

## Flatman, John CSCD:EX

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Monday, October 31, 2016 4:39 PM  
**To:** Clark, Ben JTST:EX  
**Cc:** McLay, Cheryl JTST:EX; Beck, Adrienne JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16

Hi Ben,

Sure thing – this should also include Adrienne and DBC (as DBC is lead on working with communities on applications – Allie or Peter). I can check with them on availability (and preference for who takes the call) tomorrow.  
w.

---

**From:** Clark, Ben JTST:EX  
**Sent:** Monday, October 31, 2016 3:39 PM  
**To:** Minaker, Willow JTST:EX  
**Cc:** McLay, Cheryl JTST:EX  
**Subject:** FW: For Follow Up: JTSTL Actions - s.16

Hi Willow,

Cheryl McLay (REO Manager for Nanaimo) was in a meeting last week and s.13,s.16 I'm  
looking to set up a call so that we can explain to her the existing MRDT agreement, and s.13,s.16  
s.13,s.16

Ok if I look for something in our calendars for later this week or early next?

**Ben**  
250-356-1389

---

**From:** Crofts, Amber JTST:EX  
**Sent:** Monday, October 31, 2016 3:32 PM  
**To:** Clark, Ben JTST:EX  
**Cc:** Johnson, Tania N JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16

Thanks Ben – this is great.

Can you please connect Cheryl with Willow are some point on the MRDT discussion. I don't currently have a contact at s.16 – but Andrew may. If not, s.16 staff may be able to provide a contact for someone there.

I'd suggest Andrew would be best placed to sit in on the economic development meeting – as our lead on the s.1 file.

Can you please coordinate?

Thanks very much,  
Amber

---

**From:** Clark, Ben JTST:EX  
**Sent:** Monday, October 31, 2016 3:06 PM  
**To:** Crofts, Amber JTST:EX  
**Cc:** Johnson, Tania N JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16

Hi Amber,

I spoke with Cheryl today and she gave me an overview of the meeting, as well as a few questions for our branch in bold below.

High level:

**s.13,s.16**

More Detail:

**s.13,s.16**

Ben

250-356-1389

---

**From:** Crofts, Amber JTST:EX  
**Sent:** Thursday, October 27, 2016 10:32 AM  
**To:** Clark, Ben JTST:EX  
**Cc:** Johnson, Tania N JTST:EX  
**Subject:** For Follow Up: JTSTL Actions -s.16  
**Importance:** High

Hi Ben,

See below.

Can you please connect with Cheryl McLay to get an update on the work below. Please send me a few bullets on what direction their taking and if there are opportunities to assist. Please advise by Tuesday next week.

Thanks,

Amber

---

**From:** Little, Andrew JTST:EX  
**Sent:** Wednesday, October 26, 2016 8:39 AM  
**To:** Crofts, Amber JTST:EX  
**Cc:** Fraser, Sarah W JTST:EX; Bhat, Asha JTST:EX  
**Subject:** FW: Follow Up: JTSTL Actions -s.16

Amber, s.13,s.16

s.13,s.16

Perhaps someone on your team

can reach out to Cheryl to discuss the direction of this and opportunities for us to assist?

Thanks,

Andrew

---

**From:** Yuma Morisho, Okenge JTST:EX  
**Sent:** Wednesday, October 26, 2016 8:36 AM  
**To:** Fraser, Sarah W JTST:EX  
**Cc:** Saini, Sukie JTST:EX; Little, Andrew JTST:EX; Crofts, Amber JTST:EX  
**Subject:** Re: Follow Up: JTSTL Actions -s.16

Excellent. Please proceed in concert with Asha's branch. Thanks, oym

Sent from my BlackBerry 10 smartphone on the TELUS network.

---

**From:** Fraser, Sarah W JTST:EX  
**Sent:** Tuesday, October 25, 2016 5:05 PM  
**To:** Yuma Morisho, Okenge JTST:EX  
**Cc:** Saini, Sukie JTST:EX  
**Subject:** FW: Follow Up: JTSTL Actions - s.16

Okenge,

Below is a summary of follow-up from the MSB meeting with s.16

City and Port Authority Re s.16

s.16 You are mentioned in the first item highlighted below. We can reach out to DBC.

Sarah Fraser  
Executive Director, Regional Economic Operations  
Economic Development Division  
Ministry of Jobs, Tourism, and Skills Training

Phone: 250-952-0644

Cell: 250-213-5087

[Sarah.fraser@gov.bc.ca](mailto:Sarah.fraser@gov.bc.ca)

---

**From:** McLay, Cheryl JTST:EX  
**Sent:** Tuesday, October 25, 2016 2:25 PM  
**To:** Henderson, Lori JTST:EX  
**Subject:** Update: s.16

Hi Lori. Good meeting with Minister Bond, s.16  
Authority. s.13,s.16  
s.13,s.16

the City of Nanaimo and the Nanaimo Port

s.13,s.16

Please let me know if you have any questions.

Best,

*Cheryl McLay*

Regional Manager Vancouver Island/Coast  
Regional Economic Operations  
Ministry of Jobs, Tourism and Skills Training  
2080 Labieux Road Nanaimo  
Phone 250.751.3217  
[Cheryl.McLay@gov.bc.ca](mailto:Cheryl.McLay@gov.bc.ca)  
[gov.bc.ca/economicdevelopment](http://gov.bc.ca/economicdevelopment)  
Follow us on Twitter: @BCJobsPlan

## Flatman, John CSCD:EX

---

**From:** McLay, Cheryl JTST:EX  
**Sent:** Thursday, November 3, 2016 2:15 PM  
**To:** Minaker, Willow JTST:EX; Clark, Ben JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16

Yes to a half hour. Thanks for setting this up Ben!  
C

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Thursday, November 3, 2016 2:12 PM  
**To:** Clark, Ben JTST:EX; McLay, Cheryl JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16  
I can send the meeting invite. I think ½ hour should be sufficient?  
W.

---

**From:** Clark, Ben JTST:EX  
**Sent:** Thursday, November 3, 2016 2:11 PM  
**To:** McLay, Cheryl JTST:EX; Minaker, Willow JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16  
s.22 I don't think my attendance is critical. Hopefully I can get a quick rundown from either Willow or Adrienne s.22  
**Ben**  
250-356-1389

---

**From:** McLay, Cheryl JTST:EX  
**Sent:** Thursday, November 3, 2016 2:01 PM  
**To:** Minaker, Willow JTST:EX; Clark, Ben JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16  
Great...thanks. I am free between 9:30am and 10:30am Monday morning. Do y'all want to send out the invite or shall I?  
~Cheryl

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Thursday, November 3, 2016 1:12 PM  
**To:** Clark, Ben JTST:EX  
**Cc:** McLay, Cheryl JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16  
Hi Ben and Cheryl,  
Peter Harrison has confirmed that he is available Monday, as are Adrienne and I if that works for both of you.  
Thanks,  
Willow

---

**From:** Clark, Ben JTST:EX  
**Sent:** Monday, October 31, 2016 3:39 PM  
**To:** Minaker, Willow JTST:EX  
**Cc:** McLay, Cheryl JTST:EX  
**Subject:** FW: For Follow Up: JTSTL Actions - s.16  
Hi Willow,  
Cheryl McLay (REO Manager for Nanaimo) was in a meeting last week s.13,s.16 . I'm  
looking to set up a call so that we can explain to her the existing MRDT agreement, and s.13,s.16  
s.13,s.16

Ok if I look for something in our calendars for later this week or early next?  
**Ben**  
250-356-1389

---

**From:** Crofts, Amber JTST:EX  
**Sent:** Monday, October 31, 2016 3:32 PM  
**To:** Clark, Ben JTST:EX  
**Cc:** Johnson, Tania N JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16

Thanks Ben – this is great.

Can you please connect Cheryl with Willow are some point on the MRDT discussion. I don't currently have a contact at s.16 – but Andrew may. If not, s.16 staff may be able to provide a contact for someone there.

I'd suggest Andrew would be best placed to sit in on the economic development meeting – as our lead on the s. file.

Can you please coordinate?

Thanks very much,

Amber

---

**From:** Clark, Ben JTST:EX  
**Sent:** Monday, October 31, 2016 3:06 PM  
**To:** Crofts, Amber JTST:EX  
**Cc:** Johnson, Tania N JTST:EX  
**Subject:** RE: For Follow Up: JTSTL Actions - s.16

Hi Amber,

I spoke with Cheryl today and she gave me an overview of the meeting, as well as a few questions for our branch in bold below.

