



CITY OF
ST. CATHARINES

Corporate Report

Report from Economic Development and Customer Service, Economic Development and Tourism

Date of Report: November 19, 2012 **Date of Meeting:** January 7, 2013

Report Number: EDTS-664-2012 **File:** 35.60.20

Subject: Niagara Wine Festival Fee-for-Service

Recommendation

That the City of St. Catharines enter into an agreement with the Niagara Grape and Wine Festival for the provision of services associated with the annual Festival at a rate of \$50,000 per annum plus the in-kind contributions as indicated in the agreement to the maximum amount shown therein with the understanding that the Grape and Wine Festival is responsible for costs over and above for a period covering the 2013, 2014 and 2015 Festivals; and

That Economic Development and Tourism Services be authorized to disburse \$50,000 to the Niagara Grape and Wine Festival for the 2013 festival after the said agreement has been executed; and

Further, that the City Solicitor be directed to prepare the necessary documents and by-laws. FORTHWITH

Summary

Since 1998, the department of Economic Development and Tourism Services (EDTS) has negotiated and implemented a series of fee-for-service agreements related to the Niagara Grape and Wine Festival (NGWF). The previous agreement for 2010, 2011, and 2012 expires December 31, 2012.

In general terms, these agreements have sought to increase the overall economic impact of the NGWF by requiring festival organizers to pursue specific organizational, marketing and event goals in order to receive funding from the City of St. Catharines. Each year, EDTS has provided \$50,000 to support the NGWF. This amount has been included in the 2013 budget prepared by the department.

Report

In addition to the annual \$50,000 contribution, the City also provides in-kind services recognizing the significant economic and overall marketing / media contributions that the NGWF provide during the three major events (Icewine

Festival, New Vintage and Grape and Wine Fall Festival). The Fall Festival typically has an associated cost that is charged back to the NGWF for use of Montebello Park and other Recreation and Community Services (RCS) services including:

In-kind services by department:

Recreation & Community Services

1. Montebello Park Rental	\$2,500
2. Park Repairs	\$2,300 (inclusive of labour and materials)
3. Showmobile Rental for Parade	\$1,500
4. Bleachers for Mayors Stomp	<u>\$1,000</u> (as required)
Subtotal	\$7,300

Approximate Total \$7,300*

* to be adjusted by RCS for 2013 figures

It is being recommended that the charges associated with RCS be included in the NGWF agreement. It should be noted that the values provided are the maximum amount of in-kind contributions. Amounts over and above these values listed are the responsibility of the Grape and Wine Festival.

With respect to each programmed event, the NGWF will prepare an annual report to the City of St. Catharines detailing the following obligations as noted below:

1. To ensure minimum quality standards, the Niagara Grape and Wine Festival will ensure that the Parade component receives a minimum of \$25,000 funding support.
2. Overall image and promotion in all Marketing collateral (Niagara Grape and Wine Festival brochures, signage, website communications and links, media packages, press releases, etc.) developed a minimum of four months prior to programmed events.
3. In the program, the Niagara Grape and Wine Festival promotes events held in the city and specifically list events held at the City of St. Catharines.
4. The Niagara Grape and Wine Festival shall forward tourist requests for St. Catharines / Niagara Region accommodations / site seeing information directly to Tourism Services. The Niagara Grape and Wine Festival shall endeavor to respond to all requests about Festival programming and events.
5. The Niagara Grape & Wine Festival shall work closely with tour operators, attractions and other tourism businesses in St. Catharines to promote all events under the Grape & Wine Festival umbrella. This would include potential trade show participation in cooperation with Tourism Services and industry partners.
6. The Niagara Grape and Wine Festival shall extend invitations to city staff to speak at press conferences throughout the year.
7. The Niagara Grape and Wine Festival will continue to promote all three Festivals and specifically encourage visitor stays and patronage with local accommodation and tourism partners.

8. In all media opportunities, the Niagara Grape and Wine Festival will mention the City and Region and detail activities taking place within the City of St. Catharines.
9. The Niagara Grape and Wine Festival shall advertise and promote its events throughout the City, the Niagara region, and in relevant markets to promote its events. Wherever possible, opportunities for coordinated and cooperative advertising and marketing with Tourism Services and industry partners will be pursued.
10. The Niagara Grape and Wine Festival will be required to annually prepare and submit to EDTS a review of its marketing initiatives for all relevant events under the Niagara Grape and Wine Festival brand.
11. The Niagara Grape and Wine Festival shall document the following visitor data collection components: visitor inquiries (postal code data), event patronage and registration (postal code data), and qualitative surveys.

