

The Economic Impact of COVID-19 on Stratford Tourism



City of Stratford presentation to the
Standing Committee on Finance and Economic Affairs

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The City of Stratford enjoys a thriving downtown tourist economy, which is home to top-ranking dining and accommodation businesses and a vibrant retail sector. Our downtown retail and hospitality services have become an integral part of the Stratford Festival experience and a major tourist draw. Consequently, the Festival and our downtown core cannot survive without each other.

Stratford's Downtown Tourist Economy:

325+

- There are over 325 businesses in our downtown core

75%

- 75% + of our downtown businesses rely on the strong 7-8 month Festival season to sustain their business

700+

- There are over 500 full time jobs and over 200 seasonal contract jobs in our downtown core businesses

75%

- If there is no Festival season, 350+ will remain unemployed
- If there is no Festival and no travel/summer season, 75-80% of the 700 downtown staff will remain unemployed

30%

- It is estimated that 30% of hospitality businesses will not reopen in Stratford after COVID-19

Some COVID-19 Impacts:



All downtown summer festivals are canceled, resulting in further loss of downtown economic activity.



The University of Waterloo's Stratford School of Interaction Design and Business will be delivering all classes online this fall, which will significantly impact downtown economic activity in the off season.



All tournaments and sporting events are canceled, including minor sports. This represents a significant loss of sport tourism revenue.



Two major agricultural events, the Canadian Dairy XPO and Canadian Poultry XPO, were canceled. We host 15,000+ national and international visitors at each of these events in the off season.



The world-renowned Stratford Festival has made our City an international destination, synonymous with arts and culture since 1952.

The Stratford Festival is the largest not-for-profit theatre in North America, presenting 700+ performances of 15 productions on four stages annually.

As one of Canada's leading tourist attractions, the Stratford Festival has become the driving force of our economy.

For every Stratford Festival ticket purchased, **\$278** is spent in the local economy, which amounts to over **\$135 million** per year.

The Stratford Festival Represents:

1.7 Million

- Our region hosts over 1.7 million tourists annually, over 500,000 of whom attend the Stratford Festival
- 95% of Festival patrons are from outside of our area, and 25% are from the U.S.

\$135 Million

- The Stratford Festival is the driving force of our local economy and is the catalyst for \$135 million in annual economic activity

\$56 Million

- The Stratford Festival drives \$56 million in annual tax revenue to all three levels of government

1,000+

- The Stratford Festival employs over 1,000 people = \$40 million in wages
- For every 1 person employed by the Festival, there are 4 jobs in the local tourism and hospitality sector supported by the Festival

94%

- The Stratford Festival is supported by the highest level of earned revenues in Canada's not-for-profit performing arts industry, at 94%

6%

- The Stratford Festival requires the lowest level of government support in Canada's not-for-profit performing arts industry, at 6%

Without the Stratford Festival:

80%

- 80% of CFDC hospitality related businesses in Stratford would be at significant risk

\$2 Million

- \$2 Million in community investment dollars and would be lost

1,000+

- 1,000+ full/part time jobs would be lost

30%

- 30% vacancy rate in downtown core in the first year with no Festival season

50%

- 50% vacancy in the downtown core with no Festival by 2022



Opportunity for Investment: The Grand Trunk Community Hub

High unemployment and low interest rates create an ideal opportunity to invest in infrastructure.

The proposed Hub represents a catalytic investment in our community that will deliver \$63 million in total economic benefits.

The fully redeveloped site will create 650-750 direct full time jobs at full site build out.

For every \$1 that is invested in the Hub, \$8.80 will flow back in economic benefits.

The Hub and new YMCA will include a new indoor pool, gymnasium, walking track, fitness rooms, new daycare spaces, and multi-use community spaces.

The Hub means support for students, seniors, our labour force, and our growing Sport Tourism economy in our downtown core.

A vibrant garden scene with a path leading into the distance. In the foreground, there are dense clusters of bright yellow flowers and tall purple flower spikes. The path is paved and leads towards a row of tall, manicured green hedges. Two people are walking away from the camera on the path. The background is filled with lush greenery and trees.

Our Request:

We appreciate the ongoing support that the Government of Ontario has provided throughout this crisis, including the increased funding to the Tourism Development and Recovery Fund and the \$57 million investment in Digital Main Street.

We respectfully request that you consider creating a comprehensive long-term systematic process for economic recovery. We would like to see staggered approach to recovery with programs that are 12 to 36 months in duration.

Thank You



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