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ADMINISTRATIVE REPORT

Report Date: November 10, 2015
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VanRIMS No.: 08-2000-20
Meeting Date: November 17, 2015

TO: Standing Committee on City Finance and Services
FROM: General Manager of Engineering Services
SUBJECT: 2015 New Year's Eve Celebration Funding

RECOMMENDATION

THAT Council approve a grant of up to \$125,000 to the New Year's Eve Celebration Society to support the 2015 New Year's Eve celebration which will leverage \$275,000 in funding and in-kind support that has been secured by the Society. Funding for the grant will be managed through a reprioritization of the existing 2015 Operating budget.

REPORT SUMMARY

Public New Year's Eve celebrations are held in major cities worldwide. These events provide economic opportunity to the tourism and event industries in what is typically a "low season". The not-for-profit New Year's Eve Celebration Society, made up of tourism and business stakeholders, is providing the City an opportunity to support and contribute to a professional, sustainable annual New Year's Eve event that will allow residents and visitors to take part in a family-friendly, free celebration and fireworks exhibition.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The above-noted recommendation comprises a grant and requires eight affirmative votes for approval.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The Acting City Manager and the General Manager of Engineering Services RECOMMEND approval of the foregoing.

REPORT

Background/Context

On March 6, 2013 Council put forward a motion for staff to report back on options and opportunities, including potential partners and potential risks, to hold a safe and friendly celebration on New Year's Eve in Downtown Vancouver.

The absence of a signature, free-to-public New Year's Eve event in Vancouver has been a source of much public and media comment. In 2014, the newly-formed New Year's Eve Celebration Society announced plans to hold a New Year's Eve celebration outside of Canada Place and on adjoining streets. Time constraints and a budget shortfall led to the cancellation of the 2014 event. The Society has now attained the targeted level of financial and in-kind sponsorship to mount an event on December 31, 2015, but has requested additional financial support from the City. The financial contribution from the City will allow adequate safety personnel and equipment to be in place without causing significant impact to the event experience.

An event application has been submitted to the City's Film and Special Event Branch. Festival Expediting Staff Team (FEST) meetings have been held with the event's contracted producers. An Advanced Planning Unit (APU) meeting has been held, where the City's Emergency Operations and Engineering Staff, emergency agencies, society representatives and event producers discussed communication, crowd control and other public safety plans.

Strategic Analysis

Vancouver hosts a large number of events and festivals. These primarily take place in the period from late-Spring to late-Fall. The event "season" therefore coincides with the established tourist season. The creation of large public events that fall outside of the tourist season leads to economic sustainability and year-round opportunities for businesses that support the tourist and event industries.

Winter-time outdoor festivals are a challenge and a risk. Sponsors are reluctant to support such weather-sensitive endeavours, as the return on their investment is dependent on the exposure they get to the attending crowds. In Canada, Federal and/or Provincial-level funding for events is typically only provided if financial or in-kind contributions from the host city is provided. Festivals such as New York City's Time Square Celebrations are typically heavily subsidized by cities in their first year. Once the event is safely and sustainably executed and the product becomes more attractive to private sector funders, reliance on city financing diminishes.

The New Year's Eve Celebration Society, which has representatives from the Convention Centre, Tourism Vancouver, Port Metro, Starbucks and the Downtown Vancouver Business Improvement Association on its board of Directors, has taken considerable steps to create an investment-attractive and sustainable product. The acquisition of several major media partners is a significant incentive to other sponsors to attach themselves to the project. The event production company, brand.LIVE, is a reputable, experienced event producer responsible for many annual events including Celebration of Light and Canada Day at Canada Place, the latter being held on much of the same footprint as the proposed New Year's Eve event.

The City's investment would be made in a relatively risk-reduced product that will encourage economic growth and community engagement. It is difficult, however, to predict public response to this event; neither City staff nor its emergency responder partner agencies can provide a completely reliable estimate regarding the number of attendees and/or the potential for public disorder. The City is, therefore, requiring the event to provide, and if needed implement, a robust safety plan; a plan that requires the event organizers to contract for personnel and services. The financial contribution from the City will allow adequate safety personnel and equipment to be in place without negatively impacting the event's programming budget, thus preserving the event experience.

Staff recommend that up to \$125,000 be provided to the New Year's Eve event; an event that, due to the time of year and the unknowns regarding public reaction, has unique and significant challenges to overcome. The City's contribution will leverage over \$275,000 in financial and in-kind support (\$165,000 in fundraising dollars raised by the Society, and in-kind contributions of approximately \$110,000). The total event budget, when all in-kind contributions are included, is over \$400,000.

Should the event be safely and successfully executed, it is Staff's expectation that, in coming years, the New Year's Eve Celebration Society will follow the regular processes that support all City events.

Financial

This report recommends a grant of up to \$125,000. Funding for the grant can be managed through a reprioritization of the existing 2015 Operating budget.

CONCLUSION

Financial support for the 2015 New Year's Eve event will help to provide a safe, barrier-free celebratory experience for Vancouver's residents and visitors in its first year. Such events, when strategically cultivated, have the potential to become a signature experience that helps define the reputations and appeal of the cities in which they take place.

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