follows:

a) Amended MLSER Grants Administrative Order 2014-020-GOV (Attachment 1)

The Administrative Order has been amended so that all references to the Grants Committee have been replaced with SEAC (Sections 2, 22, 25, 31 and 39). As well, wording in Section 25 "to consult Destination Halifax, Greater Halifax Partnership and the Hotel Association of Nova Scotia in assessing the applications and preparing a report for consideration by the HRM Grants Committee for recommendation to Council" was removed.

As well, additional housekeeping amendments were made to the administrative order to clarify potential funding available for event anniversaries. These include:

- A definition was added for the term "Anniversary" under Section 2, Interpretation (p). "Anniversary means a celebration at quarter century intervals that an event acknowledges with enhanced programming".
- In Section 4, Grants Available under (a) Signature Events, the following new clause was added: (iv) "Provides funding up to a maximum of 10% of the previous year's total grant amount to support additional programming for an anniversary of the event".

- In Section 4, Grants Available under (b) Tourism Events, the following new clauses were added: (iv) "Provides additional funding to one - time events celebrating an anniversary of the event" and (v) "Provides funding to annual events up to a maximum of 10% of the previous year's total grant amount to support additional programming for an anniversary of the event".

In addition, during the COW discussion, staff was asked to reconsider the minimum budget requirements in both the Signature and Tourism categories. A recommendation to increase the minimum budget from \$250,000 to \$500,000 in the Signature category and from \$100,000 to \$300,000 in the Tourism category has been applied and the Administrative Order (AO) has been amended to reflect these changes.

b) MLSER Business Case (Attachment 2)

The Business Case has been amended so that references to the Grants Committee in the Application of Funds and Approval Process sections have been replaced with SEAC.

c) SEAC Terms of Reference

The current SEAC Terms of Reference state the Committee membership shall comprise a voting membership, of up to twelve (12) as follows:

- Chair, appointed by the Audit & Finance Standing Committee (who would be a member of Council);
- One (1) elected member of Halifax Regional Council from each Community Council representing the urban, suburban and rural areas of the Halifax Regional Municipality;
- Four (4) Members at Large from the community;
 - One (1) member from the Halifax Partnership;
 - One (1) member from the Hotel Association of Nova Scotia (HANS); and
 - One (1) member from Destination Halifax, (DH)

At the COW, Council requested that staff review the membership composition of SEAC in light of the approach to establish a more professional, industry specific membership. Clarification on the current number of appointed Councillors and citizen members was also requested.

- To address the proposed new approach, the following are the proposed amendments to the Terms of Reference regarding the composition of SEAC, with appointments made by the Audit and Finance Standing Committee and ratified by Regional Council of their selection: Amend the total number of Committee members from "up to twelve" to "up to nine" members;
- Retain appointment of one elected official appointed from each Community Council, with one of the representatives also being a member of the Audit & Finance Committee and will serve as Chair of the SEAC Committee;
- Retain citizen membership from Destination Halifax (DH), the Hotel Association of Nova Scotia (HANS) and the Halifax Partnership;
- Assign volunteer applications stating an interest in event funding received under the Public Appointment Policy through the annual vacancy process for consideration to the Grants Committee; and
- Appoint the remaining citizen members from professional business tourism organizations.

Regional Council Representation

The Terms of Reference for SEAC was established in 2007. The composition of the Committee was selected to provide a balanced representation from tourism, economic development, cultural, and community sectors. Under the current terms of reference, the membership is the appointment of 1) elected official from Audit & Finance as Chair for accountability purposes and 2) one elected official appointed by each community council for equity purposes.

While the proposed approach to appoint an elected official from each three Community Councils one of which will act as Chair, reduces the number of Councillors from four to three, geographic representation is retained for the consideration of funding. As well, continuation of the requirement for the Chair of SEAC to

also be a member selected from the Audit & Finance Standing Committee will continue to provide financial accountability.

In addition, as noted at COW, final decisions rest with Regional Council ensuring that members of Council who do not sit on SEAC have the discretion to debate SEAC recommendations at the relevant Regional Council meetings.

Professional Industry Representation

As per the proposed MSLER Business Case, special event applicants to this program are required to deliver specific tourism and business development outcomes. In the consideration of major event hosting fees (which can request substantial funding ranging from \$250,000 - \$500,000+), deliberations by SEAC members requires a strategic analysis and business acumen in both event attraction and retention. Therefore, it is appropriate that these deliberations be carried out by individuals who can provide technical and professional analysis of events promoting tourism and economic development.

