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Item No. 9.1.1
Special Events Advisory Committee
July 13, 2022

TO: Chair and Members of Special Events Advisory Committee

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

DATE: June 27, 2022

SUBJECT: MLSER Funding Request Senior Women's Rugby Canada vs Wales Match

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 Halifax Regional Council on November 10, 2015

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

RECOMMENDATION

It is recommended that the Special Events Advisory Committee recommend that Halifax Regional Council approve an event grant in the amount of \$50,000, from the 2022/2023 Community and Events Reserve, Q621, to fund the Senior Women's Rugby Canada vs Wales event contingent on the in-person event taking place.

BACKGROUND

In early April 2022, Rugby Nova Scotia (Host Society), in partnership with Rugby Canada, contacted Culture & Events staff to discuss municipal funding opportunities for a potential Distinguished Event coming to Halifax in August 2022. The intake period closed on November 1, 2021 for funding applications for summer 2022 events. Staff had several communications with the Host Society in which they explained the delay in reaching out to the municipality for funding and requested consideration.

Over the past two years the pandemic cancelled all international rugby events including the 2021 World Cup which was scheduled to take place in New Zealand. World Rugby and National Rugby Unions were waiting until international travel and quarantine restrictions became more certain before rescheduling the World Cup 2021. In the spring of 2022, New Zealand announced that their border would reopen, without quarantine requirements which initiated the announcement that the World Cup 2021 championship had been rescheduled and will now take place from October 8th to November 12th, 2022 in Auckland, New Zealand.

After the announcement, Rugby Canada began discussions with the Welsh Rugby Union, to schedule an international "test match" between the two teams for World Cup preparations. Canada vs Wales test match details were confirmed in early May 2022, permitting a game to go forward in Canada. A few more weeks were required for the Host Society to confirm the event details and logistics to schedule the game in Halifax in late August.

Given the COVID-19 impacts on the professional sport of rugby and the recent announcement of the postponement date of the World Cup, a Distinguished Event application was sent to the Host Society in early June 2022 and was quickly submitted to staff for review. Staff accepted the late application 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. Section 38 of the Administrative Order states, "Notwithstanding this Administrative Order, an application for an event may be considered by Council or the SEAC for a grant." If the Committee agrees to accept a late application based on the extenuating circumstances outlined above, this report outlines the recommendation for funding the Senior Women's Rugby Canada vs Wales event.

Eligibility

The definition of this program states:

Distinguished Events: supports large 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 Senior Women's Rugby Canada vs Wales match is eligible for consideration under the Distinguished Event program of the MLSE Grant program within the Community and Events Reserve.

DISCUSSION

Senior Women's Rugby Canada vs Wales Match

Rugby Canada is the national governing body of the sport of rugby unions in Canada, currently serving over 29,000 registered participants in a variety of roles, from players to coaches, club administrators, and referees. In Canada, the sport of rugby has seen year over year growth for the past two decades, with women and youth leading that increase¹.

All ten provinces are equipped with their own rugby union for which Rugby Canada provides administrative support including implementation of registration and insurance programs. This administrative support allows the provincial rugby unions to focus on the development of the sport. In recent years, rugby unions have developed a Rookie Rugby program which has allowed Rugby Canada to reach rugby enthusiasts at the youth level.

The Senior Women's Rugby Canada Team has appeared in every World Cup since 1991 and has consistently ranked sixth place or better in the World Cup. In 2014 Team Canada Women's Rugby competed against England in the finals, earning the title of the second-best women's rugby team in the world.² Currently, Team Canada Women's Rugby is ranked fourth in the world. Team Canada Women's Rugby has not played an international match on home soil since 2014. An international test match is a major event in the rugby calendar and very important for teams to properly prepare to compete for a World Cup title. Team Canada Women's Rugby has requested to play on home soil, and this test match represents their send off on Canadian soil before they travel to New Zealand to prepare for the World Cup.

