

HALIFAX

P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No. 9.1.1
Special Events Advisory Committee
September 13, 2023

TO: Chair and Members of Special Events Advisory Committee

SUBMITTED BY:



Jerry Blackwood, Acting Chief Administration Officer

DATE: June 27, 2023

SUBJECT: 2023/24 MLSER 2nd Intake Report

ORIGIN

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

LEGISLATIVE AUTHORITY

Halifax Regional Municipality Charter, S.N.S. 2008. c. 39

29A (5) The marketing levy collected pursuant to this Section may be only used by the Council to promote tourism.

79A(1) Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if 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 Halifax Regional Council approve an event grant in the amount of \$25,000 from the 2023/24 Community and Events Reserve (Q621) to fund Soccer Nova Scotia to host the Canada Soccer Toyota National Championships.

BACKGROUND

This report outlines the recommended Marketing Levy Special Events Reserve (MLSER) grant awards for applications submitted to the 2023/24 second intake for events occurring between October 1, 2023, to March 31, 2024. Funding is provided from the Community and Events Reserve (Q621) and withdrawals are approved by Regional Council, in accordance with Administrative Order 2014-020-GOV Respecting Marketing Levy Special Events Grants (MLSER AO).

The MLSER AO governs four programs:

- **Signature Events** – supports annual large-scale events; is available to organizations that have operated for a minimum of three (3) consecutive years with strong event management and a track record of success; the event must be in existence for a minimum of five (5) consecutive years and have a minimum budget of \$100,000;
- **Distinguished Events** – supports one-time large-scale events that have a high potential for national and/or international exposure, an ability to encourage multiple day visits to the Municipality, provide the Municipality with a competitive advantage and have a minimum budget of \$50,000;
- **New (Emerging) Events** – supports organizations that bring or create a new event in Halifax, available to organizations that have operated for a minimum of one (1) year with demonstrated experience in event management, have a minimum budget of \$50,000 and have secured corporate and government funding; and
- **Major Hosting Events** – supports organizations bidding on the rights to host major events and supports programs, activities, and services specific to the delivery of a major event being hosted in Halifax. Events must be of a size and scope sufficient to draw tourists to the Municipality's communities, attract significant media exposure, profile Halifax destinations nationally and globally, 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 Events to assist with the sustainability of events.

Intake(s)

The Signature Events program offers one intake every three (3) years. The Signature Events year two (2) of three (3) year funding recommendations were included in the MLSER Grant Report 2023 (1st Intake) approved by Regional Council on June 6, 2023. The Signature Events program will open for another three (3) year application in the fall of 2024.

Both New (Emerging) and Distinguished Events programs offer two (2) intakes per year. The first intake opens for applications in the fall to fund events taking place the following April 1 through September 30. The second intake opens for applications in the spring to fund events taking place October 1 through to March 31.

There is an open intake for events applying to the Major Hosting program.

Program Allocations

Currently, from the first 2023/24 intake, Regional Council approved on June 6, 2023, that the MLSER program award \$973,500, plus an additional \$350,000 earmarked for future Major Hosting opportunities: totaling \$1,323,500. There is a \$26,500 capacity remaining within the 2023/24 Community and Events Reserve (Q621) to allocate to applicants in the MLSER second intake.

DISCUSSION

Intake

In November 2022, the Province of Nova Scotia's adoption of Bill 204 repealed the HRM Marketing Levy

Act and moved the legislative provisions with respect to the marketing levy into the HRM Charter. Under the HRM Charter, HRM may not provide direct financial assistance to a business or industry. As a result of the changes, for-profit organizations are now ineligible for funding through the MLSER program. Accordingly, the AO required amendments to reflect these legislative changes resulting in the delay of the 2023/24 MLSER second intake opening until after Regional Council approved the amendments on June 6, 2023. The intake opened for applications on June 7, 2023, with a deadline of June 27. This report outlines the applications received for New (Emerging) and Distinguished categories to fund events taking place October 1, 2023, through to March 31, 2024.

One (1) Distinguished Events application was received, and no applications were received for the New (Emerging) Events.

Eligibility

Based upon the eligibility criteria, one (1) Distinguished Event is deemed eligible for consideration.

