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Item No. 12.2.1
Audit and Finance Standing Committee
May 19, 2021

TO: Chair and Members of Audit and Finance Standing Committee

SUBMITTED BY: - Original Signed -
Denise Schofield, Director, Parks & Recreation

- Original Signed -
Jacques Dubé, Chief Administrative Officer

DATE: April 15, 2021

SUBJECT: HRM Support for Open Streets Initiatives

ORIGIN

May 14, 2019 Regional Council motion of Halifax Regional Council: MOVED by Councillor Austin, seconded by Councillor Cleary

THAT Halifax Regional Council request a staff report on possible options to reduce the cost of street closures for Open Streets type events. Measures to consider should include a possible grant program specifically for street closures or subsidizing the policing costs.

MOTION PUT AND PASSED

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter 79A
Section (1)

Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if (a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality;

Administrative Order Number 2014-010-ADM – Respecting Special Events Task Force Process for Events, Parades & Street Closures.

Administrative Order Number 2014-021-GOV – Respecting Regional Special Events Grant.

RECOMMENDATION

It is recommended that the Audit and Finance Standing Committee recommend that Halifax Regional Council direct the Chief Administrative Officer (CAO) to continue to consider the Open Streets events under the terms of Administrative Order Number 2014-010-ADM, Respecting Special Events Task Force Process for Events, Parades & Street Closures, and Administrative Order Number 2014-021-GOV, Respecting Regional Special Events Grants.

BACKGROUND

Since 2013 staff from Parks & Recreation and Government Relations and External Affairs (GREA) have submitted reports to Standing Committees of Council on varying issues raised by representatives from the event industry and elected officials concerning municipal costs associated with events and in particular, the Provincial requirement under the Motor Vehicle Act (MVA) to hire police officers to manage traffic at events that require street closures. Specifically, three reports reviewed instances related to "Open Street" type events where the municipality's practice is to charge police service costs that are incurred to manage traffic at street closures. At the August 7, 2013 Transportation Standing Committee meeting, the Committee indicated that the practice of hiring police for street closures and parades was an ongoing financial challenge for event organizers. Staff was directed to return with a report that explained the reasons, legislative or otherwise for this practice.¹ In addition, the Committee requested that the current practices regarding municipal service quotes and estimates, abutter approval, and the establishment of a policy for waiving of municipal service costs in lieu of grants be delivered in a revised policy and accompanying Administrative Order.

As a result, on August 5, 2014, Regional Council approved Administrative Order No.2014-010-ADM Respecting Special Events Task Force Process for Events, Parades & Street Closures (Special Events AO).² The Special Events AO applies to special events held on municipal land and for municipal services provided to special events held on non-municipal land. The Special Events AO provides a protocol for events and parades that require temporary road closures.

The following year on January 8, 2015, a motion from Community Planning and Economic Development Standing Committee (CPED) requested a staff report to investigate new support models for Switch Open Streets, and to conduct a jurisdictional scan on municipal support models for open streets programming³.

On April 21, 2016, staff submitted a detailed Information Report to CPED defining the Open Streets model and outlining both the challenges and opportunities specific to the local Open Streets event "Switch". The report also explained the differences between Open Streets and Neighborhood Placemaking models and the various support mechanisms Halifax Regional Municipality (HRM) provides to the Switch Open Street events.

The report referenced the challenge of acquiring adequate funds to cover street closure costs, "*The cost of policing services to manage the intersections is high, therefore, creating challenges for the Planning & Design Centre (PDC)*". The report continues to state, "*The PDC requires ongoing financial support (not year-to-year based on grants) to cover costs relating to street closures*". To assist with costs the report suggested the event apply for funding through the Administrative Order Number 2014-021-GOV: Respecting Regional Special Events Grants (Event Grant AO) as approved by Regional Council on May 26, 2015 which provides the opportunity for multiple years funding.

¹ <http://legacycontent.halifax.ca/boardscom/SCtransp/documents/140723tsc911.pdf>

² <https://www.halifax.ca/sites/default/files/documents/city-hall/legislation-by-laws/AO-2014-010-ADM.pdf>

³ http://legacycontent.halifax.ca/boardscom/SCcped/documents/SwitchOpenStreetsApril_000.pdf

In April of 2017, staff subsequently submitted an in-depth report that concluded unless the MVA was amended the municipality was bound by the provincial legislation to direct event organizers to hire police

officers for traffic management at street closures.⁴ Regional Council also approved the Transportation Standing Committee request for the Mayor to write to the Province requesting an addition to the MVA that would allow ‘Traffic Control Persons’ (TCPs) to direct the movement of traffic for special events sanctioned by the municipality. Committee discussion ensued specifically around the Open Street events suggesting that if the Province amended the MVA to allow TCPs for Special Events instead of police officers, this would allow organizers to implement Open Streets events at reduced costs. The letter requested the MVA change to *“permit traffic control persons to manage special events, modify the provincial training and accreditation process and revise the Nova Scotia Temporary Workplace Traffic Control Manual as it pertains to the special events traffic control”*.

