



Committee of the Whole Report

For the Meeting of March 18, 2021

To: Committee of the Whole **Date:** March 4, 2021
From: Kerri Moore, Head of Business and Community Relations
Subject: Festival Investment Grant 2021 Allocations

RECOMMENDATION

That Council approve the Festival Investment Grant allocations as recommended in Appendix A for total cash grants of \$268,550 and in-kind City services grants of up to \$100,550.

EXECUTIVE SUMMARY

Festivals and celebrations add to Victoria's vitality, vibrancy and diversity. The City's annual grant and in-kind support nurtures the development of high-quality accessible events and creates significant economic activity in the city. City support for festival applicants during this unprecedented time is intended to increase recipients' capacity to pay artists, innovate in order to connect audiences to scarcely available cultural content, and to simply 'keep the lights on' until they can once again present to live audiences.

The Festival Investment Program (FIG) was established in 1999. Over the 22-year history of the program the City has allocated \$3,399,057 in cash and \$2,198,321 in in-kind City services to FIG recipients.

There were 36 applications received prior to the FIG submission deadline with a total request for funding of \$459,900. City funding budgeted for this grant program is \$311,840. A number of the applicants met the criteria and are recommended for approval. Half of the recommended festivals have also applied for federal funding.

All applications are reviewed based on the approved FIG policy, which includes:

- Program criteria, including a free component
- Artistic and cultural merit of the event
- Economic impact
- Community support
- Organizational effectiveness

A comprehensive list of requests and recommendations is detailed in Appendix A.

Traditionally, the economic impact of these events can be measured by spending activity generated by festival goers in local restaurants and businesses, overnight stays in hotels by both visitors and

performers, festival employment, production spending and increased tourism. As many of the 2021 events and festivals continue to program virtually, much of the economic impact of those live events will be lost.

Although many of the festivals will not be able to present their usual programs as anticipated, it is worth highlighting the potential for positive future economic impact if they can maintain capacity to present in future. The five largest events were originally estimated to generate a total economic impact of over \$7 million with attendance for all recommended events estimated to exceed 600,000.

The total operating budgets of the recommended events is projected to be over \$5 million in direct cash spending. This reflects potential future impact through employment (273 full and part-time positions), event production sales and rentals, and the purchase of goods and services. Corporate investment by local, regional and national corporations were anticipated to exceed \$2.5 million. The recommended cash grant reflects less than 3.7% of the festival's combined \$7.6 million in proposed operating budgets.

PURPOSE

The purpose of this report is to seek Council's approval of the Festival Investment Grants recommendations for 2021.

BACKGROUND

By March of 2020, COVID-19 was declared a global pandemic. Council reprioritized aspects of the 2020 Financial Plan in order to proactively respond to anticipated community need in the face of economic and social hardship. Core funding to the Festival Investment Grant (FIG) program has been maintained in the updated financial plan.

Arts and culture organizations have been in crisis since the declaration of the global pandemic. Venues have been closed, artist contracts cancelled, and festival staff have been let go.

In May of 2020 Council approved staff FIG recommendations for festival and event funding based on applicants' programming intentions outlined in their 2020 grant applications. Most festivals were able to utilize the funding to support programming that complied with PHO Orders, engaged audiences, and employed artists. A few organizations were not able to present due to the limitations, and four festival organizers have carried forward all or a portion of their funding into 2021 for a total of \$26,850.

City support for festival applicants during this unprecedented time is intended to increase recipients' capacity to pay artists, innovate in order to connect audiences to scarcely available cultural content, and to address operational needs not already covered by other grant programs in order to simply 'keep the lights on' until they can once again present to live audiences.

The Festival Investment Grant program was established to create and sustain a healthy community, vibrant downtown core and enhance economic development. Over the past twenty-two years, the City has allocated festivals with cash and in-kind support through the Festival Investment Grant Program. City in-kind support is provided based on anticipated need and the availability of departmental resources. Although many festivals will pivot to online or other socially distanced models, and will not require the City service support they traditionally require, staff recommend once again that Council pre-approve in-kind City service support in case some events are permitted to take place as PHO Orders are eased in the months to come.

In-kind support can include City services such as policing, traffic control equipment, festival equipment labour, venue fees waived, displacement of parking revenue, sound operator and security in Centennial Square. See appendix A for a detailed breakdown of recommended in-kind allocations.

