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Item No. 9.1.2
Special Events Advisory Committee
January 20, 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: November 28, 2019

SUBJECT: **Downtown Dartmouth Ice Festival Funding Request**

ORIGIN

November 26, 2019: Motion of Halifax Regional Council to request a staff report to the Special Events Advisory Committee to consider funding options to the Downtown Dartmouth Ice Festival on February 7- 9, 2020.

LEGISLATIVE AUTHORITY

*Halifax Regional Municipality Charter*79A (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 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 Funding Option 1 as described in the Discussion section of the report to the Downtown Dartmouth Business Commission (DDBC) for the Downtown Dartmouth Ice Festival in the amount of \$7,500 from the 2019/20 Community and Events Reserve, Q621; and
2. Pending final approval of the 2020/21 and the 2021/22 budgets, approve funding in the amount of \$7,500 from the Community and Events Reserve, Q621.

BACKGROUND

In May 2019, the Downtown Dartmouth Business Commission (DDBC) submitted an application for funding for the Downtown Dartmouth Ice Festival through the New/Emerging Events Program of the Marketing Levy Special Event Reserve. The grant amount requested was \$25,000. The application was evaluated using the Economic Impact Calculator using the scoring metrics endorsed by the Special Events Advisory Committee, Attachment 1. As per the AO, Application Evaluations, Section 21, criteria were used to evaluate the application under:

- (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;
- (dd) amount of funding received from the Municipality within the current and two previous fiscal years, including tax relief;
- (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.

The event scored 23/100 and there was no confirmation of funding from Provincial or Federal partners at the time. Where the event was outlined as a winter festival organized for the local community by the community, it was determined to be similar to festival funded through the Regional Special Events Grant program. DDBC was informed of this assessment and that the event would be eligible under the Community Celebrations stream, however the program deadline had closed. That program provides support for small scale community events that are organized primarily for the benefit and enjoyment of residents, coincide with a community gathering or civic holiday, and are free to the public to attend. The maximum grant award in this program is \$1,000.

After three years in the Community Celebrations, an event is eligible to apply to the Established Festivals program with a maximum award of \$25,000 and an option to receive up to three years of sustainable funding. The applicant was made aware of the decision not to proceed to SEAC with the application on June 14, 2019 by correspondence and through several follow up discussions. This assessment was also consistent with SEAC's request that staff apply a more critical approach to applications that did not meet the passing score. Staff satisfied Section 24 of the Administrative Order Number 2014-020-GOV Respecting Marketing Levy Special Event Reserve Grants, "Applicants will be notified promptly if their application is ineligible for consideration".

On November 26, 2019, a motion was put and passed by Regional Council requesting a staff report on funding options for the event to the Special Events Advisory Committee (SEAC) as the Committee of Council to which the original request was made.

DISCUSSION

From February 7 to 9, 2020, the DDBC will host the second annual Downtown Dartmouth Ice Festival. The festival as described in the application and subsequent discussions will stimulate business in downtown Dartmouth in February with ice sculpture artists, music, bouncy castles in Alderney Landing Theatre and local businesses providing special offers. However, with only 10 hotel nights and the event application stating the event audience is local with "tours of schools and seniors", the festival presents as an event geared to the local market, Attachment 2, and, as yet, carries little impact in tourism attraction.

Staff have received new information provided by the District Councillor and the DDBC indicating that the festival has secured funding in the amount of \$25,000 through the "Canadian Experience Fund" funded by ACOA which supports local festivals and events that occur during the winter months to promote tourism. Eligibility to this program states the festival must be a local festival which will display local arts and heritage with the anticipation of attracting people to the area to view and commemorate the local history and heritage. In discussion with the federal program officer and according to the program requirements, the terms of the Canadian Experience Fund funding program require a level of commitment of municipal funding.

Also, new information has been provided that states, *“In 2018, Discover Halifax challenged the Business Improvement Districts in HRM to come up with some sort of event that draws people to HRM during what is traditionally the slowest time of the year for our tourism sector (January-March). The Downtown Dartmouth Business Commission (DDBC) responded to the challenge by launching the Downtown Dartmouth Ice Festival.”* As partners with Discover Halifax in event tourism and specifically working with the Events Nova Scotia and other partners towards an event strategy that values shoulder season events, this new information provides a rationale for funding that was not included in the application or subsequent discussions with staff.