Evaluation

As per the AO, all applications are evaluated based on tourism impact, economic impact, and media exposure.

- Tourism impacts are assessed based on room nights (guaranteed and estimated), along with seasonality, and location (urban vs suburban vs rural).
- Economic impacts are assessed by applying an industry recognized economic assessment tool.
- Media impacts (enhanced visibility of the Municipality) are assessed using the information outlined in proposed media plans representing live streaming, television broadcast, and social media campaigns.

Other key elements that are considered include the financial stewardship and governance of the event organization, as well as the prestige the event offers to enhance Halifax's reputation as a successful event destination. In addition, events applying to the New (Emerging) and Major Hosting programs are assessed on funding commitments from other orders of government.

Staff calculate the economic impact using Discover Halifax's online economic assessment tool; the Destination International's Event Impact Calculator (EIC) and the information provided in the application from the event organizer. The EIC provides localized metrics on the value of sporting, festival, and cultural events in which the basic parameters of an event are translated into a full economic impact analysis. The system provides an economic impact analysis of an event focusing on business sales by industry and source, the impact of sales on jobs, wages, and local taxes, as well as the return on investment against hosting costs and incentives.

Canada Soccer Toyota National Championships

From October 4-9, 2023, the Canadian Soccer Toyota National Championships will bring the top male and female athletes from across the country to Halifax. Each of the 10 provinces will send their top Senior Men and Women Provincial Champions to the tournament. The six-day championships will be hosted at various fields throughout HRM including Halifax Mainland Common, Dartmouth Harbour East, and Bedford Hammonds Plains. In total, there will be 20 teams competing, consisting of 10 male and 10 female teams with each division playing 25 games for a total of 50 games. The Canadian Soccer Toyota National Championships was last hosted in Nova Scotia (Halifax) in 2013.

The request for funding to the Halifax Regional Municipality (HRM) is for \$35,000. The Province of Nova Scotia received a funding request for this event through the Sport Hosting Program and has confirmed funding in the amount of \$5,000.

A summary of the Canada Soccer Toyota National Championships is as follows:

- The event will attract approximately 6,660 people throughout the competition;
- The event will require 50 volunteers who will provide over 2,200 volunteer hours over the course of the event;

- The event guarantees that 240 hotel rooms located in HRM will be booked for a minimum of 5 nights and estimates that, including attendees, 1,700 room nights would be generated;
- This is a ticketed event offering youth day passes (\$5), adult day passes (\$10), youth tournament passes (\$20), and adult tournament passes (\$40); and
- The estimated budget for the event is \$115,000.

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 \$1,124,378. This amount includes the impact of sales on jobs with 208 jobs supported, \$306,766 spent on wages, and \$13,012 collected in local taxes.

Media Exposure / Destination Recognition

Soccer Nova Scotia will promote the National Championships through their various social media platforms including Instagram, Facebook, and Twitter. Both Soccer Nova Scotia and Canada Soccer websites will have continuous event promotion beginning in late August and complete coverage during the duration of the event. Newspapers, radio, and television will be approached closer to the event. Marketing of the event will be published in the Soccer Nova Scotia newsletter and emailed to all soccer clubs in Nova Scotia. Canada Soccer will partner with a streaming platform to live stream the games.

It is recommended that the Canadian Soccer Toyota National Championships be provided with an event grant in the amount of \$25,000.

FINANCIAL IMPLICATIONS

Funding is available in Community and Events Reserve (Q621) with no additional increased withdrawal required.

Budget Summary: Community and Events Reserve, Q621

Actual Reserve Balance, as of April 1, 2023	\$3,852,718
Projected Contribution 2023/24	\$2,038,021
Projected Operating Withdrawals 2023/24	\$3,965,225
Projected Capital Withdrawals 2023/24	<u>\$ 784,989</u>
Projected Ending Balance 2023/24	\$1,140,525

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 the event organizers and the Municipality prior to the release of funding. The agreements 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.

ALTERNATIVES

The Special Events Advisory Committee may choose to make a different recommendation to Halifax Regional Council with respect to this particular event grant application or recommend that Halifax Regional Council amend the value of an award.

ATTACHMENTS

None.

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 Grants Administrator, 902.497.3729