In addition to the hotel industry, there are other key stakeholders that receive direct benefits from events. Restaurants, bars and business district commissions and associations also report increased sales from events. These industries have "front line" experience and evidence based information that can be used as another tool to evaluate the impacts, both negative and positive, that events create in the Municipality. Therefore, it is proposed that the SEAC Terms of Reference be amended to appoint members from the Business Associations/Commissions on an annual, rotating basis to allow each of the nine associations, if agreeable, to provide input from their different perspectives. A committee membership with additional professional citizens from industry specific organizations such as the Restaurant Association of Nova Scotia and the Business Improvement Districts (BIDS) in addition to current members HANS, DH and The Halifax Partnership will support the MSLER Business Case effectively, encourage a more informed dialogue, and ultimately better serve Council.

From 2007 to 2012, as per the terms of reference, the Chamber of Commerce had representation on SEAC. Recently the Chair of SEAC contacted the current Board Chair and CEO of the Chamber of Commerce to invite the Chamber to resume a role on the Committee. The Chamber declined citing the role did not align with their strategic policy.

SEAC has requested that the Municipality adopt a more proactive approach to event attraction. Municipal agencies such as Destination Halifax and Scotiabank Centre work in the national and international market place to attract events and conferences to Halifax on an ongoing basis. As well, Tourism Nova Scotia is in regular communication with the Municipality on developing joint strategies on opportunities to achieve a more holistic approach to funding. Unless directed otherwise by Council, staff will continue to engage in the exchange of information between these stakeholders and provide SEAC with tactical information through the staff recommendation report process.

Non-Industry Volunteer Representation

Citizen participation on Municipal Boards, Committees and Commissions is encouraged and valued by staff and Regional Council. The proposed restructure in the composition of SEAC should not be perceived as diminishing the importance placed on the contributions by both current and past SEAC non-industry citizen members. It is recommended that going forward, as annual vacancies occur, citizen volunteers who express an interest in event funding but do not hold a professional position in the industry be considered for appointment to the Grants Committee. Since Regional Council has directed that those event grant applications which fall under the Regional Special Events Grants AO be considered by the Grants Committee, representation on that committee by members with an interest in event funding would be an asset to that committee.

The same rationale employed to engage sector specific expertise under MSLER can be applied to this restructure. Citizens who participate and experience the direct impacts of cultural and community festivals held in their urban and rural communities are best positioned to assess the impacts and level of funding

being considered by the Grants Committee to encourage the vibrancy and social engagement opportunities created by such events.

Proposed SEAC Membership

To reflect the proposed approach to SEAC as outlined above, it is recommended that the following changes be incorporated in the committee structure after the current term for members has been completed. A transition clause (40A) has been added to allow current SEAC memberships to complete their terms. Under the new structure, the membership of SEAC shall comprise of a voting membership of up to nine members as follows:

Three members (3) of Halifax Regional Council to include:

- One (1) Council representative will be a member of the Audit & Finance Standing Committee and serve as Chair; and
- Two (2) Council members appointed from the Community Councils not represented by the Chair.

Six (6) citizen members to include:

- One (1) member from the Hotel Association of Nova Scotia;
- One (1) member from Destination Halifax;
- One (1) member from the Halifax Partnership;
- One (1) member from the Restaurant Association of Nova Scotia;
- One (1) member from the Business Improvement Districts (BIDS); and
- One (1) member from a professional business tourism organization.

In addition to the proposed committee membership, the SEAC terms of reference has been amended such that all references to the Grants Committee were removed and replaced with the Special Events Advisory Committee. As well, all references to Community Development outcomes, Festivals and Events and Summer Festivals programs were removed from the oversight of SEAC. The new Terms of Reference have been included in the MLSER AO as Schedule 1.

FINANCIAL IMPLICATIONS

None identified

COMMUNITY ENGAGEMENT

SEAC includes representatives from the respective industry associations.