Based on confirmation that federal funding has been approved in the amount of \$25,000 for the event, the municipal funding may be awarded as per Section 3(c)(iii) of Administrative Order Number 2014-020-GOV which states that *“Preference will be given to applicants that have secured corporate and government funding”*.

Staff offer the following two options for consideration.

Funding Option 1

Respecting Marketing Levy Special Event Reserve Grants (MLSER): The New/ Emerging Program

SEAC may review the application as submitted and choose to recommend that Regional Council approve funding from the New/Emerging program stream under Section 25 of the AO, *Application Review Process* which states, *“Final approval of all applications for a grant, and the amount thereof, is a decision of Council in its sole discretion”* and *Section 3(c)(iii) of the AO on preference to events with other levels of government funding*. Based on this option funding in the amount of \$7,500 for a period 3 years would be recommended.

Funding Option 2

Respecting Regional Special Events Grants: Community Celebrations

Staff recognize the 2019/20 program has closed, however SEAC may recommend that Regional Council recommend that the Grants Committee approve funding in the maximum amount of \$1,000 from the 2020/21 intake of the Regional Special Events grant program, Community Celebrations. The recommendation also falls under the Application Review Process, Section 25 of the AO which states *“Final approval of all applications for a grant, and the amount thereof, is a decision of Council in its sole discretion”*.

Staff recommend Funding Option 1 to support the event.

FINANCIAL IMPLICATIONS

Reserve budget, the funding is available in the Community and Events Reserve (Q621) with no additional increased withdrawal required. No applicants have any outstanding monies owed to the Municipality.

Net Reserve Balance, at March 31, 2019	\$ 1,485,800
Budget Allocation 2019/20	\$ 1,760,938
Total budgeted withdrawals for 2019/20	<u>\$(2,261,800)</u>
Reserve projected net available balance, March 31/20	\$ 984,938

* Recommend funding in the amount of \$7,500 for a 3 -year period under the New Emerging program are included in the total withdrawals for 2019/20. Subsequent reports will award the remaining funds.

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 determine this, consideration was given to financial and reputation risks.

COMMUNITY ENGAGEMENT

SEAC includes members of the public.

ENVIRONMENTAL IMPLICATIONS

None identified.

ALTERNATIVES

1. SEAC may choose to decline approval of funding under the Marketing Levy Special Events program, New and Emerging Events stream and recommend that Regional Council recommend that the Grants Committee approve funding from the 2020/21 Regional Special Events grant program, Community Celebrations intake in the amount of \$1,000.
2. SEAC may choose to recommend that Regional Council amend the amount of the event grant in accordance with AO 2014-020-GOV.

ATTACHMENTS

Attachment 1: Economic Impact Calculator and Scoring Document

Attachment 2. Application for funding

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

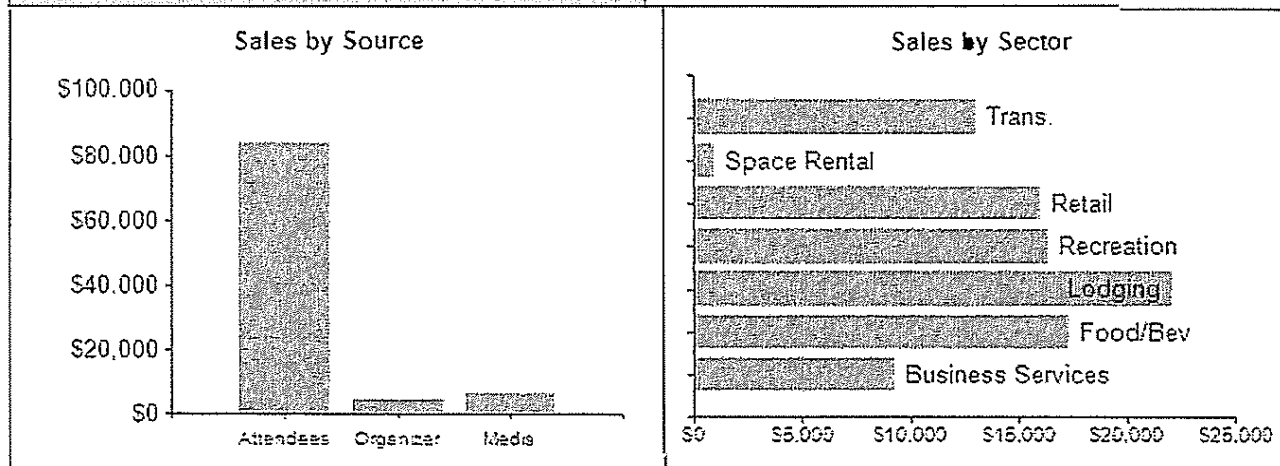
ATTACHMENT 1 – Economic Impact Calculator and Scoring Document