The Festival Investment Grant program was created to meet the following objectives:

- Increase the quality of life for our citizens
- Enable a vibrant downtown core
- Support economic development
- Offer exposure to new art forms

To qualify for funding, festivals and celebrations must meet the criteria outlined in the Council approved Festival Investment Grant Policy and Guidelines. See Appendix B attached.

The federal “Building Communities through Arts and Heritage” (BCAH) grant program has expanded to include 3 separate intake periods. The department of Heritage no longer requires municipalities to confirm municipal support by year end. Council is now able to consider requests within the context of the budget process and review allocations following budget approval. Event organizers leverage their municipal support through provincial and federal funding bodies and secure credibility with corporate and community sponsors. The 2021 FIG intake was extended to December 31st 2020 to afford applicants additional time to assess the feasibility of their programs given the everchanging timelines associated with public health interventions and vaccination progress. The extension of the intake allowed applicants additional time to implement their 2020 programming objectives and submit final reporting details.

Grant applications, policy, guidelines and reporting documentation can be found on the City website. The grant program is showcased online as well as through the City Vibe. Staff continue to enhance content available on the City website and through City social media. The month prior to the Festival Investment Grant deadline reminders are sent to previous recipients outlining the timeline for reporting. Traditionally, staff conduct annual festival grant workshops showcasing more than a dozen grant programs from local and senior government agencies. The event is hosted at City Hall and is typically attended by more than 75 local event and festival organizers. Final reporting must be received before the annual application deadline in order to be considered.

ISSUES & ANALYSIS

While PHO Orders and restrictions are in place, FIG recipients will be provided with the necessary latitude to adapt and employ creative approaches in order to maintain connection with their respective audiences, pay artists and meet ongoing operational demands not supported through senior government grant programs. Recipients will be required to observe mandated health orders, and report back on how funds were invested in 2020. Recipients will be required to prioritize City funding to:

1. pay artists
2. promote & deliver free or low-cost content, and
3. meet ongoing essential operational demands

Any FIG funding not used for these purposes by year end is to be returned to the City or carried over and applied to 2022 allocations. Staff will review final reporting and financials then determine if the grants were utilized as intended. Should an organization fold or prior to the 2022 intake, any unused funding will be returned to the City.

Victoria Dragon Boat Festival Society (VDBFS) and the Fairway Gorge Paddling Club Society (FGPCS)

Victoria Dragon Boat Festival Society (VDBFS) and the Fairway Gorge Paddling Club Society (FGPCS) have worked in collaboration for the last number of festival iterations. By mutual agreement, the FGPCS was tasked with delivering the festival on behalf of VDBFS. This arrangement included responsibilities for delivering productions, grants & funding, promotions, cultural program, and race logistics. In 2020, VDBFS board members stepped away from the FGPCS board and have since applied to re-establish their own separate festival in the inner harbour.

Both societies have applied for FIGs and both have requested bookings for Ship Point in August of 2021. Both organizations could receive City Special Event permits for the use of Ship Point with, or without, a FIG. Both would require additional permits from GVHA and Transport Canada to race in the Inner Harbour.

Canadian Heritage has issued BCAH grants to FGPCS for the last 3 or more iterations of the festival and has been satisfied the society has delivered the cultural content they committed to in their applications. Heritage performed site visits to evaluate the FGPCS cultural programming. Because VDBFS was not the society receiving the Canadian Heritage grant these past few years they will not be eligible for a BCAH grant until they can demonstrate that they have presented for the last two consecutive years. VDBFS is contesting their ineligibility for the BCAH grant.

Both societies have presented excellent programs in the past, however, at present there seems to be no appetite for collaboration.

According to the Council approved FIG policy, applicants must “offer a unique experience not duplicated by other organizations and their activities.” In the past, when more than one application has been received offering very similar content, scope and programming, and staff were in doubt as to which application presented the best value to residents, Council moved to fund both festivals for one year and directed staff to evaluate the competing programs then make recommendations to fund only one going forward in subsequent years. Staff recommend proceeding in this manner with respect to the competing 2021 dragon boat applications.