ENVIRONMENTAL IMPLICATIONS

None identified

ALTERNATIVES

- Alternative 1: Regional Council may choose to amend terms within the proposed Marketing Levy Special Event Reserve Grants Administrative Order 2014-020-GOV or the revised Marketing Levy Special Event Reserve Business Case.
- Alternative 2: Regional Council may choose to maintain the current composition of the Special Events Advisory Committee.
- Alternative 3: Regional Council may choose to have the new SEAC Terms of Reference take effect immediately upon Administrative Order 2014-020-GOV coming into force.

ATTACHMENTS

- Attachment 1: Marketing Levy Special Event Reserve Grants Administrative Order # 2014-020-GOV
Attachment 2: Marketing Levy Special Event Reserve Business Case

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/index.php> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 902.490.4210, or Fax 902.490.4208.

Report Prepared by: Elizabeth Taylor, Manager, Culture & Events, 490.4327

ATTACHMENT 1 - ADMINISTRATIVE ORDER NUMBER 2014-020-GOV
Respecting Marketing Levy Special Event Reserve Grants

WHEREAS the Council of the Halifax Regional Municipality values the economic impact of large scale events to the Halifax Regional Municipality;

AND WHEREAS the Council of the Halifax Regional Municipality wishes to support organizations to attract and host large scale special events within the Halifax Regional Municipality through grants;

BE IT RESOLVED AS AN ADMINISTRATIVE ORDER of the Council of the Halifax Regional Municipality under the authority of the *Halifax Regional Municipality Charter*, as follows:

Short Title

1. This Administrative Order may be known as the *Administrative Order on MLSER Grants*.

Interpretation

2. In this Administrative Order,
 - (a) “Anniversary” means a celebration at quarter century intervals that an event acknowledges with enhanced programming;
 - (b) “Applicant” means an organization applying for funding under this AO;
 - (c) “Concerned status” means conditions attached to the release of grant funds in accordance with section 31 of this AO;
 - (d) “Council” means the Regional Council of the Halifax Regional Municipality;
 - (e) “Enhanced visibility” means multi-media opportunities to promote the Municipality that would not occur, in whole or in part, without a grant under this AO;
 - (f) “Grant” means a transfer of funds to an organization subject to eligibility criteria;
 - (g) “Special Events Advisory Committee” or, “SEAC” means the advisory committee of Council pursuant to the Terms of Reference attached in Schedule 1 to this AO;
 - (h) “Major Hosting Event” means a national or international event that does not recur annually and is awarded to a host destination through a competitive bidding process;
 - (i) “Multi-media opportunities” means opportunities to profile the Municipality through a number of marketing platforms such as radio, television, video, print, internet and social media;

- (j) “Municipality” means the Halifax Regional Municipality;
- (k) “New or Emerging Event” means an event that has never been held in Halifax or has not been held in Halifax for a period of at least three (3) years;
- (l) “Organization” means a registered charity, non-profit society or for-profit entity with demonstrated event management experience;
- (m) “Organizer” means the organization responsible for delivering the special event;
- (n) “Special event” means an event, festival or public celebration that:
 - (i) demonstrates capacity and the ability to develop as a tourism driver over the long term;
 - (ii) is promoted to and marketed to tourists; and
 - (iii) is available to the general public to attend, either free or through the purchase of tickets.
- (o) “Staff” means staff of Parks & Recreation; and
- (p) “Tourist” means a person who travels 100 kilometres or more specifically to attend the special event.

Purpose

3. The purpose of this Administrative Order is to provide grants from the Municipality to direct financial support to large scale special events in Halifax Regional Municipality that support and promote tourism and business development.

Grants Available

4. There are hereby established four grant programs:

- a) Signature Events: supports annual large scale special events.

- (i) Available to Organizations that have operated for a minimum of three (3) consecutive years with strong event management and a track record of success.
 - (ii) The special event must be in existence for a minimum of five (5) consecutive years and have a minimum budget of \$500,000.00.
 - (iii) Provides sustainable funding up to a maximum term of three (3) years.
 - (iv) Provides additional funding up to a maximum of 10% of the previous year's total grant amount to support additional programming for an anniversary of the event.
- b) Tourism Events: supports annual or one-time large scale events.
- (i) Available to Organizations that have operated for a minimum of two (2) consecutive years with strong event management and a track record of success.
 - (ii) The event must have a minimum budget of \$300,000.00.
 - (iii) Once an annual Tourism Event has been in existence for five (5) years and meets the criteria, it may be eligible for consideration under the Signature Events grant program.
 - (iv) Provides additional funding to annual events up to a maximum of 10% of the previous year's total grant amount to support additional programming for an anniversary of the event.
 - (v) Provides additional funding to one -time events to support an anniversary of the event.
- (c) New Events (Emerging): supports Organizations that bring or create a new event in Halifax.
- (i) Available to Organizations that have operated for a minimum of one (1) year with demonstrated experience in event management.
 - (ii) The event must have a minimum budget of \$50,000.00.
 - (iii) Preference will be given to applicants that have secured corporate and government funding.

