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November 18, 2002

To: The Board of Governors of Exhibition Place

From: Dianne Young  
General Manager & CEO

Subject: 2003-2005 Blues Fest Festival

**Recommendation(s):**

**It is recommended that the Board approve the terms and conditions of a three-year license agreement with Blues Fest as set out in this report for the purpose of staging a first-class music festival at Exhibition Place in 2003, 2004 and 2005.**

**Background:**

At its meeting of January 1999, the Board established development objectives, which included attracting new activities to the grounds to bring new audiences and extend the seasonal use of the site; and, encourage and/or promote the use of the grounds for new festivals and events.

**Discussion:**

Blues Fest is a blues and gospel music festival that began operation in Ottawa in 1994. Opening to a modest crowd of 5,000 in Majors Hill Park, its audience has expanded to just over 95,000 in 2001. Now situated in Confederation Park, the venue operates five sound stages (some of them acoustic), a festival village, and various workshops and development opportunities for young musicians. Supported by Corporate sponsors and partners such as Cisco Systems, Rogers AT&T, Mitel Corporation, Amex Canada, Clearnet, Bell Mobility, and CIBC Wood Gundy and with entertainers such as Clarence Clemons, Buddy Guy, John Hiatt, Dr John and Ray Charles appearing over the years, BluesFest has grown to be Canada's biggest blues and gospel music festival.

Growing on their success and with the support of the Trillium Foundation, Blues Fest launched the "Blues in Schools" program in 1999. Since then this award-winning program, which brings Blues educators into the Ottawa schools for a two-week residency that focuses on using the history of blues music to promote racial tolerance, has extended to 24 schools and 5,000 children.

Staff was introduced to the promoter of Blues Fest by City Economic Development representatives earlier this year and has, since that time, been working with the promoter to

secure a three-year agreement to launch a BluesFest music festival at Exhibition Place beginning in 2003.

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While it is the intent of the promoter to develop this festival into a full ten-day event, it will in the first three years offer five days of entertainment. Using Bandshell Stage as their main stage, the festival will feature a smaller stage in Centennial Park and an acoustic stage in the park west of the rose gardens. Bandshell Park will feature many of the festival amenities such as food and beverage concessions, buskers, etc. Depending on sponsor response, the festival would extend into the Queen Elizabeth Theatre and Exhibit Hall in 2003 with the inclusion of these venues in 2004 and 2005. The promoter also hopes to extend the Trillium Foundation's sponsorship of the Blues in Schools Program to schools in the GTA in 2005.

Staff understands that there is interest from a number of high-profile corporate sponsors, which the promoter will confirm and announce as soon as the contract with the Board has been signed. While the corporate interest for a festival of this nature is high, the promoter has a great deal of pre-existing competition in the trade area with both the Downtown Jazz and Beaches Jazz Festival, the Harbourfront outdoor concert series, etc. Furthermore, as the Board is aware, the cost of staging an event of this magnitude is more expensive at Exhibition Place because of the various union jurisdictions, especially I.A.T.S.E.

Following several meetings and a number of discussions with the promoter, staff recommends the following terms and conditions for a three-year license agreement to stage Blues Fest 2003, 2004 and 2005 at Exhibition Place:

- Term: 3 years, expiring 2005 as follows:  
 2003 – July 23-27;  
 2004 – July 21-25 (and possibly to Aug 2);  
 2005 – July 20-25 (and possibly to August 1)
- Location: Bandshell Park, Centennial Park, Queen Elizabeth Theatre and Exhibit Hall
- Rent & Services:

Facility	Daily Posted Rates - 2003	Festival Rates -2003	Festival Rates - 2004	Festival Rates - 2005
QE EXHIBIT HALL	\$0.09 or \$5,347.00	\$.03 or \$1,782.00	\$.06/psf or \$3,565.00	\$.09/psf or \$5,347.00
QE THEATRE (MAT. & EVE)	Flat rate - \$2650.00	N/C	50% or \$1,325.00	100% or \$2,650.00
QE THEATRE (MAT. OR EVE)	Flat rate - \$2100.00	N/C	50% or 1,050.00	100% or \$2,100.00
BANDSHELL	Flat rate - \$2,750.00	33% or \$908.00	66% or \$1,815.00	100% or \$2,750.00
CENTENNIAL SQUARE	Flat Rate - \$2,178.00	N/C	50% or \$1,089.00	100% or \$2,178.00
PARKING-peak	\$9.00-\$11.00/vehicle	\$15.00 daily flat rate less \$6.00 rebate	\$15.00 daily flat rate less \$6.00 rebate	\$15.00 daily flat rate less \$6.00 rebate
FOOD CONCESSIONS	21% - 28% 35% alcohol	21%-28% less 10% rebate N/A	21% - 28% less 8% rebate N/A	21% - 28% less 6% rebate N/A
RENTALS AND SERVICES	Posted Dates	Time & Material plus 12%	Time & Material plus 25%	Time & material Plus.35%
THIRD PARTY EXPENSES	Plus 12% admin fee	Plus 12% admin fee	Plus 12% admin fee	Plus 12% admin fee

The above concessions are intended to provide assistance to the promoter during the critical "start-up" period while the festival establishes itself in Toronto, and the promoter understands that the Board will expect to be compensated in accordance with the published rates for facility rentals and services at the expiry of this three year contract. In return for its consideration, the Board will receive recognition as a major corporate partner in all media and printed collaterals, as well as inclusion in all corporate hospitality opportunities, etc.

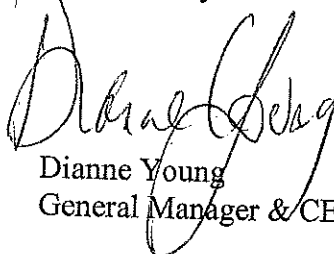
Conclusion:

This report recommends that the Board approves the terms for a three-year license agreement for Blues Fest 2003, 2004 and 2005 on the terms and conditions as set forth in this report.

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Submitted by:

  
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