In 2020, the City of Victoria awarded \$283,749 in grants and \$159,450 in in-kind support to 41 festivals and celebrations. This year there were 36 cash grant requests seeking a combined \$369,100 in FIG funding. Two applications did not meet program criteria and are deemed ineligible, resulting in recommendations to fund 34 festivals and celebrations for a total of \$268,550 cash and up to \$100,550 in in-kind support. The 34 recommended Festivals and celebrations include:

Seed Festival Grants - new festivals in first five years of operation (10)

- World Accordion and Tango Festival
- Folkloria
- Caravan
- Issamba
- Lights of Wonder
- Mabuhay! Celebrating Philippine Culture
- Peek Fest
- Out There Art Festival

- Victoria Dragon Boat Festival
- Vic West Fest

Established Festival Grants (21)

- Blues Bash
- Vancouver Island Dragon Boat Festival
- FernFest
- Victoria Film Festival
- Flamenco Festival
- Free B Festival
- Fringe Fest
- Garden City Grooves
- 158th Victoria Highland Games and Celtic Festival/Tartan Parade
- JazzFest
- Festival Mexicano
- One Wave Gathering
- OUTStages
- Pacific Baroque
- Plaza Franco
- Pride Festival
- Selkirk Waterfront Festival
- Ska & Reggae Festival
- SKAMpede
- Uno Fest
- Wonderment

Signature Festival Grants (3)

- Art Gallery Paint-In
- Victoria Day Parade/Island Farms Santa Parade
- Symphony in the Summer Festival (Splash)

Two applicants did not meet the FIG criteria and are not eligible to be recommended for funding. These applicants will be redirected to other City funding programs for this season:

- Pumpkin Parade – application incomplete. Staff will redirect to an appropriate program.
- International Jewish Film Festival – did not meet criteria.

Staff utilize evaluation criteria and recommend support for as many eligible events as possible.

OPTIONS & IMPACTS

Option 1 (Recommended)

That Council approve the Festival Investment Grant allocations as recommended in Appendix A for total cash grants of \$268,550 and in-kind City service grants of up to \$100,550.

Option 2

Council directs staff to revise the recommendations in Appendix A and bring back new recommendations for Council's consideration at a later date.

Accessibility Impact Statement

There are no accessibility concerns related to the proposed recommendations in this report.

2019 - 2022 Strategic Plan

Nurturing and supporting arts, culture and creativity has been identified by Council as an operational priority. The Festival Investment Grant Program is consistent with achieving the outcomes for the following objectives in the 2019-2022 Strategic Plan:

- Strategic Objective #5: Health, Well-Being and a Welcoming City of Victoria
- Strategic Objective #8: Strong, Liveable Neighbourhoods

Impacts to Financial Plan

The current budget is \$311,840 and will be increased by inflation annually as directed by Council.

Official Community Plan Consistency Statement

The recommendation aligns with the following objectives in the Official Community Plan:

Section 14: Economy

14 (f) That the function of the Urban Core as the primary regional centre of employment, learning, arts, culture, entertainment, recreation and specialty retail is maintained and enhanced with high quality facilities, services and events

Section 16: Arts and Culture

16.6 Encourage broad access to arts and culture facilities, events and activities for people of all ages, incomes, backgrounds and lifestyles.

16.7 Encourage education, training and informal learning opportunities in the arts, design and culture.

16.19 Establish and maintain partnerships with professional artists and arts and cultural organizations to program the use of public space.

16.20 Continue to permit festivals, celebrations and special events in public spaces, such as streets, parking lots, plazas, civic squares and other open space.

16.21 Increase the use of parks for festivals, celebrations and special events

16.22 Continue to support and enable local, non-profit groups to host festivals, celebrations and special events through services, incentives and regulations.

CONCLUSIONS

The Festival Investment Grant Program assists the creation of a more vibrant downtown through the traditional festival season, enhancing tourism, local business success and the local economy. The program also broadens the festival season to the shoulder months to attract residents and visitors to the downtown year-round thereby supporting economic development in traditionally slower economic activity periods.

Even with the support of this program during this unprecedented time some festival societies will struggle to survive. Arts Culture and Events staff have witnessed presenting organizations' creative nimble efforts to reconnect with audiences. Staff will continue to provide the necessary latitude and support required in order to ensure as many festivals as possible maintain capacity to present in

future.

Respectfully submitted,

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Arts Culture and Events Liaison

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Senior Cultural Planner

Kerri Moore
Head of Business and Community Relations

Report accepted and recommended by the City Manager. _____

List of Attachments

Appendix A – Detailed list of FIG allocations

Appendix B – Festival Investment Grant policy and guidelines