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Item No. 9.1.1
Special Events Advisory Committee
June 8, 2022

TO: Chair and Members of Special Events Advisory Committee

SUBMITTED BY: - Original Signed -
Jacques Dubé, Chief Administrative Officer

DATE: May 19, 2022

SUBJECT: 2022 Pan American Canoe Championships Funding Request

ORIGIN

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

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter
Section 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;

Section 7A

The purposes of the Municipality are to

- (a) provide good government;
- (b) provide services, facilities and other things that, in the opinion of the Council, are necessary or desirable for all or part of the Municipality; and
- (c) develop and maintain safe and viable communities.

Halifax Regional Municipality Marketing Levy Act
Section 3

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

Administrative Order 2014-020-GOV, Respecting Marketing Levy Special Event Reserve Grants
Approved by Regional Council on November 9, 2021

Administrative Order 2014-015 ADM, Respecting Reserve Funding Strategies
Approved by Regional Council on October 28, 2014

RECOMMENDATION ON PAGE 2

RECOMMENDATION

It is recommended that the Special Events Advisory Committee recommend Halifax Regional Council approve an event grant in the amount of \$10,000, from the 2022/2023 Community and Events Reserve Q621, to fund the 2022 Pan American Canoe Championships.

BACKGROUND

In early 2022, the Pan American Canoe Federation (COPAC) approached Canoe Kayak Canada (CKC) to host the 2022 Pan American Canoe Championships as the original host country of Brazil, was no longer able to host the event due to the ongoing effects of the COVID-19 pandemic. Canoe Kayak Canada approached the Atlantic Division Canoe Kayak Canada (ADCKC) to request they consider a partnership, whereby CKC would coordinate the majority of funding for the event, which has since been secured through a grant from Sport Canada, and the club would host the event in Dartmouth. In late March 2022, ADCKC contacted municipal and provincial staff requesting funding. The municipal intake for funding events taking place between April 1, 2022 through to September 30, 2022 closed on November 1, 2021, with the exception of Major Hosting Events which has an open intake year-round. After several discussions with ADCKC, the final budget submitted for the event did not meet the criteria to be considered under the Major Hosting program, as the budget is less than \$500,000. However, the event description and budget submitted did meet the criteria of the Distinguished Events program.

Due to the extenuating circumstances of the original host country having to withdraw their location and ADCKC's agreement to host the event; the immediate proximity to ICF Canoe Sprint and Paracanoe World Championships (Canoe '22), at which the majority of the counties (13 of 18) for the Pan American Canoe Championships will already be in Dartmouth; and holding this event post Canoe '22 allows the athletes participating (many with very limited budgets) to travel to one location to compete in two high caliber events held back-to-back, an application was accepted under the Distinguished Events program for consideration by the Special Events Advisory Committee and Regional Council.

All recommendations respecting the allocations of the Marketing Levy Special Events Reserve (MLSER) are governed by Administrative Order 2014-020-GOV, *Marketing Levy Special Events Reserve Grants* (AO), and the Community and Events Business Case. The purpose of the AO is to direct financial support to large scale special events in the municipality, that support and promote tourism and business development.

Staff undertake the grant application and evaluation process as outlined in the AO. If the Committee agrees to accept a late application, this report outlines the recommendation for funding for the 2022 Pan American Canoe Championships.

Eligibility

The definition of this program states:

Distinguished Events: supports one-time tourism events that have a minimum budget of \$50,000 which have high potential for national and international exposure and encourage multiple day visits to the Municipality.

The 2022 Pan American Canoe Championships is eligible for consideration under the Distinguished Event program of the Marketing Levy Special Events Grant program within the Community and Events Reserve.

DISCUSSION

In late April 2022, the Atlantic Division Canoe Kayak Canada (ADCKC) applied for funding from the Marketing Levy Special Event Reserve (MLSER) Distinguished Events program to host the 2022 Pan American Canoe Championships. The competition will take place August 10-12, 2022 on Lake Banook, Dartmouth immediately following Canoe '22 which is being held from August 3-7, 2022.

COPAC is the entity that governs canoeing in the Americas. COPAC's mandate is to manage, promote and represent canoe in the Americas with National Federations, promoting the practice of canoe from initiation to high performance, as well as to expand the development of canoeing and promote the participation of teams from the American Continent¹.

The Pan American Canoe Championships is held annually. The 2022 competition is expecting 100-115 athletes from 18 different countries (five of those countries will not attend Canoe '22). The 2022 Pan American Canoe Championships will also function as a qualifying regatta for nations to be eligible to compete in the 2023 Pan American Games and Paracanoe Championships in Chile. Because of this change to a qualifying event, athletes require a higher grade of infrastructure to ensure the fairness of the racing. Lake Banook is one of the only venues in North and South America that is available and equipped to host this level of event in August 2022.

The funding request from Halifax Regional Municipality (HRM) is \$10,000. The Province of Nova Scotia has confirmed funding for the event in the amount of \$15,000.

A summary of the 2022 Pan Am Canoe Championships is as follows:

- The event will attract approximately 2,552 people through the competition;
- The event will require 100 volunteers who will provide over 2,400 volunteer hours over the course of the event;
- The event guarantees that 159 hotel rooms located in HRM will be booked for nine nights and estimates that including attendees 636 room nights would be generated;
- The event is free and open to the public to attend based on spectator rules of engagement; and
- The estimated budget for the event is \$221,150.

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 \$1,140,028 (Attachment 1). This amount includes the impact of sales on jobs with 413 jobs supported, \$294,733 spent on wages and \$13,137 collected in local taxes.

Media Exposure

Various media and marketing platforms will be targeted for event promotion. Such platforms include social media, newsletters, website as well as printed material. The ADCKC website will be highly utilized as a promotional tool and printed ads will be advertised in a local newspaper leading up to and during the event. ADCKC Instagram and Facebook pages will be heavily used to promote the event.

Destination Recognition

The 2022 Pan Am Canoe Championships will generate local, national and international coverage on this fast-paced water sporting event. ADCKA is working in partnership with CKC to live stream the event.

For all of the above noted reasons, it is recommended that the 2022 Pan American Canoe Championships be provided with an event grant in the amount of \$10,000.

¹ <https://copaonline.com/about>

FINANCIAL IMPLICATIONS

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

Budget Summary: Community and Events Reserve, Q621

Net Projected Reserve Balance, as of April 1, 2022	\$ 995,068
Contribution 2022/23	\$ 2,282,335
Projected interest 2022/23	\$ 21,100
Operating Withdrawals 2022/23	\$ 1,708,000
Capital Withdrawals 2022/23	\$ 250,000
Projected Net Available Balance 2022/23	\$ 1,340,503

Operating Withdrawals of \$1,708,000 includes the \$10,000 recommended in this report.

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 2022/23 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.

A contribution agreement, using HRM's standard form of contribution agreement, will be negotiated between ADCKC and the municipality prior to the release of funding. The agreement 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

No environmental implications were identified.

ALTERNATIVES

The Special Events Advisory Committee may choose to recommend Halifax Regional Council increase or reduce the proposed amount of the event grant.

ATTACHMENTS

Attachment 1: 2022 Pan American Canoe Championships 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.

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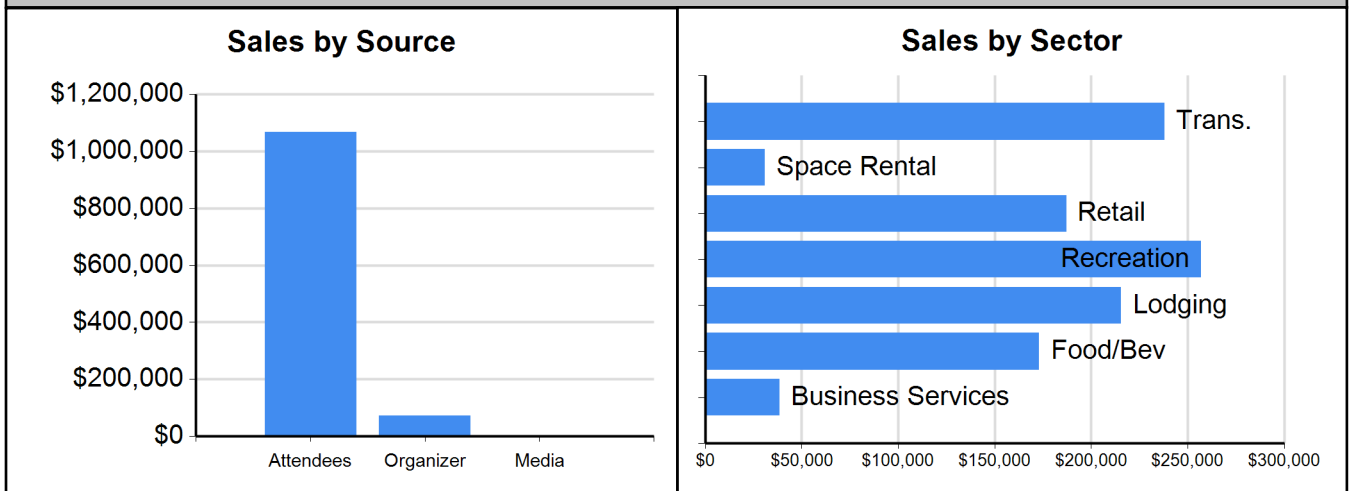
Event Impact Summary

Attachment 1

Destination: Discover Halifax

Event Parameters		Key Results	
Event Name:	Pam Am Championships	Business Sales (Direct):	\$1,140,028
Organization:	Atlantic Division CK Canada	Business Sales (Total):	\$1,778,774
Event Type:	Championships	Jobs Supported (Direct):	413
Start Date:	8/10/2022	Jobs Supported (Total):	487
End Date:	8/12/2022	Local Taxes (Total):	\$13,137
Overnight Attendees:	847	Net Direct Tax ROI:	\$9,881
Day Attendees:	1700	Estimated Room Demand:	1,165

Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$215,486	\$0	\$0	\$215,486
Transportation	\$237,757	\$0	\$132	\$237,889
Food & Beverage	\$169,607	\$3,347	\$0	\$172,954
Retail	\$187,216	\$0	\$0	\$187,216
Recreation	\$256,937	\$0	\$0	\$256,937
Space Rental	\$0	\$30,984	\$0	\$30,984
Business Services	\$0	\$38,265	\$297	\$38,562
TOTAL	\$1,067,003	\$72,596	\$429	\$1,140,028

Event Impact Details

Destination: Discover Halifax

Event Name: Pam Am Championships 2022

Organization: Atlantic Division CK Canada

Economic Impact Details			
	Direct	Indirect/Induced	Total
Business Sales	\$1,140,028	\$638,746	\$1,778,774
Personal Income	\$294,733	\$196,055	\$490,788
Jobs Supported			
Persons	413	74	487
Annual FTEs	9	2	10
Taxes and Assessments			
<u>Federal Total</u>	<u>\$64,617</u>	<u>\$40,899</u>	<u>\$105,516</u>
<u>Provincial/Territorial Total</u>	<u>\$146,351</u>	<u>\$42,831</u>	<u>\$189,182</u>
PST/HST	\$102,362	\$15,969	\$118,331
personal income	\$16,817	\$11,187	\$28,003
corporate income	\$4,306	\$2,864	\$7,170
hotel	\$0	-	\$0
other	\$22,866	\$12,812	\$35,678
<u>Local Total (excl. property)</u>	<u>\$9,881</u>	<u>\$3,257</u>	<u>\$13,137</u>
user fees	\$1,289	\$858	\$2,147
hotel	\$4,310	-	\$4,310
per room charge	\$0	-	\$0
tourism improvement fee	\$0	-	\$0
restaurant	\$0	\$0	\$0
other	\$4,281	\$2,399	\$6,680
property tax	\$9,876	\$3,821	\$13,698

Event Return on Investment (ROI)		
Direct local tax ROI (net property taxes)		
Direct Tax Receipts	\$9,881	
DMO Hosting Costs	\$0	
Direct ROI	\$9,881	
Net Present Value	\$9,881	
Direct ROI (%)	-	
Total local tax ROI (net property taxes)		
Total Local Tax Receipts	\$13,137	
Total ROI	\$13,137	
Net Present Value	\$13,137	
Total ROI (%)	-	

Estimated Room Demand Metrics	
Room Nights (total)	1,165
Room Pickup (block only)	636
Peak Rooms	403
Total Visitor Days	2,523