
SUBJECT: Burlington Sound of Music – 2025 festival re-cap and future direction

TO: Committee of the Whole

FROM: Community Services
Recreation, Community and Culture

Report Number: CSS-23-25

Wards Affected: all

Date to Committee: October 6, 2025

Date to Council: October 14, 2025

Recommendation

Decline Burlington’s Sound of Music Festival Inc.’s 2026 funding request and discontinue municipal financial support due to ongoing financial instability and non-compliance with Agreements conditions; and

Approve the reallocation of \$150,000—originally designated for Sound of Music in the 2026 Operating Budget—to the Community Investment Fund. This adjustment will enhance support for a broader range of festivals and events across Burlington, promote greater equity and sustainability in cultural programming, and create opportunities to potentially support a new music festival and/or provider in 2026; and

Direct staff to report back to Council on exploration of potential opportunities for a different form of music festival and/or a different operator of a music festival at Spencer Smith Park, following a call for expressions of interest from potential event organizers; and

Remove Council’s Ex Officio appointment from the Burlington Sound of Music Inc. Board of Directors. A Council Member was appointed in 2022 under [MO-03-22](#) for the duration of the term, building on a 2019 request from SOM ([COW-11-19](#)) to reinstate a Council-appointed ex officio position.

Executive Summary

This report provides a detailed review of the City's financial and operational support for Sound of Music (SOM), a free annual waterfront event delivered by Burlington's Sound of Music Festival Inc. (BSOM), a not-for-profit organization with over four decades of history in Burlington. While the festival continues to attract large crowds, in recent years, it has faced persistent financial instability. Contributing factors include the loss of major sponsorships, escalating operational costs, and underperformance in key revenue areas.

Between 2024 and 2025, the City provided nearly \$1 million in combined support to BSOM, including direct financial contributions, in-kind assistance, short-term loans, enhanced logistical support, annual grant funding, and a private donation facilitated through municipal channels. During this period, BSOM received close to 80% of the City's total event support budget—substantially more than any other festival or event in Burlington. The remaining 20% was distributed among ten other events. In addition to these more recent requests, a short-term loan of \$200,000 was provided to BSOM in October 2022 ([F-36-22](#)). This loan was subsequently forgiven in 2023 through one-time funding as part of the approved 2023 operating budget (Business Case 2023-058). That same business case also included an increase to BSOM's annual operating grant, raising it from \$100,093 to \$150,000.

To improve accountability in connection with the City's grant to BSOM, a Grant Agreement was introduced in 2025, which included, among other terms, the following requirements:

1. That BSOM submit a business plan, to the satisfaction of the City on or before June 1, 2025.
2. That BSOM repay outstanding arrears on or before September 30, 2025, with the balance at that time estimated to be approximately \$20,000.

In addition to this, in May 2025, BSOM signed a loan agreement with the City for \$225,000. The loan was expected to be paid back by September 1, 2025.

Although BSOM submitted a business plan, it did not meet the necessary standards for evaluation. Key financial details and strategic insights were lacking, making it difficult for the City to fully assess BSOM's long-term viability and alignment with its investment principles. As stewards of public resources, the City remains committed to supporting initiatives that demonstrate sound financial planning, strategic clarity, and sustainable impact. The remaining conditions of the agreements have not been fulfilled to date, and no substantial payments have been made toward the outstanding loan or arrears. As of October 6, 2025, Committee of the Whole meeting, following the final payment deadline of September 30, BSOM will continue to owe the City approximately \$245,000, with additional 2025 service invoices still pending.

Despite efforts to restructure its Board and introduce measures aimed at improving its financial health, BSOM continues to operate in a deficit and has not resolved its outstanding financial obligations. A private donation of \$200,000 was made to the City in support of BSOM and was applied directly to BSOM's outstanding debt. While this contribution offered temporary relief, and allowed the 2025 festival to proceed, it did not address the deeper, systemic challenges impacting BSOM's long-term financial sustainability.