On June 26, 2017, a response was received from the Minister of Transportation and Renewal stating the use of TCPs was not permitted. Staff from Nova Scotia Traffic & Infrastructure Renewal (NSTIR) were asked to engage HRM to look at other alternatives to reduce costs. A subsequent discussion took place at which HRM requested the use of special constables for road closures, which was one of the alternatives in the staff report. In 2018, as part of the Traffic Safety Act (TSA) consultation process (this will eventually replace the MVA) HRM submitted a request once again to utilize TCPs for special events. The Province of Nova Scotia is currently conducting consultation on the Traffic Safety Act, however, it is anticipated that the TSA and associated regulations will not be proclaimed for another couple of years.

With no foreseeable ability to replace police with special constables at special events road closures, police and traffic management costs remain a budget reality for all special events that require road closures. This status prompted the May 14, 2019 motion at the Audit & Finance Standing Committee requesting a staff report on options to reduce the cost of street closures for Open Streets events, specifically, a possible grant program specifically for street closures or subsidizing the policing costs.

DISCUSSION

Open Streets events are multi-faceted events that promote the use of public streets for recreation, active transportation and leisure-time activities. Local businesses can also benefit from these events. Open Streets events are free and accessible to participants which encourages physical activity and active transportation within the community.

Regional Council approved the Special Events AO to evaluate special events held on municipal land and municipal services provided to special events held on non-municipal land. The care and control of all special event related public road closures is outlined within the existing legislation found within the MVA and the Halifax Regional Municipality Charter. These closures are managed by the Special Events AO, HRM Traffic Management (TM) and Halifax Regional Police (HRP) within HRP boundaries. For areas that fall within the urban core, but are under the authority of the Royal Canadian Mounted Police (RCMP), the Special Events AO is only applicable to costs incurred for TM, i.e. traffic signage, delivery and pick up of barricades etc. Areas that fall outside of both TM and HRP’s jurisdiction have voluntarily adopted the Special Events AO process; however, the Special Events AO has no authority within the areas of HRM under the responsibility of the RCMP and NSTIR.

Events which request street closures are filtered through the Special Events Task Force (SETF). All street closures are subsequently approved on behalf of the Municipal Engineer by the Right of Way (ROW) Engineer, including those related to Special Events. The ROW Engineer reviews the street closure application based on information received through the SETF process.

Open Street Events in Municipality

⁴ <https://www.halifax.ca/sites/default/files/documents/city-hall/regional-council/170425rc1431.pdf>

Based on the definition of an Open Streets type event, HRM currently supports an Open Streets event called Switch held in Halifax and Dartmouth. Switch first applied for municipal event funding in 2016 under

the newly established Administrative Order No. 2014-021-GOV Respecting Regional Special Events Grants (Event Grant AO).⁵ The event was awarded \$7,250 under the Established Community Festivals program.

In 2019/2020 staff recommended the Grants Committee recommend to Regional Council to award a grant of \$12,000 per year, which was a 60% increase as part of the 3-year sustainable funding model conditional on HRM's annual budget approval. The funding Switch receives may be used to subsidize municipal services costs or general programming costs. Below are the municipal costs invoiced to Switch for policing and traffic services as well as the event grants awarded over the past 3 years.

Municipal Costs: Open Street Events 2017-2019					
	Policing Costs	Traffic Services Costs	Total Municipal Costs	Combined Total Municipal Costs (Halifax & Dartmouth)	Event Grant Awarded (Halifax & Dartmouth)
2017 Halifax	\$ 3,676	\$ 3,443	\$ 7,119	\$ 15,364	\$ 7,250
2017 Dartmouth	\$ 3,019	\$ 5,226	\$ 8,245		
2018 Halifax	\$ 4,592	\$ 6,413	\$11,005	\$ 18,906	\$ 7,250
2018 Dartmouth	\$ 3,019	\$ 4,882	\$ 7,901		
2019 Halifax	\$ 4,569	\$ 6,468	\$11,037	\$ 21,030	\$12,000
2019 Dartmouth	\$ 3,819	\$ 6,174	\$ 9,993		

Options to Reduce Costs for Open Street Events

In the 2016 staff report to CPED several options were offered for consideration to assist organizers in reducing costs of street closures associated with holding an Open Street event. The report stated that increased flexibility in the routes chosen could potentially reduce the costs, as well as scheduling an Open Street event within a larger existing civic event, thereby reducing some costs. It was also recommended that organizers work with TM, HRP and SETF to schedule crews during regular business hours when possible depending on the event timeline versus work required outside regular hours and compare costs. With COVID-19 impacting events, organizers have not been in contact with HRM staff to date to explore rescheduling Switch within larger annual civic events, but this could still be considered.