The test match will include approximately thirty athletes on each of Team Canada and Team Wales with an additional ten staff members per team. The competition is a one-day event with a training week before the event. Team Canada and Team Wales will be arriving in Nova Scotia and staying for a minimum of eight days before the competition, to train and prepare for the match. Athletes are staying in Halifax hotels near the Wanderers Grounds and are being bused to the training facility, and competition grounds, by the organizer.

The event will take place at the Wanderers Grounds. The venue, meets the standard field size for international games and, for spectators, is in close proximity to hotels and local businesses and accessible by Halifax Transit.

The international test match is the main event, however additional activities will be taking place. Clinics for youth, coaching improvements sessions, refereeing courses, and outreach to junior and adult programs in the area are being planned to take place the week before the match at Graves-Oakley Memorial Park in Spryfield. This municipal park will be showcased, with the activities using the three rugby fields, newly upgraded washrooms, and locker rooms. The festival portion of the event will provide community outreach and exposure to the sport in another community in our region.

In 2018/2019, Halifax Regional Municipality funded \$50,000 to a similar rugby event; the International U20 Women's Rugby Test Match - Canada vs England. The international test match in 2018 was the development team (ages 20 and under). Only a small portion of U20 players from 2018/2019 will earn a spot on the national team which has elite athletes ranging between the ages of 19 and 36.

The funding request of the Halifax Regional Municipality (HRM) is \$50,000. The Province of Nova Scotia has also received an official request for event funding from the Host Society for \$50,000. At the time of

¹ <https://rugby.ca/en/about/history>

² https://en.wikipedia.org/wiki/Canada_women%27s_national_rugby_union_team

writing this report, the Province had not completed their review process.

A summary of the Senior Women's Rugby Canada vs Wales match is as follows:

- The event will attract approximately 6,700 people through the competition;
- The event will require 28 volunteers who will provide over 200 volunteer hours over the course of the event;
- The event guarantees that 70 hotel rooms located in HRM will be booked for a minimum of eight nights and estimates that, including attendees, 1,630 room nights would be generated;
- The event is ticketed (\$34-\$93); and
- The estimated budget for the event is \$340,000.

Destination International's Event Impact Calculator (EIC)

The EIC was calculated separately for participants and spectators. The EIC was based on participants staying in Halifax for ten days and spectators staying in Halifax for one night. The combined EIC indicates the direct increase in economic activity within the municipality as a result of the initial expenditures of the event would be \$2,625,822 (Attachment 1). The economic impact includes 1,417 jobs supported, \$722,437 spent on wages and \$31,503 collected in local taxes.

Based on the room nights and economic activity, similar events have been awarded grant funding in the range of \$35,000 to \$45,000. The recommended amount also considers the increased destination recognition for the municipality.

Media Exposure

The international match will be televised and streamed on TSN, promoting Halifax as a professional sporting location for Rugby matches. Various media and marketing platforms will be targeted for event promotion from both Rugby Canada and Rugby Nova Scotia. Such platforms include social media channels (Facebook, Twitter, and Instagram), local print, radio, and television advertising.

Growth Potential

This event is an opportunity to show all ages of local rugby players examples of elite performance in the sport, particularly women's sport. The Senior Women's Rugby Canada vs Wales match will provide an opportunity to enhance the region's reputation to host world class sporting events in the rugby community and to continue to build upon Wanderers Grounds success.

Destination Recognition

The Senior Women's Rugby Canada vs Wales match will generate local and national coverage of this sport. It is expected, through both the national broadcasting component and in rugby social media during the event, that the municipality will be featured heavily. While tickets are expected to sell out, the results of the EIC show that this event scores low in attendance due to the seating capacity of the competition grounds. However, the event scores high in showcasing the region as the host of high caliber women's rugby players, in a sport that is growing in popularity with women participants.

Post COVID-19, funding events of international significance responds to the objective of the COVID-19 Economic Response and Recovery Plan of being "open for business".