In September 2025, BSOM submitted a new funding request (Appendix A), seeking:

- Forgiveness of the \$225,000 loan and \$20,000 in arrears
- A one-time emergency grant of \$200,000 to cover unpaid vendor costs
- An increase in annual municipal funding from \$150,000 to \$350,000

Given that the terms of the agreements will not be fulfilled by the September 30 deadline, and in light of the ongoing financial risk and the disproportionate level of municipal support allocated to BSOM, staff recommend that Council decline the 2026 funding request and discontinue any future financial support. It is further recommended that the budgeted annual grant of \$150,000, originally earmarked for BSOM, be reallocated to the Community Investment Fund to support a broader range of festivals and events, advancing equity and sustainability in cultural investment and to create opportunities to support a new music festival provider in 2026. This recommendation aligns with ongoing reviews of the Culture Plan and recreation grants, which emphasize the need for more balanced and inclusive event funding. Preliminary community engagement confirms strong public interest in music festivals, and as such staff are planning on reporting back with options for continuing a music festival at Spencer Smith Park, subsequent to the issuance of a call for interest targeting potential music event organizers.

In light of the recommendation to transition funding, it may be appropriate to conclude Council representation on the BSOM Board. This approach supports a clearer governance distinction ahead of a potential new delivery model, helps avoid any perceived conflicts of interest.

Background

Burlington's Sound of Music Festival Inc. (BSOM) is a not-for-profit organization that has delivered a free annual waterfront music festival since 1980. Originally a small parade and local showcase, it grew into a multi-stage event spanning downtown Burlington and Spencer Smith Park, featuring diverse musical genres and family-friendly programming. Marketed as "Canada's Largest Free Music Festival," it has, according to festival organizers, attracted peak attendance of over 400,000 and generated economic impacts exceeding \$30 million. Over time, the festival introduced ticketed concerts, club series, and vendor marketplaces, sustained largely through volunteers, sponsorships, and public funding. In recent years, organizers have acknowledged challenges in maintaining the festival's scale.

Since the COVID-19 pandemic, BSOM has faced mounting financial challenges. The loss of over \$250,000 in sponsorships, underperformance in fundraising initiatives such as "Live on the Lake," and rising operational costs have contributed to persistent deficits. Despite record attendance and increased grant support, the organization reported a shortfall of more than \$700,000 in 2022 alone.

Media reports and organizer statements since 2023 have consistently highlighted declining sponsorship revenues, rising operational costs, and increasing reliance on public support. In response, BSOM has undertaken internal reforms over the years—including Board restructuring, measures to strengthen their financial position, and future planning—but these measures have not resolved the core challenges. Organizers have acknowledged that sustaining free programming at the current scale would require more stable funding and structural adjustments. The organization continues to depend heavily on municipal funding and short-term financial relief to maintain operations, with limited success in diversifying its revenue base.

Municipal and Community Support

Between 2024 and 2025, the City provided nearly \$1 million in combined support to BSOM, including direct financial contributions, in-kind assistance, short-term loans, logistical support, annual grant funding, and application of a private donation towards BSOM's indebtedness to the City. During this period, BSOM received nearly 80% of the City's total event support budget—far exceeding the allocation to any other festival or event in Burlington.

Following the 2024 festival, it became increasingly evident—based on ongoing patterns and available information—that BSOM was unable to meet its financial obligations, including repayment of outstanding arrears (\$95,000) and the short-term loan (\$125,000). In 2024, between in-kind and cash donations, the City provided BSOM more than \$400,000 of support. In the brief window between Committee and Council meetings ([RCC-19-24](#)), staff facilitated a

\$200,000 private donation to help reduce BSOM's outstanding debt to the City. While this contribution offered short-term relief and enabled the 2025 festival to move forward, it did not resolve the organization's underlying financial instability or long-term sustainability challenges.

To reinforce accountability in 2025, the City introduced a Grant Agreement that outlined several key conditions, including:

1. Submission of a business plan, to the satisfaction of the City, by June 1, 2025.
2. Repayment of outstanding arrears by September 30, 2025, with the balance at that time estimated at approximately \$20,000.

In addition, BSOM requested and was granted a supplementary loan to support pre-event expenses, citing ongoing cash flow challenges. Accordingly, BSOM entered into a Loan Agreement with the City in May 2025, under which the City provided \$225,000, repayable by September 1, 2025.

2025 Festival Re-Cap

The 2025 festival, held June 12–15, was delivered with strong attendance and positive community engagement. BSOM achieved modest cost reductions and introduced new revenue initiatives. However, the organization remains in a deficit position. As of post-event reporting, BSOM remains in default on multiple financial obligations, including the \$225,000 short-term loan issued in 2025, approximately \$20,000 in arrears carried over from 2024, and additional outstanding service invoices related to the 2025 festival.

On August 12, 2025, BSOM issued a public appeal for corporate and community support, acknowledging its critical financial position and the need to reduce reliance on government funding. While the statement expressed gratitude for past City support, it also confirmed that the organization continues to operate unsustainably.

