



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

Item No. 9.11
Special Events Advisory Committee
March 11, 2020

TO: Chair and Members of Special Events Advisory Committee

- Original Signed -

SUBMITTED BY:

Denise Schofield, Director, Parks & Recreation

- Original Signed -

Jacques Dubé, Chief Administrative Officer

DATE: January 20, 2020

SUBJECT: Marketing Levy Special Events Major Hosting Grant Report 2019/2020

ORIGIN

Applications received pursuant to Administrative Order 2014-020-GOV - Respecting Marketing Levy Special Event Grants.

LEGISLATIVE AUTHORITY

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

Administrative Order 2014-015 ADM- Respecting Reserve Funding Strategies.

RECOMMENDATION

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

1. Approve an Event Grant in the amount of \$15,000 from the 2019/2020 Community and Events Reserve, Q621 to fund the Tokyo 2020 Women's Final Paralympic Qualification Tournament from the 2019/2020 Distinguished Events program; and;
2. Approve an Event Grant in the amount of \$50,000 from the 2019/2020 Community and Events Reserve, Q621 to fund the 2020 U SPORTS Men's Hockey Championships.

BACKGROUND

In October 2019 Volleyball Nova Scotia and Acadia University applied respectively for funding to the Marketing Levy Special Event Reserve (MLSER) Major Hosting grant program to host events in Halifax in February and March 2020. The Major Hosting program application process is open with no intake deadline. On November 20, 2019, both organizations presented their events to the Special Events Advisory Committee (SEAC) detailing the information outlined within the discussion section of this report.

All recommendations respecting the allocations of the MLSER are governed by Administrative Order 2014-020-GOV, Marketing Levy Special Events Reserve Grants, and the Community and Events Reserve Business Case. The purpose of the Administrative Order, 2014-020-GOV, Marketing Levy Special Events Reserve Grants (AO), is to direct financial support to large scale special events in HRM that support and promote tourism and business development. The Major Hosting Event program supports national or international events that do not recur annually locally and are awarded to a host destination.

Staff undertakes the grant application and evaluation process as outlined in the AO. This report outlines the recommendation for funding for the Tokyo 2020 Women's Final Paralympic Qualification Tournament and the 2020 U SPORTS Men's Hockey Championships for SEAC's consideration for recommendation to Regional Council.

Eligibility

The definition of this program states:

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.

The 2020 U SPORTS Men's Hockey Championship is eligible for consideration under the Major Hosting Event program of the Marketing Levy Special Events portion of the Community and Events Reserve.

Ineligible

At the time of application Volleyball Nova Scotia met the budget requirements for the Major Hosting Event program with a budget of \$500,000; however, on December 27, 2019 Volleyball Nova Scotia informed Halifax Regional Municipality (HRM) that there are now only 6 teams competing in the tournament rather than the 8 teams projected. This has reduced the total budget by \$250,000 which deems the event ineligible for funding through the Major Hosing program.

The MLSER program's Distinguished Events category has two application intakes per year. The first application intake deadline for funding events occurring between April 1, 2019 to September 30, 2019 was November 30, 2018. The second application intake deadline for events occurring between October 1, 2019 to March 31, 2020 was May 30, 2019. With the change in the event budget and the scheduled date of the event (February 2020), although this event meets the criteria of the 2019/20 Distinguished Events program the intake was closed at time of application. However, Section 38, AO 2014-020-GOV outlines that "Notwithstanding this Administrative Order, an application for an event may be considered by Council or the SEAC for a grant".

DISCUSSION

Tokyo 2020 Women's Final Paralympic Qualification Tournament

In October 2019, Volleyball Nova Scotia and Volleyball Canada won the bid to host the Tokyo 2020 Women's Final Paralympic Qualification Tournament. The funding request is \$15,000. Qualifying matches are scheduled to be played at the Canada Games Centre from February 22 to 29, 2020 with six countries competing. The sport has been included in the Paralympic Games since 1980 and is played by over 10,000 athletes in more than 75 countries. The paravolley matches consist of volleyball players sitting on the floor

with a smaller court and a lowered net with the same rules as the able-bodied game with a few minor modifications. This tournament is the last remaining opportunity for the Paralympic Games where the winner will earn a berth in the Tokyo 2020 Paralympic Games being held during the summer of 2020 shortly after the Olympic Games.