High level:

s.13,s.16

More Detail:

s.13,s.16

**Ben**

250-356-1389

---

**From:** Crofts, Amber JTST:EX  
**Sent:** Thursday, October 27, 2016 10:32 AM  
**To:** Clark, Ben JTST:EX  
**Cc:** Johnson, Tania N JTST:EX  
**Subject:** For Follow Up: JTSTL Actions - s.16  
**Importance:** High

Hi Ben,

See below.

Can you please connect with Cheryl McLay to get an update on the work below. Please send me a few bullets on what direction their taking and if there are opportunities to assist. Please advise by Tuesday next week.

Thanks,

Amber

---

**From:** Little, Andrew JTST:EX  
**Sent:** Wednesday, October 26, 2016 8:39 AM  
**To:** Crofts, Amber JTST:EX  
**Cc:** Fraser, Sarah W JTST:EX; Bhat, Asha JTST:EX  
**Subject:** FW: Follow Up: JTSTL Actions - s.16  
Amber, s.13,s.16

s.13,s.16

Perhaps someone on your team

can reach out to Cheryl to discuss the direction of this and opportunities for us to assist?

Thanks,

Andrew

---

**From:** Yuma Morisho, Okenge JTST:EX  
**Sent:** Wednesday, October 26, 2016 8:36 AM  
**To:** Fraser, Sarah W JTST:EX  
**Cc:** Saini, Sukie JTST:EX; Little, Andrew JTST:EX; Crofts, Amber JTST:EX  
**Subject:** Re: Follow Up: JTSTL Actions - s.16  
Excellent. Please proceed in concert with Asha's branch. Thanks, oym  
Sent from my BlackBerry 10 smartphone on the TELUS network.

---

**From:** Fraser, Sarah W JTST:EX  
**Sent:** Tuesday, October 25, 2016 5:05 PM  
**To:** Yuma Morisho, Okenge JTST:EX  
**Cc:** Saini, Sukie JTST:EX  
**Subject:** FW: Follow Up: JTSTL Actions - s.16

Okenge,

Below is a summary of follow-up from the MSB meeting with s.16

City and Port Authority Re s.16

s.16 You are mentioned in the first item highlighted below. We can reach out to DBC.

Sarah Fraser

Executive Director, Regional Economic Operations

Economic Development Division

Ministry of Jobs, Tourism, and Skills Training

Phone: 250-952-0644

Cell: s.17

[Sarah.fraser@gov.bc.ca](mailto:Sarah.fraser@gov.bc.ca)

---

**From:** McLay, Cheryl JTST:EX  
**Sent:** Tuesday, October 25, 2016 2:25 PM

To: Henderson, Lori JTST:EX

Subject: Update: s.16

Hi Lori. Good meeting with Minister Bond, s.16

Authority. s.13, s.16

s.13, s.16

the City of Nanaimo and the Nanaimo Port

Please let me know if you have any questions.

Best,

*Cheryl McLay*

Regional Manager Vancouver Island/Coast

Regional Economic Operations

Ministry of Jobs, Tourism and Skills Training

2080 Labieux Road Nanaimo

Phone 250.751.3217

[Cheryl.McLay@gov.bc.ca](mailto:Cheryl.McLay@gov.bc.ca)

[gov.bc.ca/economicdevelopment](http://gov.bc.ca/economicdevelopment)

Follow us on Twitter: @BCJobsPlan



## Flatman, John CSCD:EX

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Tuesday, November 1, 2016 3:44 PM  
**To:** McKay, Alison J DBC:EX; Harrison, Peter DBC:EX  
**Cc:** Clark, Ben JTST:EX  
**Subject:** MRDT application info - Nanaimo

Hi Allie and Peter,  
Cheryl McLay (Regional Ec Dev Manager for Nanaimo) was in a meeting last week with MSB, s.16  
s.16 the City of Nanaimo and the Nanaimo Port Authority and a number of issues were discussed, including s.13,s.16  
s.13,s.16 . My colleague Ben Clark (in copy) is working with Cheryl on some of the follow up to this meeting  
and would like to set up a call to better understand the existing Nanaimo MRDT agreement, s.13,s.16  
s.13,s.16

Would either or both of you be available for a short call on this in the next week or so (alternately is this something  
Linda could cover)? Given your crazy schedules, I thought I better check on your general availability first!

Thanks,  
Willow

### **Willow Minaker**

Director, Policy and Investment Alignment  
Tourism Policy Branch  
Ministry of Jobs, Tourism and Skills Training  
250.356.7861 (office)  
s.17 (cell)  
[Willow.Minaker@gov.bc.ca](mailto:Willow.Minaker@gov.bc.ca)

## Flatman, John CSCD:EX

---

**From:** Bhat, Asha JTST:EX  
**Sent:** Thursday, November 3, 2016 10:38 AM  
**To:** Minaker, Willow JTST:EX; Crofts, Amber JTST:EX  
**Cc:** Little, Andrew JTST:EX  
**Subject:** FW: 2nd Op-Ed Still Perplexed by John Hankins  
**Attachments:** Op-Ed Still Perplexed.pdf

Hi both – pls see attached.

Willow, can you pls do a little check in with DBC and ensure we have a strategic plan on file for use of their MRDT funds and that there are no concerns at our end in that regard?

cheers,

a.

---

**From:** Currie, David GCPE:EX  
**Sent:** Thursday, November 3, 2016 10:35 AM  
**To:** Bhat, Asha JTST:EX  
**Subject:** FW: 2nd Op-Ed Still Perplexed by John Hankins

FYI on the attached.

Lara contacted him a few weeks back about tourism opps in Nanaimo. Since then Mr. Hankins continues to contact GCPE about his concerns in Nanaimo.

s.13

---

**From:** Hurrell, Lara GCPE:EX  
**Sent:** Thursday, November 3, 2016 10:33 AM  
**To:** Johnson, Sheldon GCPE:EX; Currie, David GCPE:EX  
**Subject:** FW: 2nd Op-Ed Still Perplexed by John Hankins

---

**From:** John Hankins<sup>s.22</sup>  
**Sent:** Thursday, November 3, 2016 10:28 AM  
**To:** 'John Hankins'  
**Subject:** 2nd Op-Ed Still Perplexed by John Hankins

Please find attached an Op-Ed for your consideration

Warmest wishes

John Hankins – Former CEO of Nanaimo Economic Development Corporation

## Op-Ed

### Still Perplexed!

**By John Hankins, Former CEO of Nanaimo Economic Development Corporation**

Almost 2 weeks since I released my Op-Ed “Perplexed & Silent No More requesting transparency to the decision by Council to ignore their own \$228,900 Core Services Review recommendation related to NEDC I am still perplexed. Instead of Mayor and Council releasing the Oct 3<sup>rd</sup> In-Camera presentation and minutes a media release has been issued from the Nanaimo Hospitality Association (NHA) stating *“we support the decision by Mayor and Council to make this change.”*

### **Tourism Leadership Committee**

The Tourism Leadership Committee (TLC) chaired by Sandra Petryk (Nanaimo Airport) serves as the official voice of the Tourism Industry providing strategic recommendations to the Nanaimo Economic Development Corporation Board of Directors on matters relating to strategy, marketing, focus, infrastructure gaps, regulatory issues and direction of efforts to improve and positively impact all aspects of the tourism industry within our community and provide recommendations on the performance indicators and measurements that will result in a positive impact on the Tourism Industry within our community.

In January during my first week on the job I attended a TLC meeting (Jan 7<sup>th</sup>) where a presentation was made that was based on the last few months of TLC meetings, detailing the 4 agreed priorities for 2016 which I subsequently shared in a public presentation on January 12<sup>th</sup> at the Regional District of Nanaimo Committee of the Whole (COW) meeting.

- a. Communication & Relationship building
- b. Sport tourism
- c. Festivals & Events development
- d. Product Development

Missing from the tourism led industry committee top 4 priorities is direct support to the Vancouver Island Conference Centre.