(iv) The New Events (Emerging) Program:

- a. provides up to three (3) years of sustainable funding; and
- b. provides the cost of executing a Sport Tourism Economic Assessment Model (STEAM) or an alternate industry recognized economic assessment tool as approved by staff in the first and third year of funding.

(d) Major Hosting Events: supports Organizations bidding on the rights to host major events and supports programs, activities and services specific to the delivery of a major event being hosted in Halifax. Events must be of a size and scope sufficient to draw tourists to the Municipality's communities, attract significant media exposure, and profile Halifax destinations nationally and globally.

(i) The event must have a minimum budget of \$ 500, 000.00.

(ii) Funding conditional on receiving event funding from other levels of government.

Application Requirements

5. There is one intake period per fiscal year. The intake period and application deadline will be established by staff and advertised on the HRM website.

6. Applications must be signed by the applicant's authorized representative(s).

7. All applications must be received by mail, in person or emailed by the application deadline. Applications may be submitted:

- a) in person to:
HRM Event Grants Officer
2nd floor, Alderney Landing
- b) by mail to:
HRM Event Grants Officer
P.O. Box 1749
Halifax, NS
B3J 3A5
- (c) by email to:
eventgrants@halifax.ca

8. Late or incomplete applications will not be reviewed or considered.
9. All applications shall be in a format prescribed by staff and include:
 - (a) a description of the applicant, including history and organisation's staffing and structure ;
 - (b) details on any other funding received from the Municipality within the current and two previous fiscal years, including tax relief;
 - (c) a statement of corporate funding sources sought by the applicant, including current status of applications;
 - (d) a statement of other government funding sources sought by the applicant, including current status of applications;
 - (e) a detailed event description with a statement on the tourism and economic impact in the community;
 - (f) previous year's municipal service costs when applicable;
 - (g) a detailed event budget; and
 - (h) completion of an economic impact analysis, such as the Sport Tourism Economic Assessment Model (STEAM) or an alternate industry recognized economic assessment tool as approved by staff.

Eligibility

10. To be eligible for funding, an applicant shall be a registered not-for-profit society or for-profit entity in good standing with the Provincial Registrar of Joint Stock Companies or federally registered under the *Corporations Act* and:
 - (a) does not receive operating assistance, excepting tax relief, or any other funding from any other department of the Municipality;
 - (b) has no outstanding municipal service costs due to the Municipality; and
 - (c) has no outstanding reports or due to the Municipality.
11. For the organization to be eligible for funding the event must:

- (a) provide an element of the event open to the general public to attend;
 - (b) secure additional sources of revenue such as corporate contributions, donations, sales, and membership fees and must pursue other sources of public or private funding;
 - (c) be held within the geographical boundaries of the Municipality; and
 - (d) be fourteen (14) days or less in duration.
12. The following organizations are not eligible for funding:
- (a) government agencies;
 - (b) organizations aligned with a political party or to support activities thereof;
 - (c) individuals;
 - (d) educational institutions; or
 - (e) groups using the funds for activities outside the Municipality.
13. The following events are not eligible funding:
- (a) consumer shows;
 - (b) trade shows;
 - (c) meetings;
 - (d) seminars;
 - (e) clinics;
 - (f) symposiums;
 - (g) public lectures;
 - (h) fundraisers;
 - (i) professional training and development;

- (j) educational initiatives;
- (k) banquets;
- (l) conferences; and
- (m) marketing initiatives.

Expenses

14. Grants may be applied to programing, operating, marketing and promotional expenses.
15. No portion of the grant shall be:
 - (a) applied to staff wages, volunteer bursaries or honoraria; or
 - (b) paid to members or officers of an organization's Board of Directors either directly or indirectly.

