

2002 MARCH 06

**TO:** CITY MANAGER

**FROM:** DIRECTOR PARKS, RECREATION AND CULTURAL SERVICES

**SUBJECT:** 2001 BURNABY BLUES FESTIVAL REPORT

**PURPOSE:** To provide clarification on the approved budget and actual expenditures and revenues for the 2002 Burnaby Blues Festival.

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**RECOMMENDATION**

1. THAT this report be received for information purposes.

**REPORT**

At its meeting of 2002 March 04, Council requested clarification on actual expenditures and revenues of the 2001 Burnaby Blues Festival in comparison to the approved budget for the event.

As a result of the Millennium year activities in 2000, the Executive Committee of Council brought forward a report (attached) with recommendations for the future of the Burnaby Blues Festival and the Lantern Festival.

Council unanimously approved a five year financial plan for the Burnaby Blues Festival which outlines a declining subsidy in each of the five years as the festival becomes established in the market. The subsidy projected for 2001 was \$95,900. In addition to securing revenue from admissions, fees, concessions and merchandise proceeds, the event was also required to seek corporate support.

Based on a highly successful event, the actual net loss of the 2001 Blues Festival was \$64,479, which was lower than the projected loss by \$31,421. The financial summary is as follows:

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	2001 Event Budget	2001 Actual	Variance
Expenditures	\$ 194,000	\$ 193,285	- \$ 715
Revenues	\$ 98,100	\$ 128,806	+\$ 30,706
Net	(\$ 95,900)	(\$ 64,479)	- \$ 31,421

This illustrates a positive financial performance for the 2001 Burnaby Blues Festival as the return on investment was improved by \$31,421 last year. The 2002 projected deficit is estimated at \$69,418.



KATE FRIARS  
 Director Parks, Recreation &  
 Cultural Services

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Attach.

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~~REPORT~~  
2000 DECEMBER 11

CITY OF BURNABY  
EXECUTIVE COMMITTEE OF COUNCIL

HIS WORSHIP, THE MAYOR  
AND COUNCILLORS

RE: BURNABY BLUES FESTIVAL/LANTERN FESTIVAL-FUTURE

RECOMMENDATIONS:

1. THAT Council provide funding in 2001 for the Burnaby Blues Festival for \$95,900.
2. THAT Council provide funding in 2001 for the Night of 2001 Lights for \$24,000.
3. THAT Burnaby Parks, Recreation and Culture Commission receive a copy of this report.
4. THAT the City seek corporate sponsors for the 2001 Burnaby Blues Festival and the 2001 Night of 2001 Lights.

REPORT

The Executive Committee of Council, at its meeting held on 2000 December 04, received the attached report summarizing this year's Burnaby Blues Festival and Night of 2000 Lights and proposing a future course of action for the events.

The Committee advised that the Burnaby Blues Festival provides a title attraction to promote Burnaby and tourism as well as generate spin off benefits to local businesses cultural programs and services in the area. With regard to the Night of Lights, the Committee advised that this event is an excellent community development celebration that brings the whole City together for an exciting activity outdoors on a summer evening. Accordingly, the Committee supported holding both events again next year. In addition, the Committee requested that the City seek corporate sponsors for these events.

Respectfully submitted,

Councillor N. Volkow,  
Chair

Councillor D.R. Corrigan,  
Member

Councillor C. Redman  
Member

: COPY - CITY MANAGER  
- DEP. CITY MGR.- CORP. SERV.  
- DEP. MGR.-CORP. LAB. REL.  
- DIRECTOR FINANCE  
- DIR. PARKS, REC. & CULT. SERV.

CITY OF BURNABY  
INTER-OFFICE COMMUNICATION

2000 November 15

TO: Chair and Members  
Executive Committee of Council

FROM: Deputy City Manager-Corporate Services

SUBJECT: BURNABY BLUES FESTIVAL/LANTERN FESTIVAL - FUTURE

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BURNABY BLUES FESTIVAL:

Background:

As part of the Year 2000 Burnaby celebrations, the annual Discovery Days Festival included the first Burnaby Blues Festival at Deer Lake Park on Sunday, 2000 July 23. The premiere event was produced in association with Coastal Jazz and Blues Society and featured an excellent array of Blues artists.