### **NHA 2% Taxpayers Fund – Not applicable to supporting conferences and conventions**

NEDC provides services to the NHA to administer the grant money arising from the 2% hotel tax that flows from the province to the city and then onto the NHA. The Nanaimo Hospitality Grants – Program Information posted on the Tourism Nanaimo website specifically states in Bold letters ***“under the Nanaimo MRDT Business Plan this does not include conferences and conventions”***

### **CBRE Hotels Report**

In many Canadian cities the hotel tax is used as an incentive to assist in winning bids to attract conferences and conventions to your city. The success of this practice can be easily monitored as you can directly relate the number of heads in beds to the investment as the incentive is tied directly to a commitment to

overnight stays. The NHA grant fund is structured to supporting sports, festival and events which are more difficult to connect directly to overnight stays as the investment is not linked to a guarantee of a number of overnight stays. It was my hope that the CBRE report would highlight this as a gap in bringing more conferences and conventions to Nanaimo.

### **Refocusing the Tourism Leadership Committee through consultation**

Working with the TLC Chair and NEDC Board TLC representative we were working in collaboration with TLC members to gain support to focus the Committee more on longer term product development. The NHA through their President and General Manager of the Howard Johnson hotel rather than be part of the conversation chose to boycott the August TLC meeting as opposed to sit at the table with other tourism leaders to discuss and be part of the proposed changes.

### **Still Perplexed**

- Council has yet to release the details of the In-Camera Oct 3<sup>rd</sup> meeting, why?
- Why is Council ignoring their own Core Services Review recommendations related to NEDC?
- Is the NHA through their media release now saying they will start to allocate a portion of the 2% sales tax to support VICC to attract conferences and conventions?
- Will the NHA release to the public the full details of where they have allocated the tax payers 2% hotel tax and share the return on investment on our tax dollars?
- What is the accountability of the NHA to the public as they can control up to \$500,000 of tax payers money that flows from the province of BC in any one year?
- As the Tourism Leadership Committee (TLC) did not prioritize NEDC to support VICC why does a restructure versus a change in focus make most sense?

John Hankins, November 4<sup>th</sup>, 2016

## Flatman, John CSCD:EX

---

**From:** Bhat, Asha JTST:EX  
**Sent:** Thursday, November 3, 2016 1:23 PM  
**To:** Minaker, Willow JTST:EX; Crofts, Amber JTST:EX  
**Cc:** Little, Andrew JTST:EX; Beck, Adrienne JTST:EX  
**Subject:** RE: 2nd Op-Ed Still Perplexed by John Hankins

excellent, thnx!

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Thursday, November 3, 2016 1:22 PM  
**To:** Bhat, Asha JTST:EX; Crofts, Amber JTST:EX  
**Cc:** Little, Andrew JTST:EX; Beck, Adrienne JTST:EX  
**Subject:** RE: 2nd Op-Ed Still Perplexed by John Hankins

Confirmed with DBC that they have received queries from Nanaimo about what flexibility they do (or don't have) to make changes to the MRDT. Peter explained the process to them and hasn't heard anything further. No concerns at this time s.13,s.16

s.13,s.16

We have a copy of their strategic plan.  
w.

---

**From:** Bhat, Asha JTST:EX  
**Sent:** Thursday, November 3, 2016 10:38 AM  
**To:** Minaker, Willow JTST:EX; Crofts, Amber JTST:EX  
**Cc:** Little, Andrew JTST:EX  
**Subject:** FW: 2nd Op-Ed Still Perplexed by John Hankins

Hi both – pls see attached.

Willow, can you pls do a little check in with DBC and ensure we have a strategic plan on file for use of their MRDT funds and that there are no concerns at our end in that regard?

cheers,

a.

---

**From:** Currie, David GCPE:EX  
**Sent:** Thursday, November 3, 2016 10:35 AM  
**To:** Bhat, Asha JTST:EX  
**Subject:** FW: 2nd Op-Ed Still Perplexed by John Hankins

FYI on the attached.

Lara contacted him a few weeks back about tourism opps in Nanaimo. Since then Mr. Hankins continues to contact GCPE about his concerns in Nanaimo.

s.13

---

**From:** Hurrell, Lara GCPE:EX  
**Sent:** Thursday, November 3, 2016 10:33 AM  
**To:** Johnson, Sheldon GCPE:EX; Currie, David GCPE:EX  
**Subject:** FW: 2nd Op-Ed Still Perplexed by John Hankins

---

**From:** John Hankins s.22  
**Sent:** Thursday, November 3, 2016 10:28 AM  
**To:** 'John Hankins'  
**Subject:** 2nd Op-Ed Still Perplexed by John Hankins

Please find attached an Op-Ed for your consideration

Warmest wishes

John Hankins – Former CEO of Nanaimo Economic Development Corporation

## Flatman, John CSCD:EX

---

**From:** Krenz, Linda DBC:EX  
**Sent:** Thursday, November 3, 2016 12:13 PM  
**To:** Minaker, Willow JTST:EX  
**Cc:** Beck, Adrienne JTST:EX; Harrison, Peter DBC:EX; McKay, Alison J DBC:EX  
**Subject:** RE: Nanaimo  
**Attachments:** Nanaimo Hotel Tax (MRDT) Business Plan - Sept 16-2014.pdf

Hi Willow,

I have attached the MRDT application, including and Business Plan for the City of Nanaimo. The MRDT for the City of Nanaimo was approved effective April 1 2015. I have not been contacted by the City of Nanaimo.

**Linda Krenz**

Destination Development Coordinator, MRDT Program

**Destination British Columbia**

12th Floor, 510 Burrard Street

Vancouver, British Columbia

Canada V6C 3A8

T 604.660.6391

F 604.660.3383

E [Linda.Krenz@DestinationBC.ca](mailto:Linda.Krenz@DestinationBC.ca)

Consumer [HelloBC.com](http://HelloBC.com)

Corporate [DestinationBC.ca](http://DestinationBC.ca)



Sign up [here](#) for updates, invites and our new industry newsletter, **Destination BC News**. Receive updates on our marketing campaigns, hear about tourism partnership and media coverage successes, learn facts and figures from our research team, get news you can use about upcoming events—and much more, right to your inbox.

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Thursday, November 3, 2016 11:48 AM  
**To:** Krenz, Linda DBC:EX; McKay, Alison J DBC:EX; Harrison, Peter DBC:EX  
**Cc:** Beck, Adrienne JTST:EX  
**Subject:** Nanaimo

Hi all,  
s.13,s.16

Thanks,  
Willow

**Willow Minaker**

Director, Policy and Investment Alignment

Tourism Policy Branch

Ministry of Jobs, Tourism and Skills Training

250.356.7861 (office)

s.17 (cell)

[Willow.Minaker@gov.bc.ca](mailto:Willow.Minaker@gov.bc.ca)

Page 16

Withheld pursuant to/removed as



# **City of Nanaimo Business Plan and Application for the Municipal and Regional District Hotel Room Tax**

September 16, 2014



# Table of Contents

---

|   |           |
|---|-----------|
| <b>Executive Summary.....</b>                               | <b>i</b>  |
| <b>1.0 About the Applicant.....</b>                         | <b>1</b>  |
| 1.1 City of Nanaimo .....                                   | 1         |
| 1.2 Partner Agencies (NHA and NEDC) .....                   | 1         |
| 1.3 Request for Implementation of MRDT.....                 | 3         |
| <b>2.0 Overview of Nanaimo’s Tourism Industry .....</b>     | <b>4</b>  |
| 2.1 Industry Profile .....                                  | 4         |
| 2.2 Relationship of Tourism Organizations .....             | 7         |
| 2.3 Opportunity to Build Tourism .....                      | 8         |
| <b>3.0 MRDT Revenue Strategy.....</b>                       | <b>9</b>  |
| 3.1 MRDT Outcome Objective.....                             | 9         |
| 3.2 Estimated MRDT Revenue .....                            | 9         |
| 3.3 Spending Strategy.....                                  | 10        |
| 3.4 Funding and Expense Projections .....                   | 19        |
| 3.5 Tracking and Evaluation .....                           | 21        |
| <b>4.0 Organizational Structure .....</b>                   | <b>22</b> |
| 4.1 Administration of Tax Revenue.....                      | 22        |
| 4.2 Accountability and Control .....                        | 22        |
| <b>5.0 Industry Support.....</b>                            | <b>24</b> |
| 5.1 Consultation with Industry .....                        | 24        |
| 5.2 Accommodation Sector in Support of the MRDT.....        | 25        |
| <b>Appendices.....</b>                                      | <b>31</b> |
| A. Municipal Bylaw .....                                    | 32        |
| B. Tourism Leadership Committee Terms of Reference.....     | 33        |
| C. Service Agreements.....                                  | 37        |
| D. Nanaimo & Region Tourism Strategy Executive Summary..... | 38        |
| E. NEDC Tourism Development Fund Documentation .....        | 39        |