Without an overarching grant program in place with adequate resources to cover municipal services for all events that incur street closure costs, establishing a grant program specific to one or two events would create inconsistency and could be considered favoring some events over others. Open Street events currently receive a high level of in-kind support from several business units (as detailed in 2016 staff report). Therefore, the recommendation is to uphold the terms of both the Special Events AO and the AO Respecting Regional Special Events Program and assess any Open Street event applications, under the processes in place.

The option as referenced in the motion is to consider a new grant program specifically for street closure costs for Open Street events. However, as noted, providing a specific grant program for one type of events would create inconsistent support for events and result in some duplication of the existing Regional Special Events program. There is no budget capacity within the Regional Special Events program to allocate funding to cover these costs. The program budget of \$215,000 is at capacity and is oversubscribed and the next opportunity to review funding levels is at the 2022/2023 intake. Based on previous reports, the estimated costs to cover municipal costs for all events would require an additional \$250,000 in funding to that program.

⁵ <https://www.halifax.ca/city-hall/legislation-by-laws/administavorative-order-2014-021-gov>

The budget for the current two Switch Open Street events (Halifax and Dartmouth) is \$52,000 (Attachment 1). Municipal service costs are in the range of \$24,000, which makes up close to 50% of the expenses. With no other funding in place from other levels of government to assist with costs, growth in the Open

Street events may be difficult to achieve; nevertheless, staff do not recommend a new grant program be established for the reasons noted above. As an alternative, the Audit & Finance Standing Committee could recommend to Regional Council to approve a budget increase to the Regional Special Events program in the amount of \$13,000 and direct staff to allocate the funds directly to Switch. This would provide funding within the terms and conditions of the program at the maximum level of \$25,000 outlined in the AO and would provide funding to cover both the police and traffic costs for the two Switch Open Street events.

FINANCIAL IMPLICATIONS

There are no financial implications associated with the recommendation in this report.

RISK CONSIDERATION

The assessed risk to the Municipality is low and primarily reputational. The recommendation mitigates the reputational risk by recommending that the events continue to be considered through the existing programs rather than creating an individual grant program for only a specified type of event.

COMMUNITY ENGAGEMENT

While there was no specific engagement for this report, there been consultation for the research and development of past reports.

ENVIRONMENTAL IMPLICATIONS

None identified.

ALTERNATIVES

1. Audit & Finance Standing Committee may choose to defeat the staff motion and recommend that Regional Council approve an unbudgeted withdrawal from the Community and Events Reserve (Q621) in the amount of \$13,000 to be allocated to the Regional Special Events program.
2. Audit & Finance Standing Committee may choose to defeat the staff motion and recommend that Regional Council approve a budget increase to the Parks & Recreation operating budget in the amount of \$250,000, contingent on the annual budget approval, and direct the CAO to allocate the funds to Regional Special Events Grants Program, to provide funding for costs associated with municipal costs for all events. This would require a subsequent report to confirm a funding source for the full funding.

ATTACHMENTS

1. 2019 Switch Open Street Event Budget

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

Community Events Budget Example

(this pdf is to demonstrate as an example of level of minimum detail expected - contact staff if you wish for the spreadsheet xls file)

Organization Name:

Planning and Design Centre

Event Name:

Switch Open Street Sundays

Revenue	\$ Value	In-Kind Value
<i>(Categories listed are not exhaustive)</i>		
Halifax Regional Municipality	\$25,000	
Provincial Government		
Federal Government		
Sponsorship	\$12,000	
Donations		
Fundraising		
Tickets/ Gate		
Other: Prizes, food, music, media coverage		\$8,000
Other:		
Sub-Total	\$ 37,000.00	\$ 8,000.00
Total Revenue	\$ 45,000.00	

Expenses	\$ Value	In-Kind Value
<i>(Categories listed, for those not identified add under other)</i>		
Programming/ Artists	\$ 2,000.00	
Venue(s)		
Rentals (tents, equipment, etc)	\$ 2,500.00	
Production (sound, lights, etc)	\$ 2,500.00	
Municipal Fees - Dart+Hali street closure	\$ 24,000.00	
Marketing	\$ 2,000.00	
Advertising	\$ 2,000.00	
Volunteers		\$ 8,000.00
Accessibility		
Insurance	\$ 804.00	
Staff (F/T, P/T, contracts)	\$ 8,182.00	
Honourariums		
Sub-Total	\$ 43,986.00	\$ 8,000.00
Total Expenses	\$ 51,986.00	

Event Surplus/ Deficit	-\$ 6,986.00	
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