

FESTIVAL AND EVENT POLICY – UPDATE ON IMPLEMENTATION

EXECUTIVE SUMMARY

This is the third of three annual reports requested by Council to highlight the results of the Festival and Event Policy, CSPA032 (Policy). The Policy articulates that City service support for festivals and events is core business for The City of Calgary.

Despite the impact of the June flood on 21 events, 13 of which were cancelled, 2013 was a successful year. In 2013, the Festival and Events Subsidy Program provided City services/subsidy to 134 festival and events. Approximately 980,000 people attended events in 2013 spanning a wide variety of activities broken out by type to include: community events (38 per cent), cycling (2 per cent), festivals (13 per cent), parades (4 per cent), walks/runs (31 per cent), and city wide and private events (12 per cent).

The past year has been spent strengthening the Festival and Event Subsidy Program (FESP) to ensure its sustainability. Overall, the number of events subsidized through the FESP has doubled since 2010. The rapid growth necessitated a program review which was undertaken by Administration and supported by the Event Advisory Committee. With the addition of the \$300,000 budget adjustment received in 2013, the program has stabilized to provide an appropriate level of City service support to a wide variety of festivals and events that meet the expectations of Calgarians.

ADMINISTRATION RECOMMENDATION(S)

That the SPC on Community and Protective Services recommends that Council receive this report for information.

RECOMMENDATION OF THE SPC ON COMMUNITY AND PROTECTIVE SERVICES, DATED 2014 SEPTEMBER 05:

That the Administration Recommendation contained in Report CPS2014-0694 be approved.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2010 February 8, Council adopted CPS2010-07 Festival and Event Policy directing Administration to report annually for three years on the implementation of the Policy, no later than October of each year.

In 2013 November, Council approved a budget adjustment of \$300,000 for the Festival and Event Subsidy Program to enable it to provide an adequate level of support to an increased number of events.

BACKGROUND

Established in 2010, the Council-approved Festival and Event Policy recognizes that festivals and events enhance the quality of life in Calgary and are an essential element in creating complete communities.

Key components of the Policy include a “one-window in” approach that enables festival and event organizers to apply through Recreation, and have Recreation coordinate on the event

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organizer's behalf with the 14 business units that make up the Interdepartmental Events Team (Attachment). This means that every aspect of an event, from road closure to police security to parks permits, is coordinated from the moment an application is received.

In tandem with the creation of the Policy, The City initiated the Festival and Event Subsidy Program (FESP) for not-for-profit events that merit City support. FESP provides approved festivals and events with up to 90 per cent funding for City services. Applications are assessed based on merit, and subsidies are determined in accordance with the event's ability to meet Council Priorities. The program subsidizes City services (equipment and resources) such as road closures, building permits, tents and production equipment. The subsidy effectively provides clients with a net contribution to their budgets through the relief of various City expenses.

The FESP includes both merit and technical reviews for all applications.

- The merit review process for subsidy of City services is overseen by an Event Advisory Committee which includes representation from Sport Calgary, the Federation of Calgary Business Improvement Zones, Tourism Calgary, Calgary Arts Development Authority, Calgary Economic Development and two citizens at large.
- The technical review process is undertaken by Administration's Interdepartmental Event Team which represents the needs and interests of Administration and the 14 business units involved with supporting festivals and events.

Senior Administration oversight and implementation of the policy is provided by the Event Steering Committee which is comprised of Business Unit Directors; this group represents the operational areas required to successfully (and legally) execute events in Calgary.

Since the Policy was introduced in 2010, the overall number of festivals and events has increased, along with the requests for subsidy. Recognizing that unlimited growth was not sustainable, in 2013 Administration undertook a review of the subsidy process.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Since the launch of the Festival and Events Subsidy Program in 2010, the number of subsidized events had nearly doubled by 2013 while the budget to support the program had remained fixed at \$1.2 million. To continue providing effective City support that enables citizens to experience vibrant, safe and well-organized events, it was determined that a budget adjustment of \$300,000 would be required to bring the program back in line with the intent of the policy and to help further manage the 2014 event season in a fiscally-responsible manner. The budget adjustment was requested, and approved, in 2013 November.