A summary of the event is as follows:

- The event will attract approximately 750 people through the competition;
- The event will take on 50 volunteers which will provide over 250 volunteer hours over the course of the weekend;
- The event guarantees 800 room nights booked by the event and estimates that 1,200 room nights would be generated by attendees;
- The event will be free for the public to attend, as well as practice sessions for local athletes; and
- The estimated budget for the event is \$241,410, including venue, accommodations, air fair and meals

Destination International's Event Impact Calculator (EIC)

The EIC report states the direct increase in economic activity within the municipality as a result of the initial expenditures of the event would be \$759,797. This amount includes the impact of sales on jobs with 98 jobs supported, \$198,985 spent on wages and \$6,684 collected in local taxes.

Media Exposure

Matches will be live streamed on CBC.

Destination Recognition

Hosting an event of this calibre promotes the municipality as a key, accessible sporting event destination in a competitive, global market. The municipality will be recognized on A-frames surrounding the court which feature prominently in the direct line of sight of the international television broadcasts to the team countries, as well as featured in all broadcast scripts and event commercials.

The Tokyo 2020 Women's Final Paralympic Qualification Tournament event has a modest economic impact based on the EIC calculations. However, there are additional factors associated with the event that meet the criteria used in assessing a hosting opportunity. The event comes with a significant level of broadcast exposure in key tourism markets that will deliver noteworthy destination recognition internationally. As well, the guaranteed room nights are a substantial value with the potential for more based on development clinics. There is also the potential for growing the audience base in the municipality as the sport receives more exposure locally.

Recommendation

It is recommended that Special Events Advisory Committee recommend to Regional Council to apply Section 38, under Scope of AO 2014-020-GOV that states: "Notwithstanding this Administrative Order, an application for an event may be considered by Council or the SEAC for a grant" and fund the Tokyo 2020 Women's Final Paralympic Qualification Tournament from the 2019/2020 Distinguished Events program. Based on submitted information and the budget capacity remaining in the 2019/2020 MLSE it is recommended that the Municipality provide a grant in the amount of \$15,000 to Volleyball Nova Scotia.

While the AO outlines that grants are not provided retroactively for events, Regional Council can consider funding in special circumstances. As a result of delays outside the control of the event organizers, this report was not able to be considered prior to the event date, therefore, it is recommended that Regional Council provide the event with a grant as outlined

2020 U SPORTS Men's Hockey Championships

From March 12 to 15, 2020, Acadia University will host the 2020 U SPORTS Men's Hockey Championships at the Scotiabank Centre. Acadia University will host the 8 games at the Scotiabank Centre played over 4

days with the top 8 national university hockey teams competing for the National Champion title. The funding request is \$100,000. The tournament will partner with Hockey Nova Scotia and Hockey Canada providing multiple engagement opportunities for NS youth. The former CIS University Cup was organized by Sports Atlantic Entertainment (SEA) and held in Halifax at the former Metro Center in 2015 and 2016. The Municipality funded the event in the amount of \$88,500 and the Province of Nova Scotia funded the event in the amount of \$30,000 per year.

A summary of the event is as follows:

- The event will attract approximately 27,270 people through the competition;
- The event will take on 150 volunteers which will provide over 6000 volunteer hours over the course of the event;
- The event guarantees 750 room nights booked by the event and estimates that 1,250 room nights would be generated by attendees;
- Ticket prices will be \$10 - \$25 per day for entry;
- The estimated budget for the event is \$645,000, and;
- In addition to the 2020 U SPORTS Hockey Championship, Acadia University will host their Annual Gala Dinner in Halifax at which the top performing athletes in the sport will receive awards.

Destination International's Event Impact Calculator (EIC)

The EIC report states the direct increase in economic activity within the municipality as a result of the initial expenditures of the event would be \$1,407,147. This amount includes the impact of sales on jobs with 341 jobs supported \$373,176 spent on wages and \$12,837 collected in local taxes.

