



COUNCIL REPORT

Report Date: May 6, 2024
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Meeting Date: May 29, 2024
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TO: Standing Committee on City Finance and Services
FROM: General Manager of Arts, Culture and Community Services
SUBJECT: Cultural Tourism Events Fund

Recommendations

- A. THAT Council endorse the Cultural Tourism Event Fund Partnership, as outlined in Appendix A, as a framework to inform the City's work with cultural destination event tourism partners and to support the City's priorities related to cultural destination events.
- B. THAT, subject to the terms of a grant agreement to be settled between the City and Destination Vancouver (the "Grant Agreement"), Council authorize the City to contribute to and join the Cultural Tourism Event Fund Partnership which currently includes the following partners: Destination Vancouver, the Vancouver Hotel Destination Association, B.C. Pavilion Corporation.
- C. THAT, upon approval of Recommendations A and B, and subject to the terms of the Grant Agreement to be settled, Council approve a grant of \$150,000, payable to Destination Vancouver as the City's contribution to the Cultural Tourism Event Fund Partnership which aligns with the City's culture, special events, and cultural vibrancy priorities as further described in this Report. Source of funding for the grant is the City's 2024 Cultural Grant Operating Budget.
- D. THAT Council delegates its authority to negotiate, settle and execute the Grant Agreement, as well as any ancillary agreements that may be required for the City to join the Cultural Tourism Event Fund Partnership, to the Deputy General Manager, Arts, Culture and Community Services or their designate in consultation with the City Solicitor.
- E. THAT no legal rights or obligations are created by the approval of the Recommendations A through C above unless and until the Grant Agreement and any ancillary agreements deemed necessary by the Deputy General Manager,

Arts, Culture and Community Services or their designate and the City Solicitor, are executed and delivered by the City, Destination Vancouver and the other parties to those agreements.

- F. THAT, pursuant to Section 206(1)(j) of the *Vancouver Charter*, Council is authorized to award the grant to Destination Vancouver because it deems Destination Vancouver to be an organization contributing to the culture, beautification, health, or welfare of the City.
- G. THAT Council direct staff to review the progress and outcomes of the City's grant, as well as the progress, outcomes and next steps of the Cultural Tourism Events Fund Partnership, and report back to Council in 2025.

Approval of a grant pursuant to Section 206 of the Vancouver Charter requires a Council resolution to be passed by not less than two-thirds (2/3) of all its members.

Purpose and Executive Summary

This report responds to a Council motion on July 25, 2023, directing staff to “explore and report back on options for a Destination Festivals and Special Events Fund and Program”. Specifically, this report seeks Council direction to advance this work through a recommendation to join and support a proposed new Cultural Tourism Events Fund Partnership, with the aim to support cultural destination events and festivals that elevate Vancouver's profile as a globally renowned cultural destination. The fund aims to grow, develop, and attract a portfolio of cultural destination events and festivals with a focus on events and festivals in October-April, in or near downtown, which are scalable or major, and that deliver significant economic, marketing, and social benefits.

If approved, a \$150,000 grant would be funded by the City's 2024 Cultural Grant Operating Budget and staff will report back on overall progress, outcomes, and next steps in a Council report in 2025.

Council Authority/Previous Decisions

In 2019, Council adopted a new *Special Event Policy Framework* to better support special events, reduce barriers, and improve processes with a focus on free public outdoor events on City streets and some City-owned plazas.

In 2019, Council adopted a new culture plan, *Culture | Shift: Blanketing the City in Arts & Culture*, to better support arts and culture in culturally vibrant city-building.

In 2022, Council directed staff to present options for a more streamlined Festivals and Events permitting process and convene an Advisory Task Force to help identify key challenges and opportunities with the current festivals and events permitting processes, through the motion *Making it Easier to Host Outdoor Festivals & Events in Vancouver*.

On July 25, 2023, Council approved the 2024 Arts and *Culture Grants Program Framework* to support ongoing and emerging needs in the local arts and culture sector. In this meeting, Council directed staff to “explore and report back on options for a Destination Festivals and Special Events Fund and Program”.