# Table of Contents

---

## Tables

1. City of Nanaimo Potential MRDT Revenue Based on Historical Room Revenue
2. Tourism Revenue and Expense Projections
3. Projected Monthly MRDT Revenue Collection in 2015 (Year 1) Based on 2009 Monthly Room Revenue
4. MRDT Spending Strategy Evaluation Indicators
5. Accommodation Directory
6. Accommodation Sector in Support of the Hotel Room Tax

## Figures

1. Origin of Visitors to Vancouver Island
2. Nanaimo Ferry Passengers 2000 – 2013
3. Nanaimo Airport Passengers 2000 – 2013
4. Nanaimo Room Revenue Trends 2000 – 2010
5. Nanaimo Occupancy Trends 2000 – 2013
6. Comparison of Nanaimo and B.C. Monthly Occupancy Rates 2013
7. Proposed MRDT Revenue Flow in Nanaimo

## Executive Summary

This Business Plan is being submitted to the Ministry of Jobs, Tourism and Skills Training and the Ministry of Finance in support of the City of Nanaimo's application for approval to implement the 2% Municipal and Regional District Hotel Room Tax (MRDT) in Nanaimo for a five-year period beginning January 1, 2015.

Under the MRDT administration model proposed in this Business Plan, MRDT revenue submitted to the Ministry of Finance by Nanaimo accommodation operators will flow first to the City of Nanaimo and then to the Nanaimo Hospitality Association (NHA) which will have responsibility for administering MRDT revenue and directing how this revenue is spent. In turn, the NHA will contract with the Nanaimo Economic Development Corporation (NEDC) to implement funded initiatives.

The working relationship between the City and the NHA, and between the NHA and the NEDC, are detailed in two Service Agreements (see copies in Appendix C). Additionally, the City of Nanaimo has passed a bylaw requesting that the Province of BC levy the tax on its behalf (see copy in Appendix A) and has consulted with the Regional District of Nanaimo (RDN) which has indicated that it supports the City of Nanaimo's MRDT application.

The City of Nanaimo, the NHA and the NEDC are in agreement that the MRDT will support the growth of Nanaimo's tourism industry by providing the financial resources needed to help enhance the destination tourism appeal of the community. The total funding that will be available for tourism initiatives in Nanaimo is projected to increase from \$1.19 million in 2015/16 to \$1.25 million in 2019/20. These totals reflect projected annual MRDT revenue of between \$375,000 and \$405,000, plus projected revenues from other sources of between \$820,000 and \$850,000.

MRDT funds will be used to support the initiatives that were identified in the *Nanaimo & Region Tourism Strategy* (a copy of the Executive Summary is provided in Appendix D) as well as the *Nanaimo Sports Tourism Strategy*. These initiatives, which complement existing and emerging tourism activities in the community and which are intended to help increase Nanaimo's destination appeal and differentiate it from other provincial coastal communities, include:

- Creation of new or enhanced multi-day festivals/events to be held in the spring and fall;

- Supporting a range of sport tourism initiatives aimed at leveraging Nanaimo's accommodation, hosting and sport facility capacity and growing the community's sports tourism sector; and,
- Marketing activities specifically in support of the previous initiatives.

The above initiatives will contribute to the achievement of the following outputs and benefits for Nanaimo:

- Providing more activities for visitors which will enhance the destination appeal of the community;
- As the destination appeal of the community is enhanced, visitor nights will increase; and,
- As visitor nights increase, visitor spending that benefits all sub-sectors of the tourism industry will also increase.

The primary measure that will be used to evaluate the success of the MRDT revenue spending program in Nanaimo will be:

- **Increased overnight visitor stays as measured by improved hotel/motel occupancy rates.**

Both the proposal to levy the MRDT, as well as the MRDT revenue spending strategy presented in this Business Plan, have the support of the majority of accommodation operators in the City of Nanaimo. Of the 24 eligible properties within City of Nanaimo boundaries, 17 have provided written confirmation that they support implementation of the MRDT and the proposed MRDT revenue spending strategy. Two properties have declared that they are against the implementation of the tax and five properties have chosen not to reply and/or not to respond to offers to meet and discuss the attached Business Plan. This means that over 70% of the accommodation properties are in favour of the implementation of the MRDT.

## **1.0 About the Applicant**

### **1.1 City of Nanaimo**

This Business Plan and Application for the Municipal and Regional District Hotel Room Tax is being submitted by the City of Nanaimo with the support of the Nanaimo Hospitality Association (NHA) and the Nanaimo Economic Development Corporation (NEDC). The City passed a bylaw on May 12, 2014 requesting that the Province of British Columbia levy the tax on its behalf. A copy of this bylaw is attached in Appendix A.

### **1.2 Partner Agencies (NHA and NEDC)**

#### ***Nanaimo Hospitality Association***

The Nanaimo Hospitality Association is a non-profit society registered with the BC Corporate Registry. It was established on June 1, 2011 and has an eight-person Board of Directors comprised of a President, Secretary, Treasurer and five directors at large. All 24 tourism accommodators located within the boundaries of the City of Nanaimo are members of the NHA. The key purposes of the NHA, as set out in its constitution, are to:

- Promote economic development for the City of Nanaimo;
- Promote the City of Nanaimo as a tourism and business destination and support activities which also promote the Nanaimo Region;
- Promote goodwill amongst members, the public, government agencies and the media;
- Represent its members in matters of public importance, including any proposed legislation or regulations affecting the hospitality industry; and,
- Advance and promote learning, education, training and professionalism in the hospitality industry.

#### ***Nanaimo Economic Development Corporation***

Historically, responsibility for tourism in the City of Nanaimo fell to Tourism Nanaimo (the Destination Marketing Organization for the City). However, in 2011, Tourism Nanaimo was disbanded and on June 23, 2011 the Nanaimo Economic Development Corporation was established by the City of Nanaimo as an arms-length corporation. According to the NEDC's Articles of Incorporation (Section 1.3):

*The purposes of the Company include delivery of economic development services and land development to further an economic development initiative including the carrying on of activities, directly and indirectly, for the purpose of preserving and enhancing economic development in the City, including, without limiting the generality of the foregoing, marketing the City, providing marketing support and management services to entities involved in the marketing and promotion of the City, business attraction, business retention, community enhancement, making business investments, developing and implementing programs to promote local interests and attractions, tourism, film, and advocating for policies that promote economic growth, providing programs and incentives to businesses, collaborating with other municipalities, regional districts, government agencies and private sector entities in cooperative efforts to enhance economic development, and the ownership and operation of land and assets for the provision of such services, and all activities and undertakings ancillary thereto.*

The NEDC has a Board of Directors comprised of individuals who are appointed by Nanaimo City Council. The Board of Directors can appoint an Executive Committee and 'other committees as they see fit'. Of relevance to this Business Plan is the NEDC's Tourism Leadership Committee which is discussed in more detail below.

In addition to serving the economic development interests of the City of Nanaimo, the NEDC has entered into a ten-year agreement with the Regional District of Nanaimo (RDN) to promote economic development opportunities for the area that encompasses Electoral Areas A (Cedar), B (Gabriola Island), part of C (west of Lantzville), the District of Lantzville and the City of Nanaimo.

With the establishment of the NEDC, the City of Nanaimo effectively removed itself from any direct role in tourism and City funds that were previously allocated to Tourism Nanaimo for tourism marketing are now being allocated to the NEDC. This streamlined organizational structure reflects the synergies between economic development and tourism and aims to ensure a coordinated approach to related planning and marketing activities.

As referenced earlier, the tourism activities of the NEDC are guided by the NEDC Tourism Leadership Committee (TLC) which is comprised of 14 individuals who were selected through a formal process based on consideration of their relevant skills and tourism experience. According to the TLC's Terms of Reference, their mandate is to provide strategic recommendations to the NEDC's Board of Directors regarding tourism strategy and marketing. In addition the TLC provides input/insight to the NEDC Board regarding infrastructure gaps, product development and regulatory issues with a tourism impact. The full terms of reference for the TLC are attached in Appendix B.

