

Region of Waterloo

Planning, Development, and Legislative Services

Cultural Services

To: Community and Health Services Committee

Meeting Date: August 15, 2023

Report Title: Cultural Drivers of Tourism Grant Funding Recommendations

1. Recommendation

That the Regional Municipality of Waterloo approve the 2023 funding allocations of \$163,550 under the Cultural Drivers of Tourism Pilot Grant Program, as outlined in report PDL-CUL-23-13 dated August 15, 2023.

2. Purpose / Issue:

To approve the awarding of the 2023 Cultural Drivers of Tourism Pilot Grant Program funds, in alignment with the Region's discretionary grant policy and processes, as outlined in report COR-ADM-23-002, dated March 7, 2023.

3. Strategic Plan:

This Cultural Drivers of Tourism Grant supports Thriving Economy and the specific actions 1.3 Support the arts, culture and heritage sectors to enrich the lives of residents and attract visitors to Waterloo Region.

1.3.2 Develop a robust, transparent and equitable grant funding strategy to support the arts and culture sector.

4. Report Highlights:

- On May 9, 2023, Regional Council approved the new Cultural Drivers of Tourism Pilot Grant Program guidelines (PDL-CUL-23-008). The program provides one-time funding to eligible organizations in recognition of their role in attracting and extending tourist stays to the region.
- The fund is designed to support new, diverse applicants from across the region, as well as cultural organizations that previously received annual funding outside of formal programs.
- The application process opened Monday May 29, 2023 and closed Friday June 30, 2023. The Region received 23 grant applications from across the region, representing nearly 68,000 tourist visits. Of the 23 applications, 20 met the

eligibility criteria.

- Total recommended funding is \$163,550, consistent with the approved budget. The recommended grant amounts are calculated as outlined in the approved program guidelines.
- This pilot grant program is funded through the Municipal Accommodation Tax (MAT) Reserve in the 2023 budget, in accordance with the Municipal Accommodation Tax Investment Policy (PDL-CUL-23-003, dated April 4, 2023).

5. Background:

Council established the Cultural Drivers of Tourism Pilot Grant Program (PDL-CUL-23-008, dated May 9, 2023). The grant program encourages organizations to collect data that aids in better engagement with the tourism sector. Understanding audience demographics and event reach can assist with more effective tourism marketing strategies.

The budget for this program is set by Council during the annual Plan and Budget process on February 22, 2023. The Region's 2023 discretionary grant funding budget (COR-ADM-23-002, March 7, 2023) includes \$163,550 to support Cultural Drivers of Tourism grant program.

This pilot grant program is funded through the Municipal Accommodation Tax (MAT) Reserve in the 2023 budget, in accordance with the Municipal Accommodation Tax investment policy (PDL-CUL-23-003 dated April 4, 2023).

Funding Recommendations

The recommended grant amounts are calculated as outlined in the approved program guidelines: each eligible organization's total annual tourists is divided by the sum of total annual tourists for all eligible applicants. That number is then multiplied by this funding opportunity's budget (\$163,550) to determine each applicant's eligible funding. Grant allocations are capped at a maximum of 3 per cent of an organization's annual operating budget.

For organizations that have previously received ongoing operating funding from the Region: In the first year of the program, as per the grant guidelines, these organizations (i.e. KW Oktoberfest and the Cambridge Scottish Festival) will receive their most recent grant amount. The funding will be gradually adjusted over the next two years, to ensure stability as the program is implemented.

The following summarizes the 2023 grant recommendations:

Grant Applicant	Municipality	2023 recommended funding amount
Ayr Community Theatre	North Dumfries	550
Belmont Village Bestival	Waterloo	1,260
CAFKA	Kitchener	670
Cambridge Community Players	Cambridge	2,060
Cambridge Scottish Festival	Cambridge	10,000
Canadian Clay and Glass Gallery	Waterloo	14,110
Green Light Arts	Kitchener	560
Homer Watson House & Gallery	Kitchener	2,750
IRL Festival	Kitchener	300
Kitchener Bluesfest	Kitchener	34,500
Kitchener-Waterloo Art Gallery	Kitchener	2,400
KW Famous	Kitchener	7,320
KW Oktoberfest	Kitchener	65,000
Open Ears	Kitchener	4,090
Registry Theatre	Kitchener	500
Sun Life Waterloo Busker Carnival	Waterloo	2,590
The Community Players of New Hamburg	Wilmot	330
The New Quarterly	Waterloo	240
The Waterloo Royal Medieval Faire	Waterloo	1,000
Three Sisters Cultural Centre	Woolwich	13,320
Total		163,550

Notes on Eligibility

Public Art Galleries: Art galleries (Kitchener-Waterloo Art Gallery, Canadian Clay and Glass Gallery and Homer Watson House & Gallery) are eligible to receive funding through this program, as it is not an operating grant. A decision of Council outlined in report FIN-00-030, dated June 22, 2000, states that art galleries are an area-municipal responsibility and the Region does not provide them with operating funding.

Organizations receiving operating funding: Organizations who receive operating funding from the Region of Waterloo are not eligible to receive funding through this program. Staff have reached out to these ineligible organizations. Two applicants (Neruda Arts and Interarts Matrix) are ineligible to receive funding under this criterion.

Eligible Activities: Organizations must provide arts culture and/or heritage programming as defined in the approved grant guidelines. One applicant (Dog Friendly Collective (Dog Friendly KW)) is ineligible to receive funding under this criterion.

6. Communication and Engagement with Area Municipalities and the Public

Area Municipalities: area municipal staff were informed of the funding opportunity to share with their networks.

Public: The grants were publicized on the Region's website, on social media channels, and potentially eligible grant applicants were contacted directly via email. Explore Waterloo Region shared the funding opportunity with their members.

7. Financial Implications:

The approved 2023 Discretionary Grant Funding Envelopes under Cultural Events and Festivals includes an allocation of \$163,550 for grant funding. At December 31, 2022, the MAT reserve had a balance of \$505,000. Staff are recommending allocating \$163,550 to eligible applicants.

8. Conclusion / Next Steps:

Council's approval of the recommended expenditure for the Cultural Drivers of Tourism Grant Funding would initiate the process of distributing these one-time funds.

Going forward, staff recommend defining the funding opportunity as an incentive program, as it meets the definition outlined in the Council approved corporate Grant Administration Policy for the Region of Waterloo to guide discretionary funding across the organization (PDL-CUL-22-04, dated August 9, 2022).

Staff will continue to work with eligible organizations on funding opportunities for 2024.

9. Attachments:

Appendix A: Cultural Drivers of Tourism Pilot Grant Program - 2023 Recommended Formula Funding Allocation

Prepared By: Janine Toms, Public Art and Culture Specialist

Reviewed By: Helen Chimirri-Russell, Director, Cultural Services

Approved By: Rod Regier, Commissioner, Planning, Development and Legislative Services