



Report to: Development Services

Meeting Date: September 12, 2022

SUBJECT:	Celebrate Markham Major Community Festivals Additional Funding Request
PREPARED BY:	Chris Rickett, Director Economic Growth, Culture and Entrepreneurship

RECOMMENDATION:

1. THAT the report titled “Celebrate Markham Major Community Festivals Funding Additional Funding Request” be received; and,
2. THAT the unallocated Celebrate Markham Community Grant Program funding of \$134,275 be carried forward to the 2023-34 Celebrate Markham funding stream; and,
3. That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to provide an update on Markham’s Major Community Festivals and their recent request for additional funding assistance from the City’s Celebrate Markham Grant Program.

The return of community events and festivals have been welcomed in Markham. However, organizers have identified a number of challenges that have been driven by the pandemic, specifically increasing costs for the delivery of their events.

This report provides an overview of those challenges and recommends next steps to work with organizers to ensure their long-term viability and growth in Markham, including ways the City can support these events through the Celebrate Markham Grant Program, Destination Markham and other potential City services.

BACKGROUND:

On May 31, 2022, Council adopted a revised Celebrate Markham Grant Program for the 2022-23 funding stream. Through the Community Grant Program, Council approved 66 applicants totaling \$329,150 in funding for community events, including \$110,000 for Markham’s Major Community Festivals.

Overall the funding envelope for the 2022-23 program was \$463,425, as Council had authorized a carry-forward of the unused Community Grant funds of \$207,425 from the 2021-22 funding cycle, which was added to the budget of \$256,000 for the 2022-23 funding cycle.

After approving the 2022-23 applicants, there was \$134,275 in funding remaining unused. Council's direction was to return this amount as a surplus to the 2022 operating budget.

On June 28, 2022 Council received a deputation from Judi McIntyre representing the Markham Village Music Festival regarding funding for the Major Community Festivals requesting additional funding in the amount of \$30,000 to support four festivals (Unionville Olde Tyme Christmas; Markham Village Music Festival, Taste of Asia and TD Markham Jazz Festival). Council referred staff to review this request and provide options to Council.

OPTIONS/ DISCUSSION:

Markham's major community festivals were all impacted during the last two years as COVID-19 continued to create restrictions for organizers. All of the community festivals were canceled or switched to a smaller virtual format until restrictions were eased and allowed in person activities to resume safely.

As activities resumed in 2022, event organizers faced multiple areas of financial concerns. For 2022, the four Major Community Festivals requesting additional City support all expressed concerns with rising costs, which included but were not limited to:

- Police and Security Costs
 - There was an increase in the cost and number of police required for the festivals when compared to previous years.
 - Some festivals identified that in the past they were able to utilize private security, but were not permitted to do this in 2022.
- Road Closures
 - Road closures costs increased and, for some of the festivals, these were newly charged fees they had not paid in the past.
- Facility Rentals
 - Rental fees for facilities increased, including with City of Markham facilities.
- Production Costs
 - Production costs, including stages, sound equipment and lighting, all increased significantly in cost as there were fewer companies in business and available.
- Fencing
 - Fencing costs increased and more fencing was required to protect trees in some of the locations
- Hotels
 - There were increases in the costs of hotels for entertainers.

In reviewing the financials of the four requesting organizations, of the three festivals that have taken place, staff were shown these increases and they were substantial in comparison to their projections for 2022 and past budgets. In some cases, with costs increasing 100% or more.

The impact of these increases though in 2022 was offset thanks to federal funding through Central Counties Tourism and the Federal Development Agency for Southern Ontario, which distributed COVID relief funds for most of these events. Of the three festivals that have taken place so far in 2022, this funding has allowed them to avoid running deficits.

While 2022 has provided financial challenges in returning these festivals to Markham, the big challenge will be in 2023 as additional funding from the federal government may not be available. Without this funding, these community festivals will struggle to continue their delivery in the size and capacity that attendees have come to expect.

If these events were to be scaled back, or potentially cancelled, due to funding challenges, there would be economic impacts in Markham, as the city would attract less visitors who stay, shop and enjoy the communities these events are delivered in. To understand the impact of these events, below is a summary of their attendance in 2022.

- Markham Village Music Festival – this festival attracted 26,250 people to Markham Main Street, with 80% of the attendees from York Region, and the remaining attendees being drawn from Toronto, Durham and other part of Ontario.
- Taste of Asia – this festival attracted 54,242 people to Downtown Markham, with 52% coming from Toronto, 26% from York Region, and the remaining attendees being drawn from across Ontario.
- TD Markham Jazz Festival – this festival attracted 24,961 people to Main Street Unionville, with 71% of the attendees from York Region, 20% from Toronto, and the remainder from other parts of Ontario.

The Unionville Olde Tyme Christmas festival has yet to be delivered; however, the Unionville Festival in 2022 attracted 20,896 visitors with 75% being from York Region, while another 14% were drawn from Toronto and the remaining number attending from across the GTA and other parts of the province.

All of these festivals, and all of the events supported by the Celebrate Markham Grant Program, are important to the city's economic development, as they not only encourage local residents to engage and spend money in their community, but also attract visitors who spend money in Markham. From a city-building perspective, they are also critical to contributing to the quality of life that Markham residents enjoy, which is critical to attracting talent and investment to the city.

As these festivals begin their planning for 2023, staff are recommending that no additional funding from Celebrate Markham be provided in 2022 given that none of the festivals have experienced a deficit.

However, staff are recommending that the \$134,275 unexpended 2022-23 Celebrate Markham funds that Council had directed staff to redirect to the 2022 operating surplus, instead be carried-forward to the 2023-24 funding cycle so that it might be available with

Council's direction to support any potential financial challenges that may face Markham's Major Community Festivals in 2023.

FINANCIAL CONSIDERATIONS

There is a total of \$134,275 in unallocated Celebrate Markham funding from the 2022-23 funding stream that could be carried-forward to support the 2023-2024 Major Community Festivals to help support their rising costs if required.

HUMAN RESOURCES CONSIDERATIONS

Not applicable.

ALIGNMENT WITH STRATEGIC PRIORITIES:

This initiative aligns with the strategic focus for community engagement to promote meaningful involvement and participation of residents, businesses and organizations that result in improved citizen engagement.

BUSINESS UNITS CONSULTED AND AFFECTED:

Economic, Growth, Culture and Entrepreneurship
Financial Services
Operations
Recreation Services

RECOMMENDED BY:

Chris Rickett
Director,
Economic Growth, Culture
and Entrepreneurship

Arvin Prasad
Commissioner,
Development Services

ATTACHMENTS:

Not applicable.