### ***Agreement Among Partner Agencies***

The City of Nanaimo, the NHA and the NEDC are in agreement that having access to MRDT revenue will provide the financial resources needed to help enhance the destination appeal of the community and, in turn, improve hotel/motel occupancy rates. Based on discussions between these three organizations, it has been agreed that the most effective administrative model for the MRDT in Nanaimo is as follows:

- The City of Nanaimo will apply to the Provincial Government for the authority to levy the tax;
- The City will enter into a Service Agreement with the NHA to administer MRDT revenue on its behalf and in accordance with this Business Plan; and
- The NHA will enter into a Contract for Services Agreement with the NEDC which will undertake the initiatives to be funded by MRDT revenue.

Copies of the two signed Service Agreements referenced above are provided in Appendix C.

For more information on the relationship between the NHA and the NEDC, see Section 2.2 of this Business Plan.

### **1.3 Request for Implementation of MRDT**

The City of Nanaimo is requesting that the Province of British Columbia (Ministry of Jobs, Tourism and Skills Training and Ministry of Finance) authorize the implementation of the MRDT as follows:

|                             |                                     |
|-----------------------------|-------------------------------------|
| <b>Implementation Area:</b> | City of Nanaimo                     |
| <b>Implementation Date:</b> | January 1, 2015                     |
| <b>Plan Period:</b>         | January 1, 2015 – December 31, 2019 |



## 2.0 Overview of Nanaimo's Tourism Industry

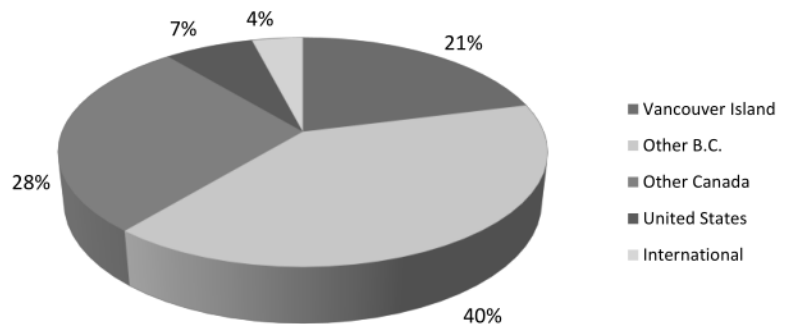
### 2.1 Industry Profile

Currently, many visitors who come to Nanaimo on a pleasure trip are en-route elsewhere. Those visitors who opt to stay overnight in the community come to visit family and friends, attend special events, and participate in various activities. Over the last few years, various initiatives have been implemented to improve Nanaimo's tourism infrastructure and to attract more visitors including, for example, the opening of the cruise ship facility, the development of the Waterfront Walkway, the establishment of the Nanaimo Downtown Farmers' Market, the construction of the conference centre, and the upgrading of the Nanaimo Airport. These initiatives have been complemented by a range of marketing activities.

According to the most recent available visitor profile information<sup>1</sup>, 21% of visitors to Nanaimo are from Vancouver Island, 40% are from other areas of B.C., 28% are from other areas of Canada, 7% are from the U.S. and 4% are from other countries.

**Figure 1: Origin of Visitors to Vancouver Island**

(Source: VIU Nanaimo Visitor Profile, Summer 2013)



In terms of visitor age, 14% of visitors to Nanaimo are under the age of 19, while 9% are 20 to 29, 10% are 30 to 39, 14% are 40 to 49, 26% are 50 to 59, 21% are 60 to 69 and 6% are 70 and older.

The top five trip activities that were cited by surveyed visitors to Nanaimo included shopping (70%), beach activities (35%), hiking (32%), other (24%), and attending festivals and events (22%). Of visitors surveyed, 87% were on a leisure trip while 3% were on a business trip and 11% were visiting for a combination of business and leisure.

The great majority of visitors to Nanaimo arrive by vehicle and/or ferry. While the number of ferry passengers has generally been declining over the last few years, the number of passengers arriving by air, many of whom are returning residents, has

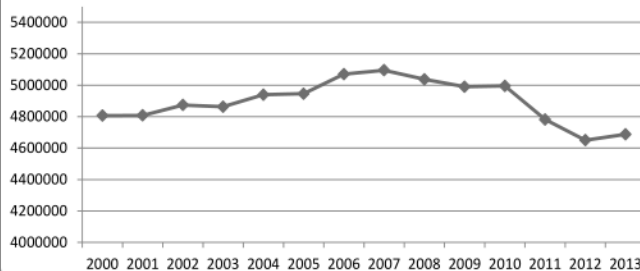
---

<sup>1</sup> Vancouver Island University. *Visitor Profile – Nanaimo (Summer 2013)*.

been increasing (see following charts). Additionally, starting in 2011, the City began hosting cruise ship visitors.

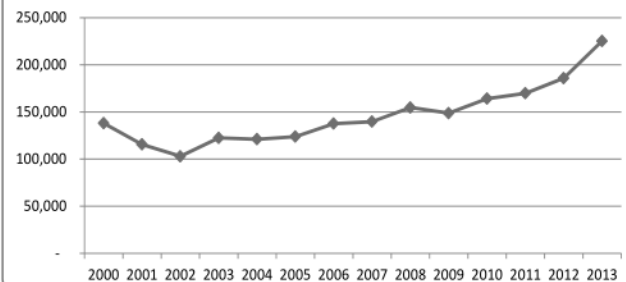
**Figure 2: Nanaimo Ferry Passengers 2000-2013**

(Source: BC Ferries)



**Figure 3: Nanaimo Airport Passengers 2000-2013**

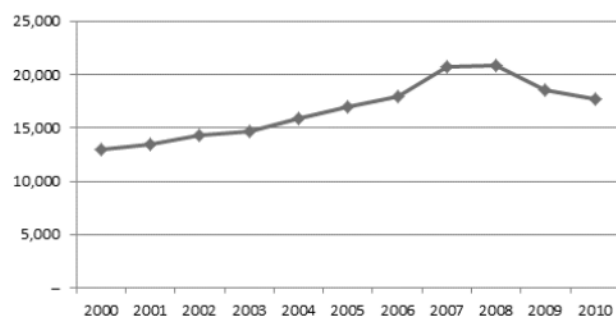
(Source: Nanaimo Airport)



Despite the various tourism-related initiatives which have recently occurred in Nanaimo, hotel/motel occupancy and room revenue trends indicate that the city's tourism sector has been struggling. For example, between 2007 (the year prior to the global financial crisis) and 2010<sup>2</sup>, Nanaimo's hotel/motel room revenue dropped by 15%. By comparison, room revenue for the province as a whole dropped by only 0.4% during this same period. This decline in Nanaimo's room revenue is linked to declines in average annual occupancy rates which dropped from 66.6% in 2007 to 55.0% in 2012 (the lowest rate achieved in the last decade) before increasing somewhat in 2013.

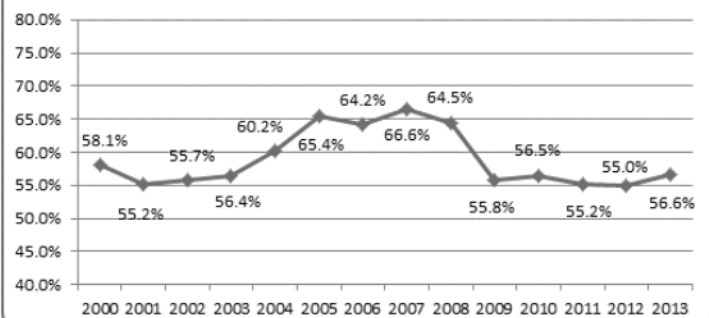
**Figure 4: Nanaimo Room Revenue Trends 2000-2010 (\$'000)**

(Source: BC Stats Room Revenue Report)



**Figure 5: Nanaimo Occupancy Trends 2000-2013**

(Source: Chemistry Consulting Group Tourism Bulletin)

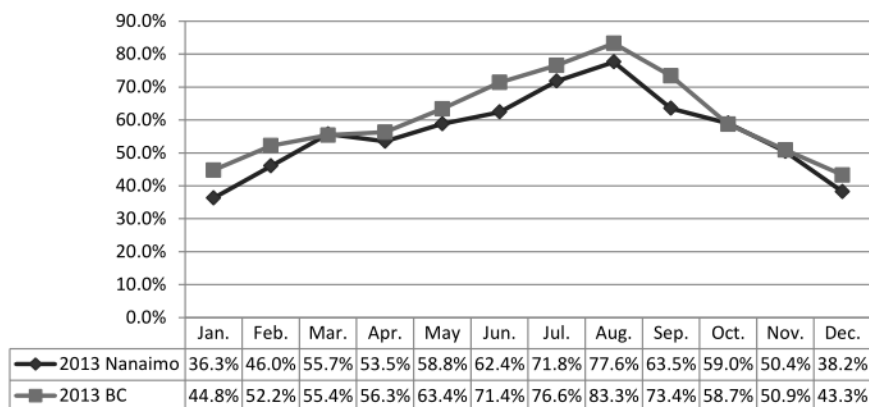


Like other communities in B.C., tourism activity in Nanaimo is very seasonal. In 2013, August was the busiest month, followed by July, September and June. In the other months, hotel/motel occupancy ranged from 36% to 59% (see graph on the next page). When compared with B.C. as a whole, Nanaimo's average monthly occupancy rate is generally lower than the provincial average. For 2013 as a whole, Nanaimo's

<sup>2</sup> 2011 and 2012 Room Revenue data for Nanaimo is not available from BC Stats.

average occupancy was 56.6% which is almost 3 percentage points below the estimated 2013 B.C. average of 59.6%.

