



Events East

2021-22 Business Plan

for the Halifax Convention Centre & Ticket Atlantic

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A Message from the President & CEO

COVID-19 and the resulting public health measures put in place to protect Nova Scotians have had a significant impact on the events and conventions industry, as well as the ongoing operations of the Halifax Convention Centre and Ticket Atlantic. Our industry has been among the hardest hit by the pandemic and similar to the tourism industry, it will take several years to recover.

Despite this, the strength of our community has been reaffirmed and the passion of our team to create impact and drive vibrancy for Nova Scotia through event hosting has never been more clear. While there is still much work to do as we look forward to the recovery of our community, businesses and industry, there is a sense of optimism as we look to 2021-22.

Recognizing the important role events play in contributing to a vibrant tourism sector, we will continue to work with our industry partners to position Halifax and Nova Scotia as a safe, attractive event hosting destination for national and international events.

We know our clients are eager to host their events and delegates in Nova Scotia, and we know our industry and our community will be ready to welcome them.

Now more than ever, we've been reminded of the power and value of face-to-face connection and events. It is critical that we continue to have important conversations that drive us forward, connect with one another and continue to showcase Nova Scotia as a smart, thriving province with a rich culture and a strong, unique community.

While the current landscape impacts our ability to host national and international events in the short-term, we remain focused on rebuilding for the future, concentrating on our long-term event attraction efforts. In addition to hosting local/regional events this year, we will also proactively implement non-traditional, strategic use of our space to support arts and culture, public interest and health and safety initiatives.

From business meetings to cultural gatherings to public events, we know our community needs a place to resume the many activities that help to create a thriving city and province. We take great pride in our role to make Nova Scotia a great place to live and work, and as we look to the year ahead, will continue to collaborate with our partners in business, community and industry to create memorable event experiences once again.



Carrie Cussons
President & CEO
Events East

Mandate

WHO WE ARE

Events East Group is a special purpose government agency that manages and operates the Halifax Convention Centre, Scotiabank Centre, and Ticket Atlantic.

We are known for attracting and hosting the best events in the region through our commitment to event excellence. Our facilities allow us to attract new visitors and opportunities to Nova Scotia, connecting us to the world.

We were created as part of a government partnership between the Province of Nova Scotia and Halifax Regional Municipality (HRM) and we work in collaboration with them to manage our business in a responsible and transparent manner.

MANDATE

We were created in 2014 through the Halifax Convention Centre Act to operate, maintain and manage the activities of the Halifax Convention Centre in a manner that will promote and develop economic development, tourism and industry in the province generally, and the municipality.

In April 2017, our mandate expanded to include the continued management and operations of Scotiabank Centre and Ticket Atlantic.

Planning Context

This overview is presented for the management and operations of the Halifax Convention Centre and Ticket Atlantic, which are jointly owned by the Province of Nova Scotia and HRM.

The 2021-22 business plan assumes the following as it relates to the ongoing impact of COVID-19 on our business and industry:

- Restrictions introduced in the Spring of 2021 associated with the third wave, including public gathering limitations, begin to ease by Summer 2021;
- COVID-19 vaccine roll-out remains consistent with the Province of Nova Scotia's public roll-out plan and timeline; and
- Border restrictions begin to ease, with regional travel permitted by the Summer and domestic travel later in the year.

Recognizing the critical role events play in shaping our community and supporting an economy in which all Nova Scotians can benefit, we will continue to focus on rebuilding a strong mix of event activity as the meetings and conventions industry positions itself for recovery. In 2021-22, the Halifax Convention Centre has two primary focus areas:

- Working collaboratively with our partners and industry to rebuild confidence in event hosting and ensure our facility remains active with local/regional events and strategic uses.
- Proactively implementing our long-term event attraction strategy for national and international events and working with our partners to position Halifax and Nova Scotia for the future.

We expect regional events will make up the majority of activity for the year. Based on the travel restrictions in place at the time of writing, national event activity is not expected to resume until 2022.

In the long-term, there remains a strong desire for in-person events to continue within the new health and safety environment. Halifax is perceived as a safe, accessible host destination for events among our national/international clients and this positions us for a strong event calendar in future years. As we look to the future, ongoing customer research and feedback will be critical in determining how key drivers of the decision-making process have evolved for our clients in the current landscape.