Event Impact Summary

Destination: Discover Halifax

Event Parameters		Key Results	
Event Name:	Downtown Dartmouth Ice Festival	Business Sales (Direct):	\$ 95,007
Organization:	Downtown Dartmouth Business Commission	Business Sales (Total):	\$148,329
Event Type:	Visual arts (crafts, sculpture, painting)	Jobs Supported (Direct):	39
Start Date:	2/7/2020	Jobs Supported (Total):	46
End Date:	2/9/2020	Local Taxes (Total):	\$1,182
Overnight Attendees:	75	Net Direct Tax ROI:	\$908
Day Attendees:	675	Estimated Room Demand:	116

Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$21,484	\$638	\$0	\$22,122
Transportation	\$12,976	\$34	\$27	\$13,038
Food & Beverage	\$17,289	\$0	\$0	\$17,289
Retail	\$16,039	\$0	\$0	\$16,039
Recreation	\$16,354	\$0	\$0	\$16,354
Space Rental	\$0	\$915	\$31	\$946
Business Services	\$0	\$3,126	\$6,093	\$9,219
TOTAL	\$84,142	\$4,714	\$6,151	\$95,007

Guaranteed Rooms:	1/6
10	
Estimated Rooms:	3/24
310	
Season (Off/Shoulder):	6/6
February	
Location (Urban/Rural):	1/4
Urban	
Economic Assessment (EIC):	1/40
\$95,007	
Advertisement/Marketing Tools (i.e. Social media, brochures, Livestream, Television):	11/20
print & radio ads, livestreaming via social media, local TV	
Scores Notes:	
The event fits the program criteria for the Community Celebrations program.	
Total Awarded Amount: \$	Total Score 23/100
<i>The <u>Municipal Government Act (1996)</u> contains provisions relating to access of information – the public have the right to request a copy of any record within custody or control of HRM.</i>	

ATTACHMENT 2 - Application for funding

Application for Funding

5. Event information

Event Name: Downtown Dartmouth Ice Festival

Event Date(s): February 7-9, 2020

Event Location(s): Downtown Dartmouth various streets

Access to Event (free, gated fee, combination of free & ticketed, etc.):

free

6. Please provide a brief description of the event including what gap it would address in shoulder/ off event and tourism season in HRM.:

The Downtown Dartmouth Ice Festival is a winter-inspired 3 day family friendly event on the weekend of February 7-9th, 2020 in downtown Dartmouth. The event includes: ice sculptures created by visiting and local artists; warming stations with campfires, local music and by donation hot chocolate in support of local charities; on-theme food and drink specials at our nationally celebrated restaurants, bars and cafes; and winter themed art exhibits in local art galleries.

February is a quiet time in the HRM event calendar, the weekend of February 7-9 is before Valentine's Day and far enough past the holiday season that it fills a gap for both our local hotels and restaurants. The event provides an opportunity for people to visit downtown Dartmouth in the winter when they may be looking for a weekend away. It combines the best of the HRM urban experiences, with the great food and drink offerings in downtown Dartmouth and an amazing showcase of ice sculptures created on the street.

The ice sculptures hours of live entertainment as onlookers watch the sculptors create art on the street. The majority of the people return to see the finished sculptures in their entirety like an outdoor art gallery. We anticipate school groups, bus tours, and senior centres to visit the ice sculptures. We expect both professional photographers and photography enthusiasts to visit the sculptures and share their photos amplifying the event's reach.

In 2019, our downtown merchants and restaurants reporting significant economic activity that extended for days beyond the event as tourists and visitors visited our district to view and photograph the ice sculptures. Visitors, residents and local businesses would like to see the event grow with more sculptures, more artists and more activities. We received significant print and regional television coverage and anticipate our 2020 edition will expand on this success and draw an even larger regional audience.