**Figure 6: Comparison of Nanaimo & B.C. Monthly Occupancy Rates (2013)**  
(Source: Nanaimo data is from Chemistry Consulting Group Tourism Bulletin; BC data is from PKF as reported in Tourism BC's Provincial Tourism Indicators)



In addition to the impact of the last several years of weak economic conditions on the performance of Nanaimo's tourism industry, the community also faces strong competition for visitors from other areas of Vancouver Island that are perceived to have more appealing tourist amenities. However, it is believed that Nanaimo

has much unrealized tourism potential. A key step towards realizing this potential requires improving the city's destination appeal by providing more tourism products for visitors.

In order to help determine the most appropriate initiatives for enhancing the destination appeal of the Nanaimo area, the Tourism Leadership Committee of the Nanaimo Economic Development Corporation recently (January 2013) completed a comprehensive tourism strategy (see Appendix D for a copy of the *Nanaimo & Region Tourism Strategy Executive Summary*). Preparing this strategy involved conducting a tourism strengths, weaknesses, opportunities and threats (SWOT) assessment, preparing a detailed tourism situation analysis, determining the region's tourism vision and goals, and implementing a public consultation and communication process (e.g., e-survey, interviews, open houses). The tourism vision and goals for Nanaimo that were identified through the strategic planning process are as follows:

**Vision:** Our vision is that Nanaimo & Region is Vancouver Island's gathering place, the destination of choice for visitors to enjoy a uniquely west coast experience year-round.

- **Goal 1 - Product Development:** To support thoughtfully developed visitor services, transportation, infrastructure, attractions and festivals and events.
- **Goal 2 - Industry Partnerships:** To be the catalyst for collaboration between industry stakeholders and other community organizations to foster new partnerships and leverage investment in the tourism sector.

- **Goal 3 - Marketing & Public Relations:** To increase awareness of Nanaimo & Region's tourism assets and increase the contribution of tourism to the region's economy.
- **Goal 4 - Community Pride:** To increase community pride in the region and its tourism assets.
- **Goal 5 - Accountability:** To monitor key tourism indicators and communicate indicator information to industry stakeholders and the community.

Based on the above vision and goals, the *Nanaimo & Region Tourism Strategy* identifies a number of key strategies and associated action plans aimed at increasing Nanaimo's tourism appeal and the contribution that tourism makes to the Nanaimo area economy. In support of *Goal 1 – Product Development*, and *Goal 2 – Industry Partnerships*, key strategic initiatives identified in the Tourism Strategy include:

- Actively encourage/support (shoulder and off-season) festivals and events;
- Developing new or augmented tourist attractions.

Obtaining financial resources to help support these strategic product development initiatives is the primary driver behind this application by the City of Nanaimo to the Provincial Government requesting approval to levy the MRDT.

## **2.2 Relationship of Tourism Organizations**

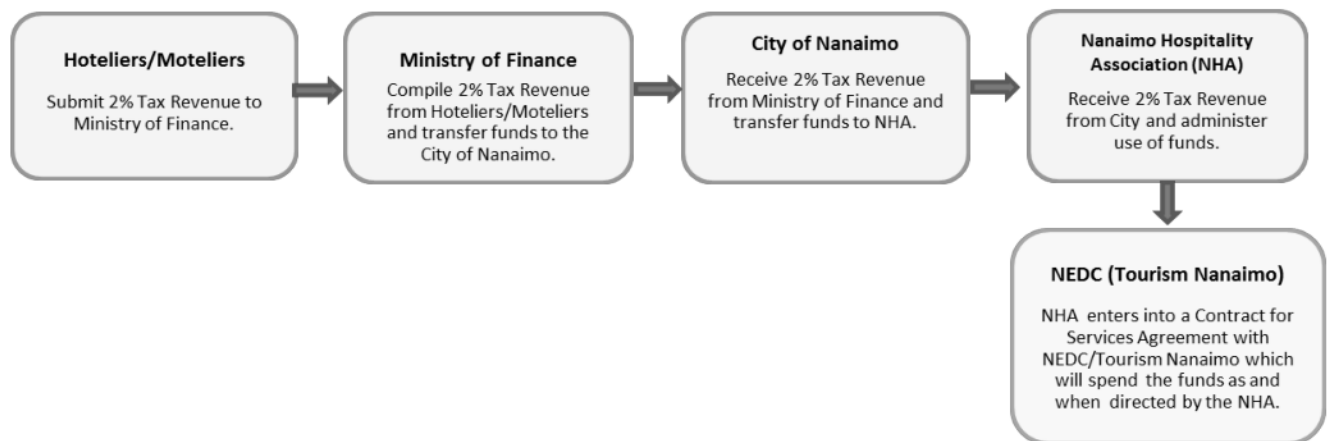
As noted in Section 1, there are two key organizations in the City of Nanaimo that represent the interests of the tourism industry. These organizations are the Society of the Nanaimo Hospitality Association and the Nanaimo Economic Development Corporation. As referenced earlier, the NHA is a not-for-profit incorporated society that represents the interests of the City's tourism accommodation operators, while the NEDC is an arms-length corporation established to provide coordinated economic development services on behalf of the City of Nanaimo, Electoral Areas A (Cedar), B (Gabriola Island), part of C (west of Lantzville), and the District of Lantzville.

Prior to the establishment of the NEDC, economic development was a City department. The functions of both Tourism Nanaimo (previously a stand-alone tourism destination marketing organization) and Destination Nanaimo (previously the marketing arm of the City's economic development office), are now the responsibility of the tourism division of NEDC which has kept the name Tourism Nanaimo. Tourism Nanaimo is the tourism destination marketing organization for the City and region of Nanaimo and is a member of the B.C. Visitor Centre Network administered by Tourism B.C. The tourism activities of the NEDC are guided by the Tourism Leadership Committee (TLC) which was introduced in Section 1.

The City of Nanaimo, the NHA and the NEDC have worked together to move the MRDT process forward and it has been agreed that MRDT funds will flow from the Province to the City of Nanaimo and then to the NHA. In turn, the NHA will administer MRDT revenue and will contract with the NEDC to implement spending activities in accordance with this Business Plan. The City of Nanaimo (under a 20-year agreement) will provide annual funding to the NEDC to support fulfillment of its economic development and tourism mandate.

The proposed process for administering MRDT revenue in Nanaimo is summarized in the following flow diagram.

**Figure 7: Proposed MRDT Revenue Flow in Nanaimo**



### 2.3 Opportunity to Build Tourism

MRDT revenue will support the growth of Nanaimo's tourism industry by providing the financial resources needed to enhance the destination appeal of the community and provide visitors with more reasons to come to, and stay in, Nanaimo. Increased visitation will improve hotel/motel occupancy (which is the primary objective of both the community's Tourism Strategy and this Business Plan) and increase spending in restaurants, retail outlets and transportation services. In turn, increased tourism spending will contribute to the overall sustainability of Nanaimo's economy by providing more jobs and generating more tax revenue. Aside from these positive economic impacts, the enhancement of the visitor destination appeal of Nanaimo will also enhance resident quality of life.