For all of the above noted reasons, it is recommended that the Senior Women's Rugby Canada vs Wales match be provided an event grant in the amount of \$50,000.

FINANCIAL IMPLICATIONS

Funding is 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	\$2,319,799
Operating Withdrawals 2022/23	\$1,708,000
Capital Withdrawals 2022/23	<u>\$250,000</u>
Projected Net Available Balance 2022/23	\$ 1,356,867

Operating Withdrawals of \$1,708,000 includes the \$50,000 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, sectoral, 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 Rugby Nova Scotia Host Society 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 amount of the event grant.

ATTACHMENTS

Attachment 1: Senior Women's Rugby Canada vs Wales Match 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.

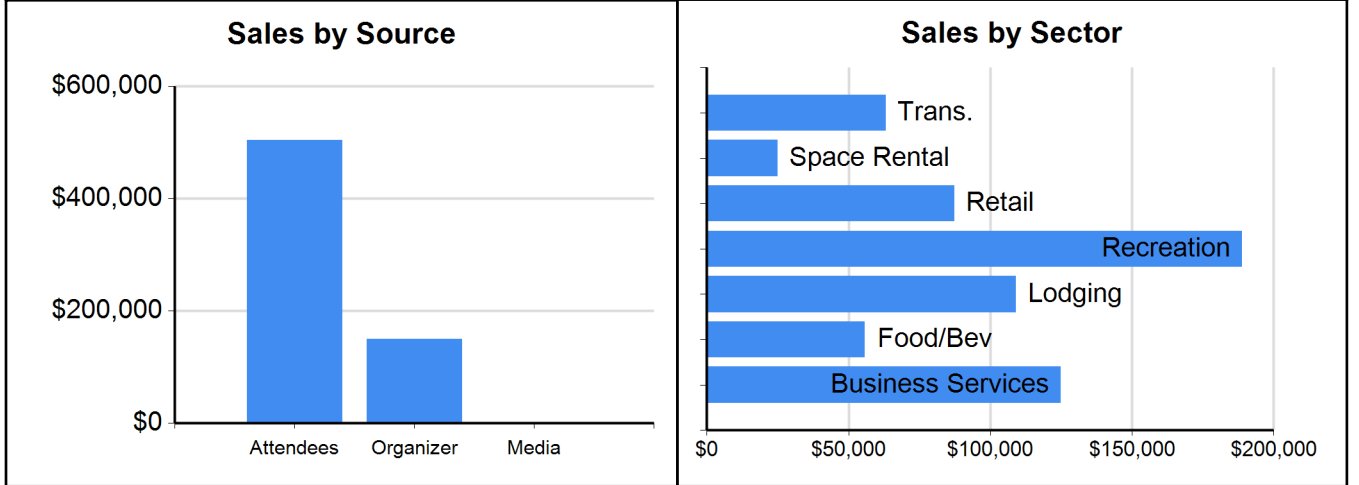
Report Prepared by: Shari Dillman, Civic Event Coordinator (Event Grant Administrator), 902.497.3729

Event Impact Summary

Destination: Discover Halifax

Event Parameters		Key Results	
Event Name:	Senior Women Rugby Canada vs Wales PARTICIPANTS ONLY	Business Sales (Direct):	\$654,244
Organization:	The Nova Scotia Rugby Football Union	Business Sales (Total):	\$1,025,805
Event Type:	Professional	Jobs Supported (Direct):	87
Start Date:	8/18/2022	Jobs Supported (Total):	109
End Date:	8/28/2022	Local Taxes (Total):	\$7,453
Overnight Attendees:	100	Net Direct Tax ROI:	\$5,479
Day Attendees:	0	Estimated Room Demand:	590

Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$109,105	\$0	\$0	\$109,105
Transportation	\$63,121	\$26	\$34	\$63,181
Food & Beverage	\$55,562	\$250	\$0	\$55,812
Retail	\$87,465	\$0	\$0	\$87,465
Recreation	\$188,879	\$0	\$0	\$188,879
Space Rental	\$0	\$25,000	\$0	\$25,000
Business Services	\$0	\$124,724	\$77	\$124,801
TOTAL	\$504,133	\$150,000	\$111	\$654,244

