

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING OF DECEMBER 11, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	REQUEST FOR FUNDING – 2019 JUNO AWARDS

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, \$150,000 **BE ALLOCATED** from the Tourism Infrastructure Reserve Fund to partially fund the construction of temporary outdoor programming space surrounding Budweiser Gardens as outlined in the 2019 JUNO Host Committee's request.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Strategic Priorities & Policy Committee, September 18, 2017, Agenda Item #4, 2019 Juno Week Bid
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=33807>

Strategic Priorities & Policy Committee, June 25, 2018, Agenda Item #2.2, Municipal Accommodation Tax – Required Agreements and By-laws
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=46809>

LINK TO THE STRATEGIC PLAN

The 2019 JUNO Awards advances the following areas of focus and objectives of Council's Strategic Plan:

- Growing Our Economy
 - 4. Strategic, collaborative partnerships
 - A) Work better together for economic growth: Western Fair District, London Economic Development Corporation, London Hydro, London International Airport, Tourism London, London Convention Centre, Covent Garden Market, London Chamber of Commerce.

BACKGROUND

The JUNO Awards and JUNO Week events represent the largest cultural event in Canada and has evolved from an industry awards event to a weeklong festival that travels across the country. It encompasses both public-facing fan events and industry/networking opportunities featuring a diverse array of Canadian artists and emerging talent.

London will be hosting the 2019 JUNO Awards and as part of the successful bid process, Municipal Council approved a contribution of \$500,000 towards the \$1.7 million bid fee.

In recognition of the tourism significance of the event and the critical role the Host Committee plays in facilitating and coordinating city services, venue procurement and volunteers, Tourism London has also committed a \$150,000 operating grant to the JUNO Host Committee's budget. This grant may be used to leverage additional financial contributions to support the organization of local events and activities leading up to and including the awards night.

2019 JUNO Host Committee Funding Request

Attached as Appendix A is a request from the 2019 JUNO Host Committee requesting \$150,000 from the City's Tourism Infrastructure Reserve Fund to construct temporary outdoor infrastructure surrounding Budweiser Gardens, which will include a red carpet viewing area, fan zone, and media staging area. The cost of the outdoor infrastructure is expected to exceed \$400,000. The JUNOS represent a tremendous opportunity to showcase London to the country. Providing interactive opportunities for residents and visitors to participate in the festivities plays a significant role in ensuring the overall success of the event. Civic Administration is therefore recommending that Council support this request, noting that this request can be supported without any impact on the tax supported budget.

Tourism Infrastructure Reserve Fund

The Tourism Infrastructure Reserve Fund (TIRF) was established in June 2018 for the purpose of funding initiatives/projects that support tourism, including but not limited to the following:

- a. Fund tourism related infrastructure projects;
- b. Finance new projects and improve venue capacity and sustainability in order to strengthen London's ability to attract major tourism related events; and
- c. Leverage private sector and government capital investment to support initiatives that encourage tourism infrastructure development.

The source of revenue for the TIRF is the new Council-approved 4% Municipal Accommodation Tax (MAT) which is levied on transient accommodations in the City of London. Net revenue generated from the MAT is to be allocated equally to Tourism London and the City of London. The Ontario Restaurant Hotel & Motel Association (ORHMA) has been contracted to act as the agent for collection of MAT funds on behalf of the City of London.

The MAT was implemented in the City of London as of October 1, 2018. Based on the criteria for the application of MAT, thirty-nine (39) properties (hotels and motels) have been identified to collect and remit the MAT. In the first month of implementation, the MAT generated approximately \$322,000 in gross revenue. After implementation costs and collection fees, the City's share (50%) is approximately \$150,000. Using conservative projections for hotel / motel stays in November and December, it is estimated that the year-end balance of the Tourism Infrastructure Reserve Fund will be in the range of \$340,000 - \$375,000 which will be sufficient to fund the current request from the 2019 JUNO Host Committee.

CONCLUSION

The 2019 JUNO Host Committee is requesting a \$150,000 contribution from the City of London to increase temporary venue capacity for the 2019 JUNO Awards and JUNO Week events. It is recommended that the City's contribution be funded through a drawdown from the Tourism Infrastructure Reserve Fund.

PREPARED BY:	REVIEWED AND CONCURRED BY:
JOHN MILLSON, CPA, CGA SENIOR FINANCIAL BUSINESS ADMINISTRATOR	KYLE MURRAY, CPA, CA DIRECTOR, FINANCIAL PLANNING AND BUSINESS SUPPORT
RECOMMENDED BY:	
ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

- c: A. Dunbar
J. Winston

APPENDIX A

Dear Chair and Members of the Corporate Services Committee,

Re: Tourism Development Infrastructure Reserve Fund for Public Infrastructure During JUNO Week

As the 2019 JUNO Host Committee prepares to welcome the largest cultural event in Canada, The JUNO Awards, our team is working on numerous initiatives aimed at elevating London's footprint nationally.

The JUNO Awards are an engine of economic yield, consistently delivering an economic impact of over \$12-million; \$3.4-million of that is direct tourism spending attributed to the event.

The 2019 JUNO Host Committee is writing to request access to the already existing Tourism Development Infrastructure Reserve Fund. We are seeking \$150,000 to construct outdoor infrastructure surrounding Budweiser Gardens, which will include a red carpet viewing area, fan zone and media staging area.

The temporary structures will be in place from Thursday, March 14, 2019 - Monday, March 18, 2019 and house evening cultural programming. This will increase accessibility to art, music and culture for thousands in our community. Fans will be able to watch the red carpet program and broadcast outside the venue. This is something that has never been done before. The extra programming also substantially increasing overnight accommodation and spending in the days leading up to the Sunday award show.

The Canadian Academy of Recording Arts and Sciences (CARAS) will oversee all programming elements in collaboration with the host committee, along with other industry and brand partners. In its entirety, the cost for outdoor infrastructure is expected to exceed \$400,000.

The Tourism Development Infrastructure Reserve Fund is anticipated to net \$4-million annually, 50% of which is retained by the City of London in a reserve fund known as the TDIF. The TDIF exists finance tourism related projects.

A [report](#) dated January 29, 2019 states "dedicated financial support raised through tourism will be available to fund new and improved tourism infrastructure that will generate additional economic impact for London."

As a committee working on programming the largest cultural event in the country, we feel our current plans align with the above.

We respectfully request that City Council direct City of London staff to allocate \$150,000 from the already existing Tourism Development Infrastructure Reserve Fund earmarked for culturally significant event infrastructure, to the 2019 JUNO Host Committee to create outdoor infrastructure to enhance JUNOWeek festivities in London.

Sincerely,

Chris Campbell
Chair
2019 JUNO Host Committee

Marcy Redmond
Co-Chair
2019 JUNO Host Committee