General Provisions

16. Staff is available to assist with the application process and other issues that may arise.
17. Staff may consult with provincial and federal government funders to thoroughly assess the rights and benefits being offered by the applicant.
18. Retroactive funding will not be awarded.
19. Any event that will occur less than three (3) months after the application deadline will be assessed on a case by case basis with no guarantee of a decision before the date of the event.
20. All grant recipients must provide staff full access to the event for the purposes of monitoring and evaluation, including but not limited to audit and inspection of accounts, records, receipts, invoices, vouchers and other documents related to the funding provided through HRM.

Application Evaluations

21. The following criteria will be used to evaluate applications for Council's consideration:
 - (a) degree of economic impact;
 - (b) number of consecutive, multiple day visits from tourists;

- (c) enhanced visibility to Halifax as a tourist and business destination;
 - (d) expertise of event organizer;
 - (e) financial stewardship as demonstrated through financial statements and proposed event budget; and
 - (f) for New Events (Emerging) and Major Hosting Events, funding support from other levels of government.
22. To ensure transparency in the evaluation of applications:
- (a) all staff and SEAC members will complete a “Disclosure of Conflict of Interest” declaration;
 - (b) staff or SEAC members who have provided direct assistance to support an applicant in completing an application shall not be involved in any part of the grant assessment process for that application;
 - (c) advice or information given to one applicant shall be made available to all other applicants; and
 - (d) staff or SEAC members who declare an interest in an application, shall not be involved in any part of the grant assessment process for that application.

Application Review Process

- 23. Applications will be administered by staff of Parks & Recreation.
- 24. Applicants will be notified promptly if their application is ineligible for consideration.
- 25. Final approval of all applications for a grant, and the amount thereof, is a decision of Council in its sole discretion.
- 26. Notification of the decision of Council will be mailed to applicants after it is made.
- 27. Approval of grants is conditional on Council’s approval of the annual program budget.
- 28. Due to limited funds, not all eligible applications may receive funding.

Conditions of Approval & Payment of Grants

29. Successful applicants are required to sign an HRM Event Grant Agreement. Funds will not be released prior to the HRM Event Grant Agreement being executed.

30. All HRM Event Grant Agreements will contain the following terms regarding Concerned Status:

(a) The Special Events Advisory Committee or Council may identify concerns with an organization or event and recommend the organization be placed under Concerned Status. An organizer will be notified immediately upon the organization being placed under Concerned Status.

(b) Concerned Status may occur if the organization:

(i) has a major deficit, such deficit being ten percent (10%) or more of the organization's annual budget;

(ii) shows evidence of not being financial viable;

(iii) has a significantly reduced audience or sales base that differs from stated intentions;

(iv) does not demonstrate the ability to plan into the future;

(v) does not address major artistic concerns, such as artistic or editorial direction, declining quality of activity, or failure to achieve activity plan;

(vi) does not meet contractual obligations or minimum requirements outlined in the agreement; or

(vii) demonstrates management or governance practices which do not conform with generally acceptable practices in the sector.

(c) An organization placed under Concerned Status will be required to meet quarterly with Parks & Recreation staff for review of the following documentation:

(i) profit & loss statement;

(ii) balance sheet;

- (iii) year-to-date budget;
 - (iv) bank reconciliation (only required upon specific request from staff);
 - (v) new or updated business plan; and
 - (vi) any other documentation relevant to the Concerned Status designation.
- (d) When an organization receiving a multi-year grant commitment has been placed under Concerned Status it may result in:
- (i) a lower grant award;
 - (ii) additional conditions placed on the current grant and any future grants; and
 - (iii) discontinuation of the grant term if applicable where issues go unresolved.

31. Grant monies for applications approved will be dispersed according to a schedule as outlined in the executed HRM Event Grant Agreement, with up to twenty per cent (20%) being withheld until completion of the event and submission of the final report.

32. Successful applicants are required to complete a final report form within one hundred and twenty (120) days of the conclusion of the event describing the impact of the funding received from the Municipality. A final report template will be available from Parks & Recreation staff. The criteria for reporting includes:

- (i) name of organization, amount of grant, terms and conditions;
- (ii) total event costs;
- (iii) a breakdown of the expenditure of the grant funds (the Municipality reserves the right to require proof of payments made);
- (iv) a final description of the event, including information on the completeness of the project; and
- (v) copies of printed and web based materials funded through the grant as well as documentation of events or projects directly or indirectly supported by the Municipality through this grant process.

