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Item No. 9.1.1
Special Events Advisory Committee
August 24, 2022

TO: Chair and Members of Special Events Advisory Committee

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

DATE: August 16, 2022

SUBJECT: 2022 U Sports Cross Country National Championships Funding Request

ORIGIN

Application received pursuant to Administrative Order (AO) 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.

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

RECOMMENDATION

It is recommended that the Special Events Advisory Committee recommend that Halifax Regional Council approve an event grant in the amount of \$15,000, from the 2022/2023 Community and Events Reserve, Q621, to fund Saint Mary's University for the 2022 U Sports Cross Country National Championships event contingent on the in-person event taking place.

BACKGROUND

This report outlines the recommended Marketing Levy Special Events Reserve (MLSER) grant awards for applications submitted to the 2022/2023 intake for events occurring between October 1, 2022, to March 31, 2023. Funding is provided from the Community and Events Reserve (Q621) in which the business case, approved by Regional Council, defines the purpose of the reserve as follows:

- To provide funding to attract and host exceptional large-scale sporting events 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;
- To provide funding to community non-profit and public institutions in support of major capital initiatives by facilitating the development of significant community infrastructure to realize tangible cultural, sectoral and economic impacts on a national, provincial, regional or sectoral scale; and
- To provide funding to support the principles and objectives of the Cultural Plan and the HRM Public Art Policy.

The MLSER Administrative Order (MLSER AO) governs four programs:

- **New (Emerging) Events** – supports organizations that bring or create a developing event with potential and have a minimum budget of \$50,000;
- **Distinguished Events** – supports annual or one-time events that have a minimum budget of \$50,000;
- **Signature Events** – supports large-scale events that have been in existence for 5 years and have a minimum budget of \$100,000;
- **Major Hosting Events** – supports organizations bidding on the rights to host major events that draw tourists, have a minimum budget of \$500,000 and are in receipt of funding from other levels of government.

The MLSER AO also outlines the option for HRM to provide multiple year funding to the New (Emerging) and Signature categories to assist with the sustainability of events.

Intake(s)

Both New (Emerging) and Distinguished Events programs offer two intakes per year. The second intake for funding New (Emerging) and Distinguished Events is for events taking place October 1, 2022, through to March 31, 2023.

One Distinguished Events application was received, and no applications were received for the New (Emerging) category during the second intake.

Program Allocations

Currently, from the first 2022/2023 intake, the Distinguished Program has allocated \$83,000, plus an additional \$50,000 recommended to fund the Senior Women Rugby Canada vs Wales event which was approved by Regional Council on August 9th. There is capacity within the Distinguished Events category to fund the 2022 U Sports Cross Country National Championships.

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 2022 U Sports Cross Country National Championships is eligible for consideration under the Distinguished Event program of the MLSER Grant program within the Community and Events Reserve.

DISCUSSION

The 2022 U Sports Cross Country National Championships

Dalhousie and Saint Mary's Universities are partnering to co-host the 2022 U Sports Cross Country National Championships (Cross Country National Championships) at The Links at Brunello, located in Timberlea on Saturday, November 12, 2022. The Links at Brunello is a golf course but offers additional activities such as yoga, kayaking, tennis, pickleball, mountain biking and trails for hiking, walking and running. The Links at Brunello is a prime location as a venue to host this national running championship, offering 550 acres of scenic wood land and a backdrop for 350 university cross country runners from across Canada.

The Cross Country National Championships will take place both on the greens and on the track paths around The Links of Brunello. Participants will run a 10km or 8km route with the ages of the athletes ranging from 19 to 24 years old.

The majority of the competitors will travel from the Atlantic Provinces, Quebec and Ontario and some from the further west. These athletes will arrive two to three days in advance of the race to acclimatize and get accustomed to the racecourse and its conditions. There will be local athletes participating, as well as other Nova Scotia athletes traveling from outside of the municipality. In the day(s) before the competition, award presentations will be scheduled, as well as pre-competition meetings. Some competitors will depart Saturday night, while other athletes from Quebec, Ontario, and further west, will depart on Sunday.

Due to the nature of this running event, the number of spectators expected is low (estimated at 150).