Based on client feedback, and in line with our commitment to service excellence, this year we will develop a new, enhanced service model to reflect the important role technology will continue to play in shaping in-person events. This includes implementing our approach for virtual and hybrid events that will help our clients blend both digital and in-person participation from attendees, helping to further the impact and reach of the events we host.

While we remain focused on attracting and hosting events, we are also proactively pursuing non-traditional uses of the space to support our community and diversify the facility's utilization in the short-term.

Recognizing that our venue acts as a backdrop for important community conversations, we will work with our local partners to host events that create energy and vibrancy in our downtown core. This includes co-creating events that reflect our diverse culture and provide access to unique event experiences for all Nova Scotians, making our province a vibrant destination for both our local community and visitors.

Strategic Priorities & Activities

BUSINESS GROWTH

Our near-term sales strategy is focused on working with event organizers to host strategic regional events. This is balanced by our continued efforts to foster strong relationships with our national and international clients and position Nova Scotia as a safe, accessible destination for events as travel restrictions begin to ease later in the year. We will also work with our partners in business and industry to secure new events in the international market for future years that align with sectors of comparative advantage for Nova Scotia, with an emphasis on the oceans and life sciences.

Activities/Initiatives:

- Continue to implement regional sales and marketing strategy to drive event activity.
- Implement proactive sales and marketing strategy focused on national event attraction for future years.
- Activate international sector-based event attraction strategy with strategic partners.

GUEST EXPERIENCE

Agility and innovation have and will continue to be important as we evolve our approach to event hosting. This includes ongoing implementation of safe hosting protocols for our Centre that have set the standard for safe events in the region. As the volume and pace of event activity resumes throughout the year, we will design memorable event experiences with our clients that align with our commitment to service excellence and authentic Nova Scotian hospitality.

Activities/Initiatives:

- Refine our service delivery model and key offerings, including food and beverage and third-party supplier services, to adapt to the new event hosting landscape.
- Develop and implement a service model to support virtual event participation, leveraging technology to help drive attendance and enhance the overall event experience.

COMMUNITY CONNECTION

The Halifax Convention Centre is committed to ensuring our business and the events we host have a positive impact on our community. Our Centre serves as a platform for creating important connections and partnerships. As our community continues to recover, we will focus on hosting events that create energy and vibrancy throughout our downtown core and beyond, making Nova Scotia a great place to live and work. Additionally, we will continue to deliver our Local Program, which highlights our province's diverse culture, flavours and experiences to guests within our venue.

Activities/Initiatives:

- Implement our facility use strategy with a focus on non-traditional events that support our Province.
- Development of a Diversity and Inclusion framework to further define and enhance our community engagement strategy.
- Leverage the events we host to create impact in our community and instill confidence within our industry.
- In collaboration with key partners and community leaders, redesign our Local Program to focus on showcasing our local products, arts and culture.

TALENT & CULTURE

Fostering a diverse and inclusive workforce is an ongoing priority and critical to our continued success. This year, we will work with our core operational teams to create programs and tools that ensure effective communication, engagement and training to deliver exceptional events for our guests.

Activities/Initiatives:

- Redesign resourcing and training strategy to align with event mix and volume, including implementation of temporary redeployment opportunities with partner organizations.
- Continued development and implementation of operational event delivery standards to align with new health and safety environment and ensure consistency of service by all staff and third-party suppliers.

ACCOUNTABILITY & SUSTAINED PERFORMANCE

We continue to operate the Halifax Convention Centre in a responsible, transparent manner under the oversight of our joint shareholders, the Province of Nova Scotia and HRM. This includes alignment with government priorities and delivering against our key targets to ensure we meet the expectations of our shareholders, partners and community.

Activities/Initiatives:

- In collaboration with our shareholders and industry, lead the development and implementation of a recovery strategy to address the long-term impacts of the pandemic.
- Implement a framework for core social responsibility initiatives with a focus on accessibility and food sustainability.

Core Outcomes & Measures

Due to the continued restrictions in place in Nova Scotia, our traditional strategic measures including overall event mix, revenue, event attendance and economic impact will be negatively impacted this year. Our overarching focus remains on driving economic and community vibrancy for Nova Scotia through the events we host and the programs we deliver.