Canadian artists were Jim Byrnes and Michael Pickett; and American Blues artists included Deborah Coleman, Frankie Lee, Billy Branch and headliner Robert Cray. The eight hour program featured six quality acts and the ticketed event attracted over 1,700 people. To encourage family attendance, children under 12 were not charged admission, and the occasion also included the Sister City delegations as guests. The outdoor venue at Deer Lake Park, the excellent weather and the quality production contributed to making this year's festival a high quality first-time venture.

In planning the Blues Festival, it was determined that there is room in the local and regional market for a quality outdoor event of this nature. The central location of Deer Lake Park and the existing amenities for outdoor events, including the concert bowl and the Shadbolt Centre for the Arts are ideal for an annual major music festival. The Blues attract an older mixed audience and the musical form is compatible with the environment and event history at the site.

The First Burnaby Blues Festival:

This year the Blues Festival met its expenditure target, but due to ticket sales that were lower than projected, a revenue shortfall of \$99,892 occurred on an event gross budget of \$167,950. An assessment of the cause of the deficit was conducted. It was noted that the advertising and publicity scope and coverage was good considering the amount spent in this area. There was the advantage of the assistance of Coastal Jazz and Blues Society in exploiting the media network with which they are familiar for the annual Jazz Festival.

Also, there was the benefit of the inclusion of this event in the overall promotional package for Year 2000 Burnaby celebrations. It was a new event, the day before was cool and rainy, and it occurred relatively close the Jazz Festival and Folk Festival in Vancouver. Sponsorship revenue was well below target this year, yet there are good prospects into the future for a major festival of this nature, should it become an annual event.

It is proposed that the Burnaby Blues Festival be supported as a feature annual festival for the City as a millennium year legacy, to take advantage of the location, the site, the market opportunity and the investment made this year.

Initial Concept for Future Burnaby Blues Festivals:

An initial concept called for the expansion of the event from a one-day to a two-day festival featuring workshops and smaller stages as well as the main-stage acts. It was proposed that the two-day event would be regarded as a major festival and provide a much broader range of activities that festival audiences expect, and that it could justify increasing the production costs and ticket prices accordingly. A budget for this expanded format was projected over five years with both increased expenditures and revenues over the period. This accelerated rate of growth, however, would result in a significant increased projected revenue shortfall for two consecutive years, and a break-even position would likely not occur before year five.

Preferred Concept for Future Burnaby Blues Festivals:

It is therefore recommended that the festival be repeated and remain as a one day event for 2001, 2002 and 2003. For 2004 and beyond, it is proposed that the festival grow to include smaller venue performances and workshops held in the Shadbolt Centre for the Arts. This would provide time for the festival to become better known and more firmly established, and to allow sponsors to provide support in increasing amounts as the efficacy of the festival is demonstrated. To achieve the revenue targets and to continue to provide a quality production, it is proposed that the allocation for marketing be doubled for the next three year period and increased slightly thereafter. It is also proposed that consideration be given to moving the event to a different weekend to establish some distance with potential competitors. In 2001 new electrical services will be added to the concert site helping reduce some production costs. Ancillary revenue from food and beverage sales and merchandise are projected directly related to attendance.

A summary of the five year projected budgets is below:

	2001	2002	2003	2004	2005
Expenses	\$194,000	\$204,300	\$213,200	\$247,300	\$257,000
Revenue	98,100	134,900	171,200	205,600	234,000
Net*	(95,900)	(69,400)	(42,000)	(41,700)	(23,000)
* City of Burnaby contribution.					

Early bird ticket prices would be established to offer an incentive to those who purchase ticket early and thereby help the production team project attendance. An aggressive search for sponsors will commence immediately upon a decision on the future of the festival.