At the same time, Administration initiated a review of the program management framework and a number of short-term strategies were introduced:

- Capping the fees/costs of City services for 2013;
- Capping the support for events in 2013 to the level of service received in 2012; and
- Limiting intake of subsidized events in 2013.

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Meanwhile, with input from stakeholders, a number of key strategies were developed to ensure that the optimal number of eligible events can be supported through FESP. As a result, the following changes came into effect:

- Annual reporting requirements now include a post-event report which allows Recreation to track an event's success in meeting the various objectives set out in the Festival and Event Policy;
- There is now a requirement for annual application for subsidy, ensuring that as events need changes over time, Administration is kept abreast of changing requirements for City services;
- Each application is now evaluated based on an assessment of the event's ability to fulfill the objectives of the Policy;
- Based on the scores achieved through the evaluation of each event against the Policy's objectives, events are awarded a corresponding level of subsidy; and
- No event receives 100 per cent subsidy for the costs of City services, which helps to ensure that event organizers think carefully about their requirements.

In 2013, the Festival and Events Subsidy Program provided City services/subsidy to 134 festivals and events. Approximately 980,000 people attended events in 2013 spanning a wide variety of activities broken out by type to include: community events (38 per cent), cycling (2 per cent), festivals (13 per cent), parades (4 per cent), walks/runs (31 per cent), and city wide and private events (12 per cent).

Subsidized events for 2013 included the inaugural editions of the Tour of Alberta, Opera in the Village, and the Shaw Charity Classic, as well as the kick-off event for Alberta Culture Days, and the pilot "sPark". Events also included for 2013 were many popular returning events such as: Globalfest, Scotiabank Calgary Marathon, 4th Street Lilac Festival, Sun and Salsa Festival, ReggaeFest, Chinese New Year, the Calgary Folk Music Festival and the Calgary International Children's Festival.

Stakeholder Engagement, Research and Communication

Since the initiation of the Policy, Administration has worked to balance the interests of all stakeholders including the festivals and events community, taxpayers, the private sector, internal city business units and the arts and culture sector.

In 2013, Recreation attended community meetings with such groups as the East Village Community Association in order to better understand their concerns related to event venues and develop mitigation strategies. Recreation will continue to engage communities with post event evaluations as events occur.

As part of the process to implement changes, information sessions were prepared and presented, and the event coordinators spent many hours working with event organizers to support them in developing the required event applications and necessary post-event reports. As a result, there have been very few concerns that were not able to be addressed.

The Event Advisory Committee provides tremendous expertise from a variety of vantage

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points, from business to arts, sport and tourism. This committee meets monthly to oversee the process for evaluation of festival applications and recommends eligible festivals and events for subsidized City of Calgary support and services. The needs and interests of Administration and the 14 business units involved in supporting festivals and events are represented through Administration's Interdepartmental Event Team and the Events Steering Committee. The Interdepartmental Event Team determines the technical requirements that must be met for an event to be safe and successful for Calgarians. The Events Steering Committee works to optimize support and governance of Festival and Event Policy implementation by focusing community and corporate leadership on the needs of the program and championing the program within the community.

Calgarians' views are captured in the CS&PS Citizen Expectation and Perception Research Project. 71 per cent of those surveyed in 2014 March agreed that festivals are important to the quality of life in Calgary and 59 per cent think festivals provide value for tax dollars. Additionally, 72 per cent believe that The City's festivals are good quality and 61 per cent believe that Calgary is home to world class arts and cultural events and festivals.

Strategic Alignment

The Festival and Events Policy supports Council's Priorities for Calgary (2015-2018), in particular the following:

- A prosperous city – that increases community vitality and cultural interaction; and
- A well-run city – providing services that are effective, citizen-focused and responsive to community needs.

The policy also aligns with imagineCALGARY's Plan which includes creative self-expression goals, and highlights the need for a wide range of opportunities for creative expression in Calgary. By 2026, imagineCALGARY's target is that 90 per cent of Calgarians report participation in creative activities is an important part of their lives.