The request for funding to the Halifax Regional Municipality (HRM) is for \$50,000. The Province of Nova Scotia has not received a funding request for this event at the time of writing this report.

A summary of the Cross County National Championships is as follows:

- The event will attract approximately 590 people through the competition;
- The event will require 30 volunteers who will provide over 350 volunteer hours over the course of the event;
- The event guarantees that 360 hotel rooms located in HRM will be booked for a minimum of four nights and estimates that, including attendees, 1,640 room nights would be generated;
- The event is free and open to the public to attend; and
- The estimated budget for the event is \$83,000.

Destination International's Event Impact Calculator (EIC)

The EIC states the direct increase in economic activity within the municipality as a result of the initial expenditures of the event would be \$651,320 (Attachment 1). This amount includes the impact of sales on jobs with 139 jobs supported, \$187,741 spent on wages and \$7,996 collected in local taxes. Based on the room nights and economic activity, similar events have been awarded grant funding in the range of \$5,000 to \$10,000. However, the recommended amount of \$15,000 considers the increased destination recognition for rural HRM, as well as the financial need as noted in the budget due to reduced sponsorships.

Media Exposure

The Cross County National Championships will be marketed both municipally and provincially. Various media and marketing platforms will be targeted for event promotion from both Saint Mary's and Dalhousie Universities. Such platforms include various social media channels from U Sports National (Facebook, Twitter, and Instagram), website, e-newsletters, radio, local print and outdoor signage. The Cross County National Championships will be live streamed via CBC Gem and local broadcast partner Universum Media, promoting Timberlea as a professional cross-country location for outdoor running events.

Growth Potential

This is the first time a cross country national event has been hosted in Halifax Regional Municipality providing an opportunity to show local cross country runners' examples of elite performance in the sport and encourage interest in the sport in the lead up to the North American Indigenous Games which will include cross country running in its program.

Destination Recognition

The Cross County National Championships will generate local and national coverage. It is expected, through the national broadcasting component, the municipality, in particular rural HRM will be featured heavily, as well as in U Sports social media during the event.

FINANCIAL IMPLICATIONS

Reserve budget, the 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	\$ 2,315,602
Operating Withdrawals 2022/23	(\$2,152,500)
Capital Withdrawals 2022/23	(\$250,000)
Cross County National Championships	(\$15,000)
Projected Net Available Balance 2022/23	\$ 908,170

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 Saint Mary's University 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

None identified.

SOCIAL VALUE

None 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: 2022 U Sports Cross Country National 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.

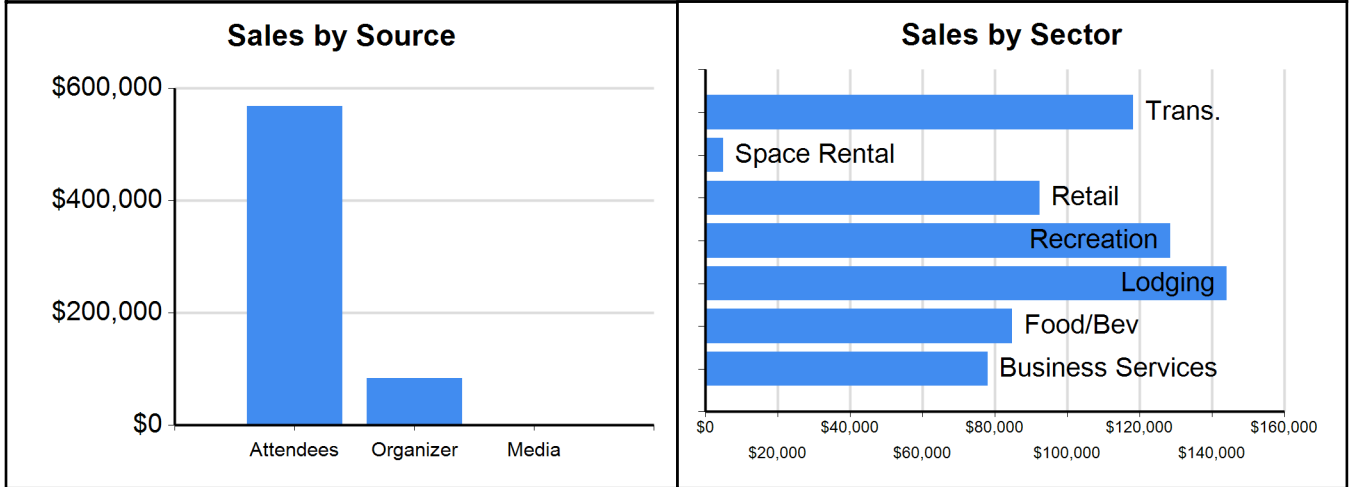
Report Prepared by: Shari Dillman, Event Grant Administrator, 902.497.3729