#### Summary:

Burnaby is well situated in the region to offer major events and attractions for the enjoyment of residents and visitors. The Burnaby Blues Festival provides a title attraction to promote Burnaby's image, to be another tourism attraction, to generate spin-off benefits to local businesses and to the cultural programs and services in the area, and to create a major annual event to attract larger corporate sponsors.

The Burnaby Blues Festival makes a fitting millennium legacy using the improved Deer Lake Park facilities in a fashion fully compatible with the Deer Lake Park Management Plan.

This event involves partnerships, it generates significant revenue within a business plan that sequentially improves the bottom line, and it offers a form of music of interest to a variety of age groups.

It is therefore recommended that the Burnaby Blues Festival be continued annually and that new financial support be provided in 2001 in the form of deficit protection, not to exceed \$95,900. It is further recommended that this proposal be approved in 2000 December to allow adequate time for planning the festival for the summer of 2001.

#### Night of 2000 Lights:

##### Background:

The millennium celebration included another premier event that caught the imagination of the entire community. In collaboration with Public Dreams Society, the City hosted a lantern festival similar to those held annual at Vancouver's Trout Lake, where citizens created tissue paper lanterns in recreation centres, community halls and malls throughout Burnaby.

Over 1,100 lanterns were made in these facilitated workshops with young and old, children and youth and whole families taking part. On the evening of July 22 after Discovery Day, over 1,500 convened at Deer Lake Park for a fascinating spectacle involving a procession led by community orchestras, installation of light and fire and performances by fire dancers, stilt walkers and musicians.

This magical event was about community development and involvement and it brought the whole community together in a unique way.

The First Night of 2000 Lights:

Through the partnerships with Public Dreams Society, Metrotown Centre, Lougheed Mall, Capital Hill Hall and the Scotia Bank financial contribution of \$1,500, the first lantern festival in Burnaby was a popular success. The Year 2000 Burnaby City contribution to the event was \$40,800 in 2000. Sponsor revenue was well below projection unfortunately, but as a first-time event, the public response was most impressive and there is a sense that sponsor support will increase if the event is repeated because of its community appeal.

The Night of 2001 Lights:

It is proposed that the Night of 2001 Lights occur next year following the same format with broad community participation. Into the future this event has the potential to become more self-sustaining as local expertise and interest grows. Lantern festivals now exist in most of the larger Western Canadian Cities and all were started in a similar fashion to Burnaby's. The appeal of Deer Lake Park as the preferred location is in its topography, its proximity to the support of the Shadbolt Centre and its central location in Burnaby. Other sites such as Central Park and Civic Square have been investigated as well, and it is recommended that this be a stand-alone event in the future and be held at a different time in the summer.

The event is now put forward as an annual festival and a three year production budget is summarized below:

	2001	2002	2003
Expenses	\$39,000	\$39,000	\$39,000
Revenue	15,000	17,000	19,000
Net*	(24,000)	(22,000)	(20,000)
* City of Burnaby contribution.			

Summary:

The Lantern Festival is an excellent community development celebration that brings the whole city together for an exciting activity outdoors on a summer evening. The creation of lanterns can be done by all ages and in any location, with the lanterns useable for many years. The City of Burnaby, through offering continued support for this event, will show leadership in stimulating community volunteers to take part in community celebrations that start at the neighborhood level.

It is therefore recommended that the Night of 2001 Lights occur next year with new support being provided from the City of Burnaby in the form of deficit protection not to exceed \$24,000.

Conclusion:

The Burnaby Blues Festival and the Night of 2001 Lights are recommended to be continued into the future and for new support from Council for next year as millennium legacy events.

RECOMMENDATIONS:

1. THAT Council provide funding in 2001 for the Burnaby Blues Festival for \$95,900.
2. THAT Council provide funding in 2001 for the Night of 2001 Lights for \$24,000.
3. THAT Burnaby Parks, Recreation and Culture Commission receive a copy of this report.



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cc: Director Parks, Recreation and Cultural Services