Disproportionate Support and Broader Context

Over the past two years, BSOM has received a significantly higher portion of municipal event funding relative to other cultural events and festivals—representing 79% of the cultural events budget in 2024 and 80% in 2025. This concentration of investment underscores the need to rebalance and more strategically allocate resources to support a broader range of cultural programming across Burlington.

The broader event sector is navigating significant challenges, including rising costs, evolving regulatory requirements, and increased demands around risk management. In this context, the City must exercise fiscal responsibility and ensure that its support is distributed in a way that sustains a diverse and resilient cultural ecosystem. BSOM has made a lasting contribution to Burlington's cultural identity and community life. However, despite considerable efforts and

support, the organization has not demonstrated a financially sustainable model. As stewards of public resources, the City is no longer in a position to provide ongoing financial relief to a single organization at this scale. Future investment must be guided by principles of equity, impact, and long-term viability across the sector.

Despite receiving considerable support and multiple opportunities to meet its obligations, BSOM has not fulfilled the conditions outlined in the two agreements. The submitted business plan (Appendix A) lacks the strategic depth and financial details required to justify continued investment. As such, staff recommend that the City discontinue financial support for BSOM.

This recommendation does not signal a retreat from arts and culture investment. On the contrary, it reflects a commitment to building a more resilient, inclusive, and sustainable cultural sector—one that supports a broader range of festivals and events and ensures public funds are used responsibly and transparently.

Analysis

Option 1 – Recommended: Discontinue Funding to BSOM and Reallocate Support to Broader Events in 2026 and beyond

This option proposes a shift from the current operating model by discontinuing municipal financial support to BSOM due to ongoing financial instability and non-compliance with agreement terms. Staff recommend reallocating the \$150,000 grant previously earmarked for BSOM to the Community Investment Fund, enabling support for a broader range of cultural events and potentially a future music festival provider in 2026 and beyond.

This approach aligns with preliminary findings from the Culture Plan and recreation grant reviews, which highlight the need for more equitable and strategic investment to sustain and grow Burlington's event landscape. To explore potential opportunities for a different form of music festival and/or a different operator of a music festival at Spencer Smith Park, staff will initiate an Expression of Interest (EOI) process to explore and identify potential options. The EOI will follow established policies and a transparent process, ensuring alignment with community priorities and the City's strategic direction. Staff will report back with EOI outcomes and options for continuing waterfront music programming in Burlington.

Staff recognize the significant history of a music festival in Burlington and acknowledge BSOM's contributions. However, as the identified funding shortfalls make apparent, the festival appears to be at a pivotal juncture. Its recent trajectory may suggest that the current model is no longer sustainable, and a refreshed approach to the form of music festival and/or its operation is warranted. Proceeding with an open call to the sector will help ensure future programming reflects community interest and supports the City's evolving cultural vision.

Option 2: City support BSOM's proposal as identified in Appendix A

This option would maintain the status quo by continuing municipal financial support to BSOM. It assumes that ongoing funding could help stabilize operations, retain volunteer and sponsorship networks, and enable delivery of the festival in 2026 and beyond. However, staff do not recommend this approach based on the considerations outlined earlier in the report. Despite BSOM's history of successful events, persistent financial instability raises concerns about long-term viability of the festival format and BSOM's ability to deliver it without significant grants. The City has a responsibility to uphold public trust and ensure equitable partnerships. Under current conditions, continued financial support would not align with these principles and risks perpetuating a cycle of deficit without a sustainable resolution.

Option 3: Transitioning oversight to the City

Another option considered is for the City to assume direct responsibility for planning and delivering a waterfront music festival on its own, including programming, sponsorship development, and logistics, by integrating it into the broader cultural and tourism portfolio, or through 'taking over' BSOM's operation of festival. Given that many residents already associate the SOM event with the City, this may appear to be a natural and appealing direction for both Council and the community. However, despite public perception, this approach presents significant operational and financial challenges that limit its feasibility, and therefore is not recommended, these include:

- **Organizational Independence:** BSOM is an independent not-for-profit corporation governed by its own Board of Directors. While the City maintains a collaborative relationship with BSOM, including agreements and financial support, the organization operates independently, and its governance structure must be respected. The City cannot acquire or take over this not-for-profit corporation.
- **Limitations of Oversight:** The City does not have direct authority over BSOM's internal operations or decision-making processes. As such, it lacks full visibility into the organization's financial and operational history, which would be essential for assuming a more active role.
- **Capacity Constraints:** The City's Festivals and Events team, housed within the Recreation, Community and Culture (RCC) department, currently supports over 90 large-scale events annually. Their mandate includes the direct delivery of two major events—the Santa Claus Parade and the Canada Day Festival—and strategic partnerships with external organizers to enhance community programming. Given current resource levels and operational commitments, the team is not positioned to take on the full delivery of a festival of this scale and nature.