In 2021-22, we will monitor and measure our performance in the following areas, aligned with the recovery of our business and organization:

CORE ACCOUNTABILITY MEASURES*		
Priority	Measure	2021-22 Target
Business Growth	Number of national and international events booked for the Halifax Convention Centre for future years.	Cumulative total of 100 national and international events with an estimated 70,000 in attendance secured for 2022-23 and beyond, consistent with long-term targets.
Business Growth	Economic impact	Through the events we host this year, generate at least \$10-12M in direct expenditures.**
Guest Experience	Facility use	Host a diverse mix of activity including events, non-traditional and community use.
Community Connection	Develop diversity and inclusion framework	Framework approved.
Accountability & Sustained Performance	Financial performance	Meet approved budget targets.
Accountability & Sustained Performance	Confidence in in-person meetings and conventions	Event industry framework developed and implemented.

*Assumes the COVID-19 planning assumptions noted under Planning Context, including successful vaccine roll-out, and easing of public gathering, travel and border restrictions throughout the year.

** In a typical year, direct expenditures are \$50-55M driven primarily by national and international events. Based on restrictions, event activity this year will be primarily local/regional events.

Budget Context

Our 2021-22 budget assumes a predominantly local and regional event mix, which directly impacts revenue. In a typical year, a larger volume of national and international events would generate higher revenue.

Operations before building costs and property taxes have historically been funded through event activity. A diverse event mix with national/international clients will be critical in returning to sustained revenue generation in the long-term and therefore the historical shareholder funding position. As we continue to rebuild our event mix and transition into recovery, the shareholder investment is estimated at \$8.4M for 2021-22, which is jointly funded by the Province and HRM.

Our financial model includes both fixed and variable costs. Variable costs are associated with our operations and relate to hosting events. Certain fixed costs are necessary to support operations, irrespective of event volume. A series of cost mitigation strategies were implemented in the prior year and will continue into 2021-22 to limit financial exposure as the volume of event activity begins to rebuild.

The Halifax Convention Centre building operating costs are estimated to be \$2.9M, which includes \$330K of lease operating cost contingency. In addition, property taxes of \$2.0M are included in accordance with the Memorandum of Understanding (MOU) between the Province and HRM.

Operating Budget Summary

(For the year ended March 31)

	Budget 2021-22 (\$)	Actuals 2020-21 (\$)	Revised Budget 2020-21 (\$)
Revenues	4,414,000	236,455	860,000
Expenses			
Event Operations – Fixed Costs	1,794,000	1,883,218	1,847,000
Event Operations – Variable Costs	1,885,000	475,236	1,136,000
Salaries and Benefits	2,940,000	3,528,649	3,520,000
General Operations	920,000	682,672	865,000
Total Expenses	7,539,000	6,569,775	7,368,000
Operating Loss Before Building Costs, Property Taxes and Depreciation	(\$3,125,000)	(\$6,333,320)	(\$6,508,000)
Building Operating Costs (Note 1)	2,923,000	2,602,146	2,178,000
Operating Loss before Property Taxes and Depreciation	(6,048,000)	(8,935,466)	(8,686,000)
Property Taxes (Note 2)	2,040,000	2,030,516	2,040,000
Operating Loss Before Depreciation	(8,088,000)	(10,965,982)	(10,726,000)
Depreciation	286,000	329,923	370,000
Estimated Shareholder Investment	\$8,374,000	\$11,295,905	\$11,096,000
Investment Required from Shareholder – HRM	\$4,187,000	\$5,500,611	\$5,401,000
Investment Required from Shareholder – PNS	\$4,119,000	\$5,678,224	\$5,573,000

Note 1: Halifax Convention Centre building operating costs include the contractual lease operating costs related to the Nova Centre, including a contingency of \$330K in the 2021-22 budget. The annual contractual lease payment is the responsibility of the Province of Nova Scotia and is not reflected in the above values.

Note 2: Property taxes are calculated pursuant to the MOU between the Province of Nova Scotia and HRM.

Note 3: Revenues and expenses for Scotiabank Centre are not reflected in the values noted above. Scotiabank Centre is a facility owned by HRM. Events East operates the facility on behalf of HRM under an operating agreement. All operating income or losses generated by the facility accrue to HRM, and all capital improvements are funded by the municipality.

Note 4: The 2021-22 budget assumes the COVID-19 planning assumptions noted under Planning Context, including successful vaccine roll-out and easing of public gathering, travel and border restrictions throughout the year.

Note 5: Budget reflects approximately \$1.0M in annual salaries for resources that have been temporarily redeployed to support partner organizations.