33. A successful applicant may request an extension to file the final report if unable to meet the one hundred and twenty (120) days deadline. The request must be received one (1) month

prior to the deadline. Submission of a request for extension does not guarantee that an extension will be awarded.

34. Failure to submit a final report within one hundred and twenty (120) days of the conclusion of the event or at the end of an approved extension period will result in:

- (a) the forfeiture of any remaining grant; and
- (b) placement of the organization on the Municipality's delinquent organizations list.

The organization will be notified of any forfeiture of grant funds.

35. Organizations placed on the delinquent organizations list are ineligible to apply for future grants from HRM. Organizations will be removed from the delinquent organizations list on submission of a final report.

36. The Municipality's support must be recognized as outlined in the "Requirements for Acknowledging Funding" set out in the HRM Event Agreement.

Referral by Council

37. The question of grant funding for a particular event pursuant to this Administrative Order may be referred by Council to a Standing Committee or to the Council in Committee for a recommendation to the Council on whether to provide grant funding.

Scope

38. Notwithstanding this Administrative Order, an application for an event may be considered by Council or the SEAC for a grant.

39. Nothing in this Administrative Order shall be interpreted to limit or otherwise prescribe Council's general discretion to provide grants under the *Halifax Regional Municipality Charter* or otherwise.

Transition

40. Notwithstanding this Administrative Order, current multi-year grants awarded by Council under the "Civic Events Granting Framework and Policy" shall be governed in accordance with the agreement made at the time of the award, including payment schedules and reporting requirements.

40A. A committee member appointed to SEAC at the time this Administrative Order comes into force shall remain a member of the committee until the member's position is vacated, at which time any new appointments to SEAC shall be in accordance with the Terms of Reference as set out in Schedule 1.

Repeal

41. The “Civic Events Granting Framework and Policy” adopted by Council on March 27, 2007 and all amendments thereto are hereby repealed.

Done and passed in Council this __ day of _____, 2015.

Mayor

Municipal Clerk

I, Cathy Mellett, Municipal Clerk of the Halifax Regional Municipality, hereby certify that the above noted Administrative Order was passed at a meeting of Halifax Regional Council held on _____, 2015.

Cathy Mellett, Municipal Clerk

Schedule 1

Special Events Advisory Committee Terms of Reference

MANDATE

The HRM Special Events Advisory Committee shall review, evaluate and make recommendations to Regional Council regarding the annual Marketing Levy Special Events Reserve (MLSER) with staff support from Parks and Recreation.

STATEMENT OF PURPOSE

Pursuant to the Marketing Levy Special Events Reserve Administrative Order 2014-020-GOV, members of the HRM Special Events Advisory Committee will evaluate applications for funding for events that support and generate economic and tourism development.

1. COMPOSITION OF COMMITTEE

1.1. The HRM Special Events Advisory Committee shall comprise a voting membership of up to nine (9) as follows: **Three (3) elected members of Halifax Regional Council appointed by the Audit and Finance Standing Committee;**

1.1.1. **The three (3) elected members are to be appointed from Community Councils, with one (1) elected member appointed from each Community Council;**

1.1.2. **One (1) elected member is also to be a member of the Audit & Finance Standing Committee;**

1.2. **The Chair shall be appointed by the Audit and Finance Standing Committee from the membership of the Audit and Finance Standing Committee;**

1.3. **The Vice Chair shall be appointed by the Audit and Finance Standing Committee from the Community Council membership;**

1.4. **The members-at-large from professional agencies shall be appointed by the Audit and Finance Standing to include:**

1.4.1. **One (1) member from the Hotel Association of Nova Scotia;**

1.4.2. One (1) member from Destination Halifax;

1.4.3. One (1) member from the Halifax Partnership;

1.4.4. One (1) member from the Restaurant Association of Nova Scotia;

1.4.5. One (1) member from the Business Improvement Districts (BIDS); and

1.4.6. One (1) member from a business tourism organisation

2 **TERM OF OFFICE**

- 2.1 Each elected representative shall be appointed for a term of two (2) years, renewable.
- 2.2 Agency representatives shall be appointed for a term of two (2) years and thereafter may be re-appointed for a term of one (1) year so as to ensure staggered terms.