Media Exposure

Games will be streamed online with game highlights being shown on national sports channels (Sportsnet and TSN).

Growth Potential

Based on the response of ticket sales of \$450,576 from the 2016 CIS University Cup, it is anticipated as a return event with more international matches, attendance will increase. The event is also held during the low shoulder season (January-March), at a time when there is capacity in hotels.

Destination Recognition

Hosting an event of this calibre promotes the Municipality as a key, accessible sporting event destination in a competitive, global market. The Municipality will be recognized throughout multi-platform and integrated social media web advertising throughout the USPORTS network sports teams across Canada, as well as featured in all broadcast scripts and event commercials.

Recommendation

Based on the information provided and the budget capacity remaining in the 2019/20 MLSE it is recommended that the Municipality provide funding in the amount of \$50,000 to Acadia University.

FINANCIAL IMPLICATIONS

Reserve budget, the funding available in Community and Events Reserve (Q621) with no additional increased withdrawal required.

Net Reserve Balance, at April 1, 2019	\$ 1,485,800
Budget Allocation 2019/2020	\$ 1,776,855
Total budgeted withdrawals for 2019/2020	<u>\$(2,261,800)</u>
Reserve projected net available balance, March 31/2020	\$ 1,000,855

Community and Event Reserve, Q621 is used 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. Reserve is also to provide funding to community non–profit and public institution in support of major capital initiatives by facilitating the development of significant community infrastructure in order to realize tangible cultural, sectorial and economic impacts. Funding to the reserve is 40% of Marketing Levy from Hotel Sales, and transfers from operating budget. Withdrawals are for supporting events that support tourism and economic development, cultural / heritage projects, significant community infrastructure and public art. The recommended allocation of grants does not have a negative impact on the reserve as this allocation is within the 2019/20 approved withdrawals from reserve.

RISK CONSIDERATION

There are no significant risks associated with the recommendations in this Report. The risks considered rate Low. To reach this conclusion, consideration was given to financial and reputational risks.

Agreements between Volleyball Nova Scotia and the municipality, and Acadia University and the municipality would be negotiated prior to the release of funding. The agreements will include details regarding the rights and benefits outlined including media coverage and advertising opportunities.

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 increase or reduce the amount of the event grants.

ATTACHMENTS

Attachment 1: Tokyo 2020 Women's Final Paralympic Qualification Tournament Economic Impact Calculation (EIC)

Attachment 2: 2020 U SPORTS Men's Hockey Championships Economic Impact Calculation (EIC)

A copy of this report can be obtained online at halifax.ca or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Elizabeth Taylor, Manager, Culture & Events, 902.490.4387

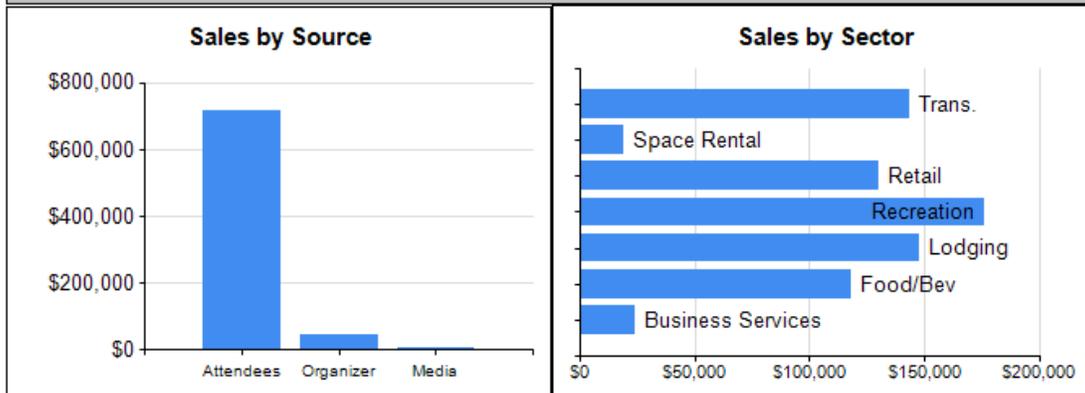
ATTACHMENT 1- Tokyo 2020 Women's Final Paralympic Qualification Tournament Economic Impact Calculation (EIC)