In addition to these general requirements, EDTS' fee-for-service agreements require the NGWF to carry out a specific program or projects in each fiscal year. These initiatives are identified jointly by City staff and NGWF staff in order to increase the overall economic or tourism impact of the NGWF. The existing fee-for-service agreement outlines the following specific obligations between 2013, 2014 and 2015.

2012 Festival:

All three Festivals in 2012 were themed around the Bicentennial Celebrations. From reenactments, live entertainment and parade participants, the Festival provided opportunities to capture the attention of the engaged heritage audience. The Festival worked closely with regional partners to leverage the attention that the celebrations brought to the region beginning in 2012 through to 2015.

The 2012 Grande Parade theme 'History Comes Alive' showcased a number of entries who reflected the 1812 theme in their submission including: Brock University, with a Sir Isaac Brock character, a dance Troop performing in Historic costume, as well as Aboriginal involvement with the White Pine Dancers and Arron Bell the Ojibiway Storyteller.

The 2012 Niagara Wine Festival Economic Impact Study took place during the Fall festival and is currently undergoing final approval by the Board of Directors and will be available in the New Year.

The festival has successfully leveraged numerous advertising opportunities with multiple stakeholders. In most cases, the cooperative nature of the ads has provided joint advertising investments between the City of St. Catharines Tourism, accommodation partners and Twenty Valley Tourism. In addition, the Tourism Partnership of Niagara (regional tourism organization) will undertake a winter festival marketing initiative inclusive of winter festivals taking place in St. Catharines and Twenty Valley.

The Niagara Grape and Wine Festivals' President has provided EDTS with written correspondence outlining the fee-for-service agreement accomplishments that met the obligations set out in the agreement. In addition, the NGWF has reported to Council on the past festivals and contractual obligations, while also outlining future festival plans.

2013-2015 Festival Agreement

The 2013 theme is 'Celebrating Our Local Heroes' with a focus on the stories of Local Bi-Centennial heroes Laura Secord and Sir Isaac Brock. In addition, the Grande Parade will include contemporary local heroes whether athletes, military or community leaders.

The Niagara Grape and Wine Festival (NGWF) and City will undertake an Economic Impact study based on programming for the renewed three year term. This study will provide an update to the impact figures and demonstrate any changes in the overall impact of the Niagara Grape and Wine Festival. Secondly, it will analyze the specific findings of the study and identify actions which may be implemented in order to increase the overall economic impact of the Niagara Grape and Wine Festival on St. Catharines and the surrounding area.

Furthermore, the NGWF, in partnership with the Niagara College Research and Innovation Department will undergo surveys to study the 2013 Niagara Icewine Festival. This information will be utilized when developing the 2014-2017 Strategic Marketing Plan set to take place in late 2013.

The Festival will closely monitor its strategic plan execution and ensure that joint marketing efforts, including cross-promotions, co-branding, cooperative image enhancement, and other cooperative marketing ventures are consistent with the goals and objectives of the Founding partners. Ideally, this process will result in extended visitation and the bundling of other tourism experiences with the three Festivals thus reinforcing the marketing business plan of the Tourism Partnership of Niagara and the Niagara Canada brand destination experience. The efforts will include the development of sustainable programming and activities that lend to the success of the City's Economic development in the tourism sector. Strategies for achieving these ends will be identified jointly by City and NGWF staff.

In 2014, a focus on the Bi-National partnership as a region themed as "Red, White and Blue 200 Years of Peace", will include stories and US bands and re-enactments.

The NGWF will seek the opportunity to work with the Spectator Facilities management group to produce a new event in the Festival's programming in 2014 or 2015 (conditional on facility opening dates). The intention is that this will become a regular component of ongoing Niagara Grape and Wine Festivals.

Financial Implications

Staff believes the NGWF continues to have significant economic and tourism impact, and that it also offers significant value to City residents. As a result, staff recommends the disbursement of \$50,000 to the NGWF.

Conclusion

In order to fulfill its obligations in 2013, the NGWF has expanded and better coordinated its marketing efforts with the City of St. Catharines and partners. The NGWF have staff working in committees in the areas of marketing, events and sponsorship. These committees include representation from Tourism Services and other tourism partners.

Staff believes that the NGWF will continue to have a significant economic and tourism impact and offers significant value to City residents. As a result, staff recommends the disbursement of \$50,000 to the NGWF upon the agreement being executed.

Notification

It is in order to advise Ms. Kimberly Hundertmark, Executive Director, Niagara Grape and Wine Festival, 8 Church Street, Suite 100, St. Catharines, Ontario, L2R 3B3

Prepared and Submitted by:

Sabrina Maselli

Approved by:

David Oakes