Recommendation Details

Under Option 1, staff recommend that Council respectfully decline BSOM's funding request as outlined in Appendix A and reallocate the \$150,000 annual grant to the Community Investment Fund. Administered by the RCC department, this fund is a core component of the City's broader community granting framework and the additional funding would be redirected to support the wider event sector including potentially a new music festival and/or provider in 2026.

This approach aligns with ongoing efforts to refresh [Burlington's Culture Plan](#) and conduct a comprehensive review of the recreation grants program, both of which are expected to deliver formal recommendations to Council in Q2 2026. Early findings from these initiatives highlight the need to broaden municipal support to foster a vibrant and sustainable event landscape—an area of service that continues to resonate strongly with residents. Initial community engagement has demonstrated clear public enthusiasm for music festivals in Burlington.

In response, staff will initiate an Expression of Interest (EOI) process to explore potential opportunities for a different form of music festival and/or a different operator of a music festival at Spencer Smith Park, with a commitment to report back to Council with EOI outcomes and options for continuing waterfront music programming at Spencer Smith Park.

Key Dates & Milestones

- **October- November 2025:** Staff initiate an expression of interest process to explore potential opportunities for a different form of music festival and/or a different operator of a music festival at Spencer Smith Park.
- **Q1 2026:** Staff will report back to Council with options identified in the expression of interest process.
- **Q1 2026:** Upon Council's approval of the 2026 operating budget, the \$150,000 grant, originally earmarked for BSOM will be redirected to the Community Investment Fund to support the broader event sector including a potential 2026 music festival and/or provider.
- **Q2 2026:** Staff will bring recommendations for Council's consideration regarding Culture Plan actions and the evolution of the recreation grants program.

Implications

As of fall 2025, BSOM has an outstanding balance of approximately \$245,000 related to the 2025 loan agreement and other arrears owing to the City, with additional invoicing still pending. Should this amount remain unpaid by the end of the fiscal year, it will be deemed unrecoverable, resulting in a direct financial loss to the City. This outcome underscores the need to strengthen accountability measures in future funding agreements—building on those included in the current framework, which were effective in providing deeper insight into the organization and informing this recommendation. It also highlights the importance of re-evaluating the City’s broader approach to event support to promote long-term financial sustainability and uphold responsible stewardship of public resources.

The proposed shift aligns with the City’s broader strategic goal of cultivating a more diverse, inclusive, and sustainable event landscape. It complements ongoing work to update the Culture Plan and review the recreation grants program—both of which aim to improve equity, responsiveness, and long-term impact in cultural investment. Early findings from these initiatives suggest strong public interest in music festivals and a desire to broaden support beyond legacy events, creating space for new and emerging cultural experiences that reflect the evolving needs of the community.

Given BSOM’s role in Burlington’s cultural scene, the decision to conclude financial support may raise questions among residents. In answering any questions, it will be important to articulate the rationale behind the recommendation as identified in this report, reaffirm the City’s commitment to cultural vibrancy, and emphasize the opportunity for renewal through a transparent and inclusive process. BSOM is an independent not-for-profit corporation that has operated the festival. The City, while a significant supporter and owner of the land upon which the festival is held, does not operate the SOM festival. This report proposes that the City discontinue its financial support of BSOM while continuing to champion a thriving and equitable event ecosystem across Burlington.

References

[F-36-22](#) Financial Support for Sound of Music Inc

[RCC-14-24](#) Sound of Music Festival – 2024 Loan Request

[RCC-19-24](#) Sound of Music Festival - 2024 event recap and future city support

Follow up to [RCC-19-24](#) Sound of Music Festival-2024 Event Re-cap and Future City Support

[CSS-08-25](#) 2025 Sound of Music Festival loan request

Strategic Alignment

- Designing and delivering complete communities
 - Providing the best services and experiences
 - Protecting and improving the natural environment and taking action on climate change
 - Driving organizational performance
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Appendices:

Appendix A: BSOM Ask of the City

Notifications:

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Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.