City Manager’s Comments

The City Manager concurs with the foregoing recommendations.

Background and Context

Since 1898, the City has invested in cultural vibrancy through grants and awards that foster a dynamic cultural life and have attracted people from diverse places across the world. The Cultural Grants program was initiated in 1978 with approximately 20 grantees, and today the City’s \$14.2 million in annual arts and culture grants and awards contribute to the growth and development of a portfolio of more than 300 cultural events and festivals that continue to elevate Vancouver’s destination profile.

In 2015, the City adopted the Sport Hosting Vancouver Action Plan which established the strategy to proactively identify and support a balanced portfolio of major sport events that delivers significant economic benefits and enhances Vancouver’s international reputation and vibrancy. In the nine years since the Action Plan’s adoption, the City has partnered with industry stakeholders Destination Vancouver and the Vancouver Hotel Destination Association to invest in the Sport Tourism Development Fund that supports a portfolio of destination sport events that optimize Vancouver’s destination profile, visitor spend and community engagement.

In 2023, the Tourism and Destination Development division was constituted within Arts, Culture and Community Services to support the growth of the tourism and events sector, including sport, cultural, and wider destination priorities.

Cultural Tourism Events Fund Partnership – research and partnership formation

Vancouver Hotel Destination Association and Destination Vancouver (officially called the Metro Vancouver Convention and Visitors Bureau and doing business under the name “Destination Vancouver”) are private sector tourism partners who have successfully created and partnered on destination development funds to support events attracting out-of-town visitors. These funds include the Convention Development Fund, and the Sport Tourism Development Fund - which the City of Vancouver partnered to establish and manage. The Sport Tourism Development Fund’s success led the partners to consider whether such models could be adapted to develop cultural events and festivals as a major driver of out-of-town visitations.

Cultural Tourism Events – partner research

In 2023, the partners conducted research focused on the period 2019 – 2023 included:

- Inventory review of existing cultural event and festivals according to season, scale, location, and type;
- Gaps identification in the season and scale that could focus strategic investment;
- Opportunities to grow existing events, incubate new local events, and/or attract events from other markets to fill seasonal and scale gaps to attract more out-of-town visitors.

One of the key findings from the research identified that strategic growth is dependent on proper alignment with the City’s objectives, particularly related to large-scale events.

Cultural Tourism Events Fund – partnership formation

In 2023, Vancouver Hotel Destination Association and Destination Vancouver joined with B.C. Pavilion Corporation (PAVCO) to form a Cultural Tourism Partnership. The partners developed a Strategic Framework to provide high-level direction as well as a structure to help coordinate activities across the Partners. The inaugural Cultural Tourism Events Fund included an initial collective cash contribution of \$1,175,000. PAVCO's role in the partnership was limited to a two-year seed funding commitment to support initiating the fund. The partners also provided a range of in-kind contributions.

Discussion

Cultural Tourism Events Fund – strategic framework

The fund's strategic framework included in Appendix A focuses on elevating Vancouver's profile as a destination for cultural events through strategic investments to grow, develop, and attract a portfolio of cultural destination events and festivals with a focus on events and festivals primarily in October-April, in or near downtown, and considered major or scalable that deliver significant economic, marketing, and social benefits. The framework includes three strategic areas 1) High-Impact Investment, 2) Product Development, and 3) Marketing Development.

Cultural Tourism Events Fund – assessment process

The assessment process to determine which events to prioritize and support was designed to respond to a rapidly shifting landscape of opportunities in a timely and procedurally clear way. Destination Vancouver operates as a designated partner to support the assessment process stages including proposal, assessment, funding determination, funding recommendation, and funding approval process.

Proposals can be submitted by any partner on a rolling basis that the designated partner assesses using an evaluation framework that includes criteria drawn from the strategic framework. Once a proposal assessment evaluation is complete, then the Assessment Circle comprised of representatives from the Cultural Tourism Event Fund partners, reviews and makes a funding determination. The designated partner, Destination Vancouver, uses the funding determination to make a formal funding recommendation to the executive committee to approve.