## 3.0 MRDT Revenue Strategy

### 3.1 MRDT Outcome Objective

In general terms, the overall goal of the City of Nanaimo, the NHA and the NEDC with regard to the use of MRDT revenue is to improve the destination appeal of Nanaimo and the viability of the community's tourism sector. More specifically, it is intended that MRDT revenue will be used to support specific tourism product development initiatives (see Section 3.3) that will contribute to the achievement of the following outcome objective:

- **Increased overnight tourism visits and improved hotel/motel occupancy rates.**

The above objective will serve as the basis against which the outcome of the MRDT spending strategy will be evaluated (see Section 3.5).

### 3.2 Estimated MRDT Revenue

Based on historical room revenue data for the City of Nanaimo, and as illustrated in the following table, the estimated revenue that would be generated by the MRDT is between \$375,000 and \$400,000 per year in the initial years of the tax (less the Provincial Government's administration fee of \$20 per operator per month). As tourism activity increases, it is expected that MRDT revenue will also increase. These revenue flow assumptions are reflected in the MRDT funding and expense projections presented in later Section 3.4.

| Table 1: City of Nanaimo - Potential MRDT Revenue Based on Historical Room Revenue  |               |               |               |               |               |
|---|---------------|---------------|---------------|---------------|---------------|
| Revenue   | 2006          | 2007          | 2008          | 2009          | 2010          |
| Total Room Rev.   | \$ 17,906,000 | \$ 20,697,000 | \$ 20,909,000 | \$ 18,590,000 | \$ 17,683,000 |
| Est. Rev. with 2% MRDT  | \$ 358,120    | \$ 413,940    | \$ 418,180    | \$ 371,800    | \$ 353,660    |
| Less \$240/operator annual admin. Fee*  | \$ 5,760      | \$ 6,000      | \$ 6,480      | \$ 6,480      | \$ 6,240      |
| Est. net MRDT Rev.  | \$ 352,360    | \$ 407,940    | \$ 411,700    | \$ 365,320    | \$ 347,420    |
| * Note that according to the BC Stats Room Revenue Report, the number of properties in the City of Nanaimo subject to room tax was 24 in 2006, 25 in 2007, 27 in 2008 and 2009, and 26 in 2010. |               |               |               |               |               |
| Source: Historical Room Revenue from BC Stats Room Revenue Report   |               |               |               |               |               |

### 3.3 Spending Strategy

In order to determine the specific initiative(s) to be funded by MRDT revenue, the Applicants reviewed the range of tourism product development priorities identified in the *Nanaimo & Region Tourism Strategy* and the *Nanaimo Sports Tourism Strategy* with a view to focusing on key initiatives that both complement community and regional tourism activities and are most likely to help achieve the community's MRDT outcome objective of increasing hotel/motel occupancy rates, especially in the short to medium term. Through this process it was determined that, in the short to mid-term, MRDT revenue would best be spent in support of the development and marketing of new or enhanced festivals and events and the enhancement of Nanaimo's sport tourism potential. As such, the proposed allocation of MRDT revenue is as follows:

- 45% of MRDT Revenue (estimated at \$169,000 in year 1): To be used to assist with the creation of new and/or enhanced multi-day festivals and events held in the fall, winter or spring;
- 35% of MRDT Revenue (estimated at \$131,000 in year 1): To be used to support specific aspects of Nanaimo's *Sports Tourism Plan* which is geared toward hosting more sporting events and attracting more event participants and spectators; and,
- 20% of MRDT Revenue (estimated at \$75,000 in year 1): To be used for marketing activities specifically in support of new or enhanced multi-day festivals and events and sports tourism.

The proposal implementation plans for these initiatives start on the next page.

*Note that that the Snuneymuxw First Nation (SFN) in Nanaimo is working on plans to develop the cultural, educational and tourism potential of Newcastle Island Marine Provincial Park which they manage via an Operating Permit with BC Parks. In particular, the SFN are considering plans to develop an Interpretive and Cultural Centre on Newcastle Island. Should this initiative proceed, the City of Nanaimo, the NHA and the NEDC are in agreement that such a project would contribute to the destination appeal of the Nanaimo area. As such, the Applicants wish to note that once more concrete plans (e.g., construction and business plans) for the Interpretive and Cultural Centre are available, they plan to submit an application for an amendment to this Business Plan requesting approval from the Provincial Government to reallocate a portion of MRDT revenue to this initiative.*

## Initiative 1

| Initiative 1                 | New or enhanced multi-day, shoulder-season festivals/events  |
|------------------------------|--|
| <b>Rationale</b>             | <p>Festivals and events have been identified as a key tourism opportunity for the Nanaimo area. Currently, most of the region's key festivals are grouped together in June and July. However, limited tourism-oriented festivals and events are held during the shoulder seasons. Festivals and events (sport, art, culture, recreation, etc.) have been proven to be an effective way of attracting visitors (new and return) to, and creating a 'buzz' about, a community. As a result, establishing new or enhanced multi-day festivals and events for Nanaimo is seen as an excellent opportunity for augmenting the City's destination appeal and helping the community achieve its goal increasing overnight visitation and occupancy outside of the high (summer) season.</p>   |
| <b>Link to tourism goals</b> | <p>This initiative supports three of the region's identified tourism goals, including:</p> <ol style="list-style-type: none"> <li>1. Product development – will add new reasons for visitors to come to the community and stay longer.</li> <li>2. Industry partnerships – festivals/events will be developed in partnership with local organizations.</li> <li>3. Community pride – residents will benefit from the positive profile and additional business and entertainment opportunities resulting from new festivals and events.</li> </ol>  |
| <b>Key activities</b>        | <ul style="list-style-type: none"> <li>• In support of this initiative, the applicants are proposing to use MRDT revenue to help finance the establishment of new and/or enhanced festivals. In anticipation of the availability of MRDT funding for this purpose, the decision has been made to use a similar application process and criteria for MRDT funding as is used by the NEDC and the TLC for the NEDC's Tourism Development Fund. These funding criteria include consideration of: <ul style="list-style-type: none"> <li>○ Alignment with the goals of the Nanaimo &amp; Region Tourism Strategy;</li> <li>○ Impact on overnight stays (by season);</li> <li>○ Demonstrated community support, a community champion, and track record; and,</li> <li>○ Number of tourism sectors supported/developed.</li> </ul> </li> </ul> |



| Initiative 1 | New or enhanced multi-day, shoulder-season festivals/events   |
|--------------|---|
|              | <p>Please see Appendix E for more detailed information on the NEDC's Tourism Development Fund application process and funding criteria (note that these documents apply to a range of tourism development initiatives including Festivals and Events and Tourism Developments).</p> <ul style="list-style-type: none"> <li>Nanaimo has numerous active, locally-based, not-for-profit sporting, artistic and cultural organizations and many talented individuals who can make a valuable contribution to the development of new or enhanced festivals and events. These organizations will be contacted and advised of the availability of festival/event development funds and funding criteria, and invited to submit a festival/event proposal and funding application.</li> <li>Festival/event proposals and funding applications will initially be reviewed by the TLC relative to the established funding criteria. Applications which meet these criteria will be forwarded to the NHA for final decision. Additionally, the NHA will look to the TLC to identify potential festival/event opportunities.</li> <li>The Applicants will provide marketing support to the funded festivals/events. In terms of marketing, a portion of the MRDT funds allocated for marketing will be used to help fund marketing activities specifically related to the new or enhanced festivals/events that receive MRDT funding.</li> </ul> |
| Target dates | <ul style="list-style-type: none"> <li><b>Spring 2015 est.:</b> Formal notice of the festival and events funding and application guidelines will be sent to community sporting, artistic and cultural organizations once it has been confirmed that Nanaimo's MRDT application has been approved by the Provincial Government.</li> <li><b>Summer 2015:</b> Organizations will be invited to submit a festival/event proposal and funding application for either a spring or fall tourism-oriented festival/event. From the time this invitation is issued, organizations will be given approximately one to two months to submit a proposal and funding application.</li> <li><b>Within 2 weeks of application closing dates:</b> Applications will initially be received by the NEDC and reviewed by the TLC relative to the established funding guidelines with shortlisted applications (those who meet funding criteria) being forwarded to the NHA for a final decision which will be made within 2 weeks.</li> </ul>   |