Event Impact Details

Destination: Discover Halifax

Event Name: Senior Women Rugby Canada vs Wales PARTICIPANTS ONLY 2022

Organization: The Nova Scotia Rugby Football Union

Economic Impact Details			
	Direct	Indirect/Induced	Total
Business Sales	\$654,244	\$371,561	\$1,025,805
Personal Income	\$191,953	\$132,226	\$324,179
Jobs Supported			
Persons	87	22	109
Annual FTEs	5	1	7
Taxes and Assessments			
<u>Federal Total</u>	<u>\$40,546</u>	<u>\$26,552</u>	<u>\$67,098</u>
<u>Provincial/Territorial Total</u>	<u>\$76,821</u>	<u>\$26,218</u>	<u>\$103,039</u>
PST/HST	\$49,942	\$9,289	\$59,231
personal income	\$10,952	\$7,545	\$18,497
corporate income	\$2,804	\$1,932	\$4,736
hotel	\$0	-	\$0
other	\$13,123	\$7,453	\$20,575
<u>Local Total (excl. property)</u>	<u>\$5,479</u>	<u>\$1,974</u>	<u>\$7,453</u>
user fees	\$840	\$578	\$1,418
hotel	\$2,182	-	\$2,182
per room charge	\$0	-	\$0
tourism improvement fee	\$0	-	\$0
restaurant	\$0	\$0	\$0
other	\$2,457	\$1,395	\$3,852
property tax	\$5,668	\$2,231	\$7,899

Event Return on Investment (ROI)		
Direct local tax ROI (net property taxes)		
Direct Tax Receipts	\$5,479	
DMO Hosting Costs	\$0	
Direct ROI	\$5,479	
Net Present Value	\$5,479	
Direct ROI (%)	-	
Total local tax ROI (net property taxes)		
Total Local Tax Receipts	\$7,453	
Total ROI	\$7,453	
Net Present Value	\$7,453	
Total ROI (%)	-	

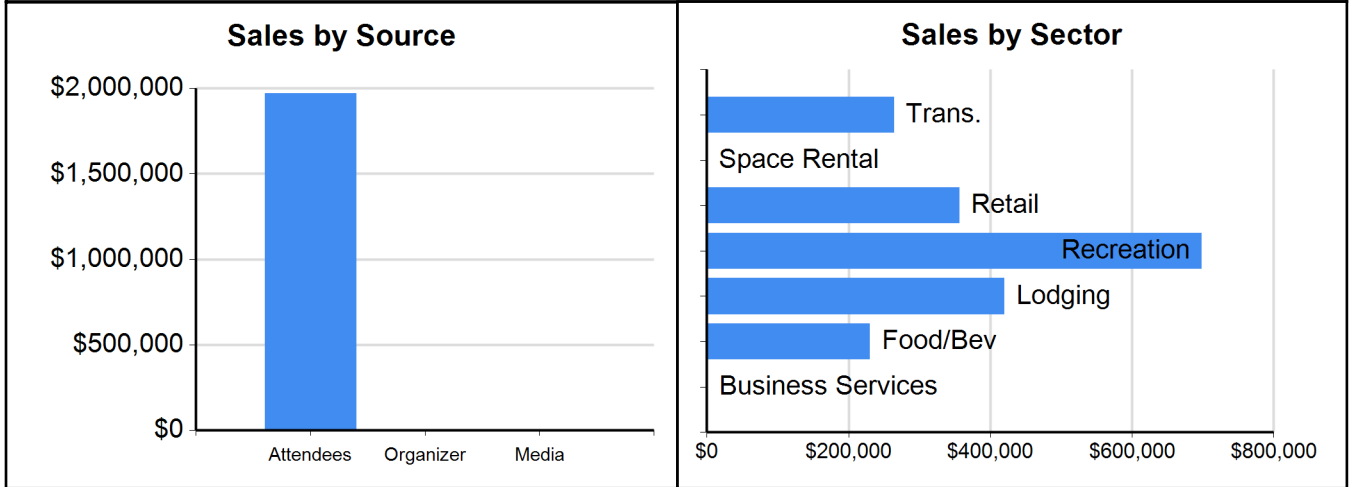
Estimated Room Demand Metrics	
Room Nights (total)	590
Room Pickup (block only)	70
Peak Rooms	77
Total Visitor Days	767

