

# Report to Council



**Date:** April 3, 2023  
**To:** Council  
**From:** City Manager  
**Subject:** Festivals Kelowna – Service Agreement  
**Department:** Sport & Event Services

---

**Recommendation:**

THAT Council approve the City entering into a three (3) year agreement with the Festivals and Special Events Development Society of Kelowna (Festivals Kelowna) as per the general terms and conditions of the agreement attached as schedule A to the report from the Active Living & Culture Division, dated April 3, 2023

AND THAT the Sport & Event Services Manager, or a designate thereof, be authorized to execute all necessary documents pertaining to the Service Agreement with Festivals Kelowna.

**Purpose:**

To seek Council approval for a three (3) year service agreement with Festivals Kelowna to produce and manage a dynamic schedule of community-focused, accessible and diverse events that animate and energize public spaces throughout Kelowna.

**Background:**

Festivals Kelowna is a non-profit society, incorporated in 2007, that produces arts-based, community focused, outdoor events and programs in parks and public spaces throughout Kelowna. The City entered into a Service Agreement with Festivals Kelowna to produce and manage several civic events, and activities, with the term of the agreement expiring December 31, 2022. The City and Festivals Kelowna wish to renew their agreement.

**Discussion:**

Festivals Kelowna’s existing Service Agreement with the City has been in over-holding since its expiration on December 31, 2022. Since that time, Staff have been working with Festivals Kelowna representatives to ensure the new Service Agreement reflects both the City’s, and the non-profit organizations, best interests.

Key terms of the proposed agreement with Festivals Kelowna are summarized below:

- **Commencement date:** January 1, 2023
- **Term:** Three (3) years
- **Option to renew:** Two (2) additional one (1) year terms, at the sole discretion of the City and subject to mutual agreement
- **Annual Payment:** \$256,000/year, adjusted annually by the consumer price index annual average
- **Program and Services:** Festivals Kelowna will produce and manage the following free activities as outlined within the agreement, including but not limited to:
  - **Celebrate Canada Day:** an annual festival held at multiple locations along our lakefront and in the cultural district. This “birthday celebration” includes numerous activities, great food, local artisans, live performances and fireworks; and features Folkfest, the Kelowna City Band, and many other community organizations.
  - **Pianos in the Park:** As part of the international public pianos movement, each year 5-8 pianos are tuned, decorated, and placed in high-profile, accessible, public spaces throughout Kelowna to encourage residents and visitors alike to showcase their “inner Mozart”.
  - **Parks Alive:** an award-winning, multi-venue 9-week concert series that energizes Kelowna’s parks and public spaces each summer through live music & cultural performances.
  - **Kelowna Buskers Program:** a year-round initiative that welcomes and encourages professional and amateur, local and touring, buskers to perform their street-style art form at designated “Busk Stops” or planned events.
  - **Arts on the Avenue:** a one-day outdoor event celebrating and promoting the visual arts community in its many forms and offering a range of activities, including: live performances, hands-on art projects and a unique retail marketplace.
  - **New York New Year’s Eve:** an annual family-friendly celebration to ring in Kelowna’s new year, featuring live entertainment, fun games & activities, and fireworks – this year-end celebration is one of the only all-ages events in Kelowna on New Year’s Eve.

In addition to the terms and program deliverables above, the new agreement reflects a number of measures to ensure the City maintains best-practice standards in its contractual relationships, as managed by the City’s Partnership Office. This includes:

- annual financial reporting (independently reviewed financial statements, operating budgets, etc.)
- annual governance and organizational reporting requirements (society directors, organizational chart, community objectives, good-standing certificate, etc.); and,
- reporting and evaluation of annual programs (attendance, feedback, community impact, etc.)

**Conclusion:**

Working together with the City of Kelowna, Festivals Kelowna produces and manages a fulsome schedule of community-focused and accessible events that foster vibrant and animated public spaces throughout the year in Kelowna. The proposed service agreement will renew the terms and deliverables between the City and Festivals Kelowna for the next three, or more, years, and support the continued provision of free cultural events, live entertainment and arts-based activities for the benefit of Kelowna residents.

**Internal Circulation:**

Active Living & Culture  
Communications  
Finance

**Considerations applicable to this report:**

**Financial/Budgetary Considerations:** Administered through the City's Event Services budget, the City of Kelowna will pay to Festivals Kelowna, during the term of the agreement, an annual amount of \$256,000 as a service fee for the delivery of the programs. This annual amount will be adjusted annually starting January 1, 2024, by the BC CPI Annual average for the prior calendar year to a maximum 5% annually. In any calendar year, should the CPI be a negative, no adjustment will occur.

**Existing Policy:** The proposed agreement aligns with key objectives of the Event Strategy and other planning documents including the Kelowna Community Sport Plan, Cultural Plan, and Community for All Action Plan.

**Considerations not applicable to this report:**

*Legal/Statutory Authority:*

*Legal/Statutory Procedural Requirements:*

*Financial/Budgetary Considerations:*

*External Agency/Public Comments:*

*Communications Comments:*

**Submitted by:** Doug Nicholas, Sport & Event Services Manager, Active Living & Culture

**Approved for inclusion:** Jim Gabriel, Divisional Director, Active Living & Culture

Attachments: Appendix 1 – Festivals Kelowna Service Agreement (2023 – 2025)  
PowerPoint Presentation – Festivals Kelowna