The City's festival and event work is also tied to the common vision and goals for a vital downtown district as outlined in the Centre City Plan. Since many of Calgary's major festivals are produced within the Centre City, the Plan commits that The City of Calgary will actively support festivals and events to ensure their long-term sustainability and growth within the Centre City.

Social, Environmental, Economic (External)

Social

Central to the Policy are directives for increasing the vibrancy of Calgary through a range of events that reflect the city's diverse cultural character and celebrate our living heritage. In 2013, festivals and events continued to be reflective of the changing social and demographic composition of Calgary and attracted a large volume of attendees. Some of the larger 2013 festivals included GlobalFest (100,000 attendees), Canada Day (80,000 attendees), Chinatown Street Festival (40,000 attendees) and the Annual Sikh Parade (40,000 attendees).

Environmental

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Administration continues to work with festival and event organizers on green initiatives such as waste reduction and recycling. In 2013, Waste & Recycling Services continued to track the waste and recycling practices of a number of major events and provided a report identifying the results of their efforts. In comparison to the previous year, there was a demonstrated improvement and concerted effort to continue better practices or green initiatives.

Further green initiatives are focused on an exploration of appropriate festival venues that exist beyond the city's central corridor and are easily accessible by public transit. By more effectively matching events with venues within participants' neighbourhoods, the need to commute will be minimized, and the use of alternate transportation such as walking or cycling will be fostered.

The City's interest in encouraging the use of its potable water over bottled water was further enhanced by the creation of water fountains that can be attached to fire hydrants. Created by Utilities & Environmental Protection's award-winning Watershed+ artists in residence, the fountains are booked for festivals and events throughout the summer months.

Economic

Through the development of strong business partnerships, festivals and events actively promote the diversification of Calgary's economic and business environment, which is central to The City of Calgary's 2020 Sustainability Direction.

According to the post event reports provided by Event Organizers, program data for 2013 reveals that the 134 festivals and events subsidized through the Festival and Events Subsidy Program collectively represent a major area of social and financial activity in Calgary. Their positive economic impact is demonstrated through their aggregate revenues of \$21.5 million in 2013 and the 3,363 business partnerships that support their efforts. The high level of commitment is demonstrated by the 22,449 volunteers who give their time to produce the events. The City's contribution, through the FESP subsidy, amounted to about 15 per cent of event budgets on average. Actual subsidy amounts varied, but averaged \$8,000 per event.

Financial Capacity

Current and Future Operating Budget:

Council supported one-time funding in both 2010 and 2011 (\$1 million/ \$1.5 million) for the Festival and Event Subsidy Program and the Event Stimulus Program. In the 2012-2014 budget cycle, Council approved base funding of \$1.5 million; \$1.2 million for the Festival and Event Subsidy Program and \$300,000 for staffing costs. The 2013 November budget adjustment of \$300,000 increased the amount available for subsidy to \$1.5 million.

Current and Future Capital Budget:

No current capital budget implications are identified as part of this report.

Risk Assessment

Early risk mitigation strategies focused on the development of a one-bill system for all City services. This enhanced customer service for the event organizers and has also enabled Administration to establish an overarching view of City resources and costs associated with supporting festivals and events. This has been central to the effective

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oversight of the program.

As a result of the program review, Administration is confident that the strategies developed have addressed the need to balance the available funds with the community's needs in a manner that can be sustained.

REASON(S) FOR RECOMMENDATION(S):

Council had requested that, for the first three years, an annual report is provided on the implementation of the Festival and Events Policy. The tremendous popularity of the Festival and Event Subsidy Program and the guarantee of 100 per cent subsidy made it difficult to effectively balance the needs of the community with the available funds, especially with the major celebrations of 2012 (Cultural Capital of Canada, 100th Anniversary of Stampede). In 2013, the program was right-sized with the budget adjustment and the introduction of a number of program changes will ensure its ongoing sustainability.

ATTACHMENT

Festival and Event Policy Management Framework- Committee Definitions