Cultural Tourism Events Fund – eligibility and assessment criteria

Eligibility criteria are drawn from the strategic framework, outlined further in Appendix A, the 2023 research findings, and wider destination event development best practices and includes the strategic elements of season, location, out-of-town visitors, scale/scalability, and profile/marketing benefits. Cultural events are defined broadly across a range of types including spectator events, exhibition events, as well as a range of focuses from performing arts to lifestyle events, outlined further in Appendix A.

Assessment criteria are also drawn from the strategic framework, as well as various broader requirements related to financial health, programmatic/production quality, and Vancouver brand alignment. Additionally, projects are assessed to determine wider contributions to cultural vibrancy, as well as broader economic and social benefits, such as engagement and benefit sharing with the x^wməθk^wəyəm (Musqueam), S^kwxwú7mesh (Squamish), and səliwətaʔ (Tsleil-

Waututh) Nations, a focus on equitable practices, and benefits to smaller organizations or outlying neighbourhoods.

Cultural Tourism Events Fund Partnership – City partnership opportunity

The expanded role of the Arts Culture and Tourism function within ACCS brought sector partners and City staff together into conversations and identified potential ways to advance Council priorities related to cultural vibrancy, as well as destination events.

These discussions resulted in an invitation from the partners to the City of Vancouver to join the partnership to better leverage collective investment and harmonize private and public strategic support for cultural events tourism. The invitation includes the ability to contribute to the fund, propose events, participating in funding determinations, and inform the fund's strategic direction.

Staff's assessment is that participation in the partnership's contributions and funding determinations is a strategic way to advance Council priorities related to cultural vibrancy and destination events, as well as align with existing City strategies related to culture and special events.

Joining the partnership would also provide the opportunity to align and leverage research and ongoing work by the Partners to hone a comprehensive strategic typology related to events, which could support ongoing City work related to a City of Vancouver major events policy.

Thus, staff recommend an initial contribution of \$150,000, as a grant, to the fund. As the fund supports projects and analyzes project reports to determine impact, the City could consider, with the approval of Council, funding for subsequent years based on demonstrated impact.

Financial Implications

This report recommends a \$150,000 grant to Destination Vancouver, subject to Council approval, and subject to negotiating and settling a Grant Agreement and any ancillary agreements. The source of funds for the grant will be from the 2024 Cultural Grant Operating Budget.

It is anticipated that the initial contribution of \$150,000 will be augmented by a minimum of \$1,725,000 in Vancouver Cultural Tourism Event Fund Partner cash contributions (administered by Destination Vancouver) for a total of \$1,875,000. The 2024 partner cash contributions include:

| Partner | 2023 Contribution | 2024 Contribution |
|---|--------------------------|--------------------------|
| Destination Vancouver | \$ 400,000 | \$ 500,000 |
| Vancouver Hotel Destination Association | \$ 750,000 | \$ 1,200,000 |
| B.C. Pavilion Corporation | \$ 25,000 | \$ 25,000 |
| <i>City of Vancouver (if approved)</i> | | \$ 150,000* |
| Total | \$ 1,175,000 | \$ 1,875,000 |

Legal Implications

Upon approval of this report by Council, the amount and duration of the City's grant and other specific terms, conditions, budgets, and reporting will be finalized in the Grant Agreement and any ancillary agreements to be negotiated and settled by the City with Destination Vancouver and the other parties to those other agreements.

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APPENDIX A

CULTURAL TOURISM EVENT FUND PARTNERSHIP STRATEGIC FRAMEWORK

The Fund's strategic framework includes a vision, mission, and three strategic areas with related goals and objectives.

Vision

Elevate Vancouver's profile as a globally renowned destination for cultural destination events.

Mission

Grow, develop, and attract a portfolio of cultural destination events and festivals with a focus on events and festivals primarily in October-April, in or near downtown, and considered major or scalable that deliver significant economic, marketing, and social benefits.

Strategic Areas, Goals, & Objectives

A1. High-Impact Investment

G1. Leverage resources to increase investment in cultural destination events and festivals

- a. Use a collective fund to channel resources towards growing and attracting major events.
- b. Leverage collective investment to help event producers attract additional grant and sponsorship investment.