| Initiative 1                | New or enhanced multi-day, shoulder-season festivals/events   |
|-----------------------------|---|
|                             | <ul style="list-style-type: none"> <li>• <b>Fall 2015:</b> The goal is to have a new festival/event scheduled for both fall 2015 and spring of 2016 by early fall 2015 so as to ensure adequate marketing lead-time.</li> </ul> <p>The above timeline may need to be adjusted depending on the actual date of the Provincial Government's decision regarding Nanaimo's MRDT application.</p>  |
| <b>Funding Requirements</b> | <ul style="list-style-type: none"> <li>• The full funding requirements of the new or enhanced festivals and events will be identified by the proponent organizations as part of their proposal and application. Although an exception could be made, the maximum funding support available to each new or enhanced festival from MRDT revenue will not exceed 50% of the total funding requirements (see also next bullet).</li> <li>• As noted earlier, a total of 45% of MRDT revenue will be allocated for use in support of festivals/events (not including the marketing of these events – see next bullet). At this stage, it is estimated this will amount to a total of about \$169,000 in year one. Assuming 10% is kept in reserve leaves about \$152,000 for the new or enhanced festivals/events (the funds provided to each new festival/event may not be equal). Given that MRDT revenue will accrue monthly and actual revenue flow won't be known for a few months, the funds allocated for the initial year of the fall festival will, in prudence, not exceed one-third of the total set aside for festivals (i.e., about \$56,000, less 10% reserve).</li> <li>• A total of 20% of MRDT revenue will be allocated for marketing activities in support of the two initiatives that are the focus of this Business Plan. At this stage the Applicants are proposing to divide these funds equally between these two initiatives (i.e., 50% for new and enhanced festivals/events and 50% for sport tourism). Under the MRDT revenue assumptions discussed earlier, this would provide approximately \$37,500 annually to market new or enhanced festivals/events. Assuming 10% is kept in reserve leaves about \$33,750 for marketing. These funds would be used by the NEDC (Tourism Nanaimo), as directed by the NHA and/or the festival/event proponent organization, for website and social media marketing, print marketing and targeted public relations initiatives.</li> </ul> |
| <b>Funding sources</b>      | <ul style="list-style-type: none"> <li>• MRDT (assuming MRDT collection begins in January of 2015, it is estimated that initial revenue will begin flowing to Nanaimo by about the end of March 2015).</li> </ul>   |

| Initiative 1               | New or enhanced multi-day, shoulder-season festivals/events  |
|----------------------------|--|
|                            | <ul style="list-style-type: none"> <li>• NEDC Tourism Development Fund (up to \$125,000 per year, to a maximum of \$25,000 per project, is available to fund tourism projects and programs based on applications from the community)</li> <li>• Event/festival ticket revenue</li> <li>• Event/festival sponsorship revenue</li> <li>• In-kind contributions from the community group(s) that organize the event/festival</li> </ul> |
| <b>Measurable outcomes</b> | <ul style="list-style-type: none"> <li>• Increase in number of tourism-oriented festivals/events held annually.</li> <li>• Increased hotel/motel occupancy in event months (relative to previous years)</li> </ul>   |

## Initiative 2

| Initiative 2                        | Develop Nanaimo's sport tourism potential   |
|-------------------------------------|---|
| <p><b>Rationale</b></p>             | <p>The value and growth potential of B.C.'s sport tourism sector is acknowledged in the Province of BC publication <i>Sports Tourism Business Essentials</i> which notes that sports tourism is a very significant component of global tourism and that B.C. is well-positioned to expand its sports hosting potential and role. This publication acknowledges sports tourism as a sport, community and economic development tool, and states notes that in recognition of the value of sports tourism, the Province supports initiatives related to sport system development, sport tourism generation, and social and community legacies.</p> <p>Nanaimo has had a sports tourism plan in place for some time, plus has a sports tourism guide which provides an inventory of available venues and sport tourism support services (<a href="http://www.nanaimo.ca/assets/departments/parks~rec~culture/plan~a~sportculture~event/nanaimo_sport_tourism_guide.pdf">www.nanaimo.ca/assets/departments/parks~rec~culture/plan~a~sportculture~event/nanaimo_sport_tourism_guide.pdf</a>)</p> <p>Nanaimo's role as an active sports tourism community is also profiled in the <i>Sports Tourism Business Essentials</i> publication which states that "Nanaimo is a great place to host events and has an impressive list of satisfied hosting partners...with a wide variety of high caliber events and venues...". Most recently, Nanaimo hosted the 2014 BC Summer Games which is estimated to have generated \$2.6 million in economic impacts in the community. Nationally, sport tourism is expected to continue to experience strong rates of growth.</p> <p>The City of Nanaimo recently transferred responsibility for sports tourism to the Nanaimo Economic Development Corporation (NEDC). In turn, the NEDC has undertaken to revamp and update the <i>Nanaimo Sports Tourism Strategy</i> with the goal of further enhancing the community's sport tourism potential. In support of this updated plan, the applicants are proposing to allocate a share of MRDT revenue to a number of specific sports tourism development activities.</p> |
| <p><b>Link to tourism goals</b></p> | <p>This initiative supports two of the region's identified tourism goals, including:</p> <ol style="list-style-type: none"> <li>1. Industry partnerships – Sporting events will be developed in partnership with local organizations.</li> </ol>  |

| Initiative 2          | Develop Nanaimo's sport tourism potential   |
|-----------------------|---|
|                       | <p>2. Community pride – Residents will benefit from the positive profile and additional business and entertainment opportunities resulting from additional sporting activities.</p>   |
| <b>Key activities</b> | <ul style="list-style-type: none"> <li>• In support of this initiative, the applicants are proposing to use a share of MRDT revenue to help support a number of specific activities related to enhancing Nanaimo's sports tourism potential. These activities include: <ul style="list-style-type: none"> <li>○ Bidding on signature sporting events in order to attract them to Nanaimo;</li> <li>○ Providing funding support for feasibility studies related to the improvement, expansion or development of sporting facilities that will augment Nanaimo's sport hosting potential;</li> <li>○ Providing funding to support sport tourism lead generation, sales calling, hosting of stakeholder workshops, and organizing and hosting of familiarization/site tours for sporting event representatives; and,</li> <li>○ Attending sport tourism related events (e.g., Canadian Sports Tourism Alliance) to build Nanaimo's sports tourism profile.</li> </ul> <p>Note that in addition to the above funding allocations, sport event champions will be able to apply for funding through Initiative 1 to support the organization of new or augmented sporting events.</p> </li> <li>• A portion of the MRDT funds allocated for marketing will be allocated to sports tourism marketing (see also "Funding Requirements").</li> </ul> |
| <b>Target dates</b>   | <ul style="list-style-type: none"> <li>• <b>Spring 2015 est.:</b> As per initiative 1, formal notice of the festivals and event funding and application guidelines will be sent to community sporting organizations once it has been confirmed that Nanaimo's MRDT application has been approved by the Provincial Government.</li> <li>• <b>Spring 2015 start-up and then ongoing:</b> Potential sporting event bid opportunities will be identified, evaluated and targeted.</li> <li>• <b>Spring 2015 start-up and then ongoing:</b> The availability of funding to support feasibility studies related to the improvement, expansion or development of sporting facilities will be announced along with application guidelines. Funding will be provided on a 50/50 cost-shared basis to a maximum of \$15,000.</li> </ul>  |

| Initiative 2                | Develop Nanaimo's sport tourism potential   |
|-----------------------------|---|
|                             | <ul style="list-style-type: none"> <li>• <b>Spring 2015 start-up and then ongoing:</b> A contractor or staff resource will be retained to support sports tourism development activities including lead generation, sales calling, planning and hosting of stakeholder workshops, and hosting familiarization tours for sporting event representatives.</li> <li>• <b>Spring 2015 est.:</b> Key sports tourism events which offer the opportunity to build Nanaimo's sports tourism profile will be identified and targeted (e.g., the CSTA Sport Event Congress in April of 2015).</li> </ul> <p>The above timeline may need to be adjusted depending on the actual date of the Provincial Government's decision regarding Nanaimo's MRDT application.</p>  |
| <b>Funding Requirements</b> | <ul style="list-style-type: none"> <li>• The applicants are proposing that the four sports tourism funding initiatives identified in the earlier 'Key Activities' section be funded as follows: <ol style="list-style-type: none"> <li>1. Bidding on or sponsoring signature sporting events to attract them to Nanaimo (20% of MRDT revenue [less 10% reserve], estimated at \$23,600 in year 1)</li> <li>2. Feasibility study funding support for sport facility enhancement or development (40% of MRDT