Event Impact Summary

Destination: Discover Halifax

Event Parameters		Key Results	
Event Name:	2022 U Sports Cross Country National Championships - 4 nights	Business Sales (Direct):	\$651,320
Organization:	SMU & Dalhousie Universities	Business Sales (Total):	\$1,011,930
Event Type:	Professional	Jobs Supported (Direct):	139
Start Date:	11/9/2022	Jobs Supported (Total):	165
End Date:	11/13/2022	Local Taxes (Total):	\$7,996
Overnight Attendees:	330	Net Direct Tax ROI:	\$6,151
Day Attendees:	260	Estimated Room Demand:	779

Direct Business Sales



Industry	Attendees	Organizer	Media/Sponsors	Total
Lodging	\$144,188	\$0	\$0	\$144,188
Transportation	\$118,208	\$69	\$59	\$118,337
Food & Beverage	\$84,745	\$0	\$0	\$84,745
Retail	\$92,500	\$0	\$0	\$92,500
Recreation	\$128,486	\$0	\$0	\$128,486
Space Rental	\$0	\$5,000	\$0	\$5,000
Business Services	\$0	\$77,931	\$134	\$78,065
TOTAL	\$568,127	\$83,000	\$193	\$651,320

Event Impact Details

Destination: Discover Halifax

Event Name: 2022 U Sports Cross Country National Championships - 4 nights 2022

Organization: SMU & Dalhousie Universities

Economic Impact Details

	Direct	Indirect/Induced	Total
Business Sales	\$651,320	\$360,610	\$1,011,930
Personal Income	\$187,741	\$112,123	\$299,864
Jobs Supported			
Persons	139	26	165
Annual FTEs	5	1	6
Taxes and Assessments			
<u>Federal Total</u>	<u>\$39,856</u>	<u>\$23,308</u>	<u>\$63,164</u>
<u>Provincial/Territorial Total</u>	<u>\$81,627</u>	<u>\$24,284</u>	<u>\$105,910</u>
PST/HST	\$55,108	\$9,015	\$64,123
personal income	\$10,712	\$6,398	\$17,110
corporate income	\$2,743	\$1,638	\$4,381
hotel	\$0	-	\$0
other	\$13,064	\$7,233	\$20,297
<u>Local Total (excl. property)</u>	<u>\$6,151</u>	<u>\$1,845</u>	<u>\$7,996</u>
user fees	\$821	\$491	\$1,312
hotel	\$2,884	-	\$2,884
per room charge	\$0	-	\$0
tourism improvement fee	\$0	-	\$0
restaurant	\$0	\$0	\$0
other	\$2,446	\$1,354	\$3,800
property tax	\$5,642	\$2,150	\$7,792

Event Return on Investment (ROI)

Direct local tax ROI (net property taxes)			<p>The chart displays a blue bar for 'Local Taxes' with a value of \$6,151. The x-axis is labeled with \$0, \$2,000, \$4,000, \$6,000, and \$8,000. The y-axis is labeled 'Costs'.</p>
Direct Tax Receipts	\$6,151		
DMO Hosting Costs	\$0		
Direct ROI	\$6,151		
Net Present Value	\$6,151		
Direct ROI (%)	-		
Total local tax ROI (net property taxes)			
Total Local Tax Receipts	\$7,996		
Total ROI	\$7,996		
Net Present Value	\$7,996		
Total ROI (%)	-		

Estimated Room Demand Metrics

Room Nights (total)	779
Room Pickup (block only)	360
Peak Rooms	220
Total Visitor Days	1,181