Event Impact Summary

Destination: Discover Halifax

Event Parameters		Key Results	
Event Name:	Tokyo 2020 Women's Final Paralympic Qualification Tournament	Business Sales (Direct):	\$759,797
Organization:	Volleyball Nova Scotia	Business Sales (Total):	\$1,185,754
Event Type:	Championships	Jobs Supported (Direct):	98
Start Date:	2/20/2020	Jobs Supported (Total):	115
End Date:	3/1/2020	Local Taxes (Total):	\$8,868
Overnight Attendees:	194	Net Direct Tax ROI:	\$6,684
Day Attendees:	529	Estimated Room Demand:	800

Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$148,000	\$0	\$0	\$148,000
Transportation	\$143,664	\$0	\$81	\$143,745
Food & Beverage	\$116,206	\$2,059	\$0	\$118,265
Retail	\$130,531	\$0	\$0	\$130,531
Recreation	\$176,017	\$0	\$0	\$176,017
Space Rental	\$0	\$19,065	\$0	\$19,065
Business Services	\$0	\$23,991	\$183	\$24,174
TOTAL	\$714,418	\$45,115	\$264	\$759,797

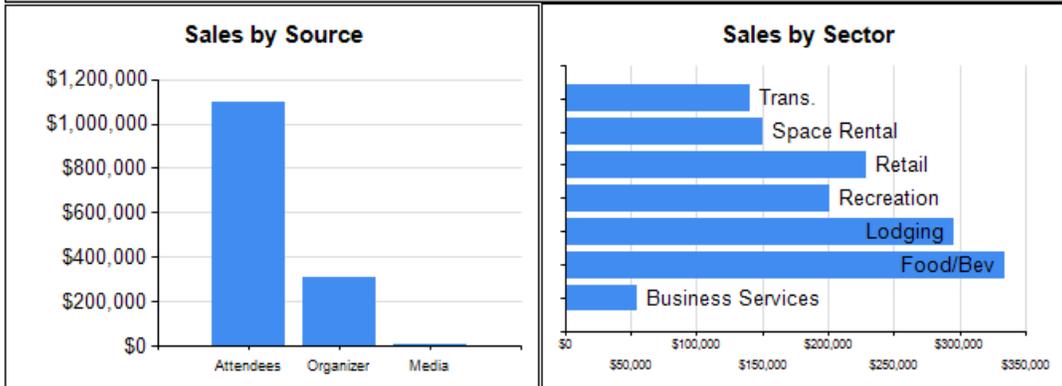
ATTACHMENT 2 – 2020 U SPORTS Men’s Hockey Championships Economic Impact Calculation (EIC)

Event Impact Summary

Destination: Discover Halifax

Event Parameters		Key Results	
Event Name:	U SPORTS Men’s Hockey Championships	Business Sales (Direct):	\$1,407,147
Organization:	Acadia University	Business Sales (Total):	\$2,185,965
Event Type:	College	Jobs Supported (Direct):	341
Start Date:	3/12/2020	Jobs Supported (Total):	403
End Date:	3/15/2020	Local Taxes (Total):	\$16,860
Overnight Attendees:	920	Net Direct Tax ROI:	\$12,837
Day Attendees:	26530	Estimated Room Demand:	1,600

Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$295,999	\$0	\$0	\$295,999
Transportation	\$138,429	\$1,637	\$901	\$140,967
Food & Beverage	\$229,659	\$105,013	\$0	\$334,672
Retail	\$229,437	\$0	\$0	\$229,437
Recreation	\$201,122	\$0	\$0	\$201,122
Space Rental	\$0	\$150,000	\$0	\$150,000
Business Services	\$0	\$53,933	\$1,016	\$54,950
TOTAL	\$1,094,647	\$310,583	\$1,917	\$1,407,147