3 **VACANCIES**

- 3.1 The Chair shall inform the Clerk's Office of any vacancies.
- 3.2 Should a vacancy occur during an elected member's term of office the Council Selection Committee and Regional Council shall appoint a new representative to complete the balance of the term.
- 3.3 Should a vacancy occur during an agency member's term of office Regional Council shall appoint a replacement to complete the balance of the term.

4 **DUTIES**

The duties of the HRM Special Events Advisory Committee are to:

- 4.1 Advise Regional Council on all matters related to the allocation of the MLSER;

- 4.2 Continue to review eligibility criteria, priorities, policy and procedures for assistance under the respective programs and services managed under the auspices of the Marketing Levy Special Events Reserve Administrative Order 2014-020-GOV; and
- 4.3 The duties of the HRM Special Events Advisory Committee shall be reviewed annually by staff and Committee members and may be amended by Regional Council on an on-going basis.

5 **QUORUM**

- 5.1 A quorum at a regular meeting of the HRM Special Events Advisory Committee shall be a simple majority of members of which at least one (1) shall be an elected member of Regional Council.

6 **MEETINGS**

- 6.1 The committee shall meet as required to facilitate the timely review and recommendations on the MLSER.
- 6.2 The Chair in consultation with staff shall be responsible for calling all meetings of the HRM Special Events Advisory Committee.
- 6.3 Notice of the HRM Special Events Advisory Committee meetings and minutes shall be provided by the Clerk's Office.

7 **REMUNERATION**

Members of the HRM Special Events Advisory Committee shall not be remunerated for serving on the committee except where reimbursement is made in accordance with HRM policy for reasonable expenses incurred while in the service of the Committee.

8 **DECLARATION OF CONFLICT OF INTEREST**

Where personal or professional involvement or association could result in an actual or perceived conflict of interest for a member of the HRM Special Events Advisory Committee, the member shall declare the conflict and abstain from debate on the related topic, or where appropriate remove themselves from a meeting and shall not vote on any motion applying to the declared conflict.

Administrative Order Number 2014-020-GOV
Respecting Marketing Levy Special Event Reserve Grants

Approved March 27, 2007
Amended April 1, 2008
Amended March 24, 2009
Amended November 30, 2010
Amended October 18, 2011
Amended December 6, 2011 (Appointment of Chair)
Amended October 30, 2012 (Composition & Quorum)

Attachment 2

Reserve Business Case: *Marketing Levy Special Events Q315*

Type of Reserve: *Contingency Fund for Opportunities*

Purpose

To provide funding to attract and host exceptional large-scale sporting and tourism events that create significant economic impacts, promote Halifax as a multi- experiential event destination and attract tourists to HRM for multiple day visits.

Source of Funds

An ongoing transfer of 40% of the Provincial Hotel Sales Tax (Marketing Levy).

Application of Funds

The Marketing Levy Special Events Reserve (MLSER) is used to support events that support tourism and economic development. All funds will be distributed through grant programs in the MLSER Grant AO. If funding is requested outside any existing grant program, the scope of the MLSER Grant AO allows an application to be considered by Council or the Special Events Advisory Committee for funding.

Time Line and Balances

The Reserve is intended to be permanent subject to annual review as to its usefulness to the organization in accordance with the Financial Reserves Administrative Order, 2014-015 ADM.

Approval Process

All requests for withdrawals must be initiated by Parks & Recreation. Finance is responsible for confirming the availability of funds and appropriateness of expenditure prior to Council approval. These approvals are primarily done through the annual budget process or on an individual basis prior to being approved by Council. Only applications which are in compliance with the proposed MLSER AO will be considered by the Special Events Advisory Committee and applications will be reviewed in accordance with the criteria approved by the Committee. Parks & Recreation in cooperation with Finance will prepare an annual MLSER Budget, and will be responsible for monitoring projections (actual versus budgeted expenditures). The MLSER Budget will be approved by HRM Council annually as part of HRM's overall corporate Budget and Business Plan.

HRM will undertake a review of the MLSER Guidelines at a minimum of every five (5) years.

Attachments

Marketing Levy Special Events Reserve Budget

Original Council Approval Date	October 23, 2001
Effective Date of Last Revision	April 17, 2012
Business Unit Director Contact	Brad Anguish, Director, Parks and Recreation