A2. Product Development

G2. Balance cultural event calendar year-round; focus - gaps (October – April)

- a. Invest in approximately 8-12 events that enhance Vancouver's cultural destination portfolio.
- b. Support event producers to explore scheduling to better utilize venue and hotel capacity, compliment offerings, and prevent splitting audience bases.

G3. Expand dynamic, vibrant event offerings (scale, type, and locations); focus – major, downtown

- a. Expand existing local events to destination/ major scale, incubate new concepts, and attract events from outside markets.
- b. Support event producers to use a consistent set of robust tools to evaluate economic, marketing, and social impacts.

A3. Marketing Development

G4. Enhance producer cultural event marketing practices

- a. Enhance producers' capacity to use marketing tools more effectively to reach/expand visitor markets.
- b. Utilize fund partners' channels and tools to amplify producer efforts.

G5. Leverage partners' marketing channels to amplify cultural event and festivals

- a. Enhance regional, national and international marketing.
- b. Encourage cultural tourism package development.
- c. Utilize destination marketing strategies that capture celebrity and influencer engagement on socials to promote Vancouver.
- d. Highlight Vancouver’s cultural vibrancy in convention and sport event attraction and bidding.

| Eligible Events | Ineligible Events |
|---|---|
| <p>Types:</p> <ul style="list-style-type: none"> • Spectator Events • Exhibition Events • Tournaments & Competitions • Entertainment Events • E-Sports • Gaming • Community celebrations • Parades <p>Focus:</p> <ul style="list-style-type: none"> • Performing Arts – music, theatre, dance, comedy • Visual Arts – fine art, craft • Literary Arts – published works, spoken word • Film/ Media/ Awards Ceremonies • Food & Drink • Multidisciplinary • Cultural Heritage • Neighbourhood • Design, Fashion & Lifestyle • Themed | <p>Sporting Events, including seasonal leagues</p> <ul style="list-style-type: none"> • Commercial, retail, religious, political or academic events such as: • Business events (Meetings, Conventions, Conferences etc.) • Consumer shows • Seminars and clinics • Rallies and pageants • Religious or political gatherings • Fundraising events • Farmers markets <p>Attractions, shows, tours, or recurring events held over an extended period:</p> <ul style="list-style-type: none"> • Scheduled art exhibitions or other regular programming • Touring music performances • Fully virtual events |

| Assessment Criteria |
|---|
| <ul style="list-style-type: none"> • Season • Location • Out-of-town visitors • Audience growth history/ potential • Vancouver profile enhancement • Event production/ programming quality • Marketing plan & promotion timing • Financial health & revenue diversity • Cultural vibrancy contributions • Vancouver brand alignment • Social practices & benefits – local Nations’ engagement/ benefit, equity, accessibility, ecosystem approach • Sustainability practices & benefits |

Roles

The structure includes three roles:

1. **Executive Committee** – comprised of executive leadership from the founding, primary contributing partners, including Destination Vancouver and the Vancouver Hotel Destination Association.
2. **Assessment Circle** – comprised of directors from all contributing partners that review evaluation assessments and joint funding determinations.
3. **Designated Partner (Director, Destination Events)** - supports the process, conducts evaluation assessments, convenes assessment circle, and makes formal recommendations to executive committee.

Process

The proposal, assessment, and funding determination, recommendation, and approval process includes:

- **Proposal** (all partners) on a rolling basis, each partner can propose events to be evaluated for potential funding.
- **Assessment Review** (designated partner, Destination Vancouver) – use evaluation framework to conduct an evaluation assessment using the criteria related to season, location, visitors, audience growth, profile/ marketing benefits, economic benefits, & social benefits.
- **Funding Determination** (discussed with all partners, facilitated by Destination Vancouver) – designated partner convenes Assessment Circle to review assessment evaluation and consider support a. yes/ no, and b. funding amount.
- **Funding Recommendations** (designated partner) drafts and shares formal funding recommendation, including funding amount and rationale, to executive committee.
- **Funding Approval** (executive committee) executive committee reviews and approves.