Event Impact Summary

Destination: Discover Halifax

Event Parameters		Key Results	
Event Name:	Senior Women Rugby Canada vs Wales SPECTATORS ONLY	Business Sales (Direct):	\$1,971,578
Organization:	The Nova Scotia Rugby Football Union	Business Sales (Total):	\$3,080,715
Event Type:	Professional	Jobs Supported (Direct):	1,330
Start Date:	8/27/2022	Jobs Supported (Total):	1,575
End Date:	8/27/2022	Local Taxes (Total):	\$24,050
Overnight Attendees:	2045	Net Direct Tax ROI:	\$18,128
Day Attendees:	4570	Estimated Room Demand:	2,271

Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$420,136	\$0	\$0	\$420,136
Transportation	\$264,100	\$155	\$206	\$264,461
Food & Beverage	\$230,051	\$0	\$0	\$230,051
Retail	\$357,007	\$0	\$0	\$357,007
Recreation	\$698,507	\$0	\$0	\$698,507
Space Rental	\$0	\$0	\$0	\$0
Business Services	\$0	\$952	\$464	\$1,416
TOTAL	\$1,969,801	\$1,107	\$670	\$1,971,578

Event Impact Details

Destination: Discover Halifax

Event Name: Senior Women Rugby Canada vs Wales SPECTATORS ONLY 2022

Organization: The Nova Scotia Rugby Football Union

Economic Impact Details			
	Direct	Indirect/Induced	Total
Business Sales	\$1,971,578	\$1,109,137	\$3,080,715
Personal Income	\$530,484	\$401,483	\$931,967
Jobs Supported			
Persons	1,330	245	1,575
Annual FTEs	17	3	20
Taxes and Assessments			
<u>Federal Total</u>	<u>\$114,903</u>	<u>\$80,289</u>	<u>\$195,192</u>
<u>Provincial/Territorial Total</u>	<u>\$264,719</u>	<u>\$78,748</u>	<u>\$343,467</u>
PST/HST	\$187,155	\$27,728	\$214,884
personal income	\$30,268	\$22,908	\$53,176
corporate income	\$7,750	\$5,865	\$13,615
hotel	\$0	-	\$0
other	\$39,545	\$22,247	\$61,792
<u>Local Total (excl. property)</u>	<u>\$18,128</u>	<u>\$5,922</u>	<u>\$24,050</u>
user fees	\$2,321	\$1,757	\$4,077
hotel	\$8,403	-	\$8,403
per room charge	\$0	-	\$0
tourism improvement fee	\$0	-	\$0
restaurant	\$0	\$0	\$0
other	\$7,404	\$4,165	\$11,569
property tax	\$17,080	\$6,643	\$23,723

Event Return on Investment (ROI)		
Direct local tax ROI (net property taxes)		
Direct Tax Receipts	\$18,128	
DMO Hosting Costs	\$0	
Direct ROI	\$18,128	
Net Present Value	\$18,128	
Direct ROI (%)	-	
Total local tax ROI (net property taxes)		
Total Local Tax Receipts	\$24,050	
Total ROI	\$24,050	
Net Present Value	\$24,050	
Total ROI (%)	-	

Estimated Room Demand Metrics	
Room Nights (total)	2,271
Room Pickup (block only)	0
Peak Rooms	1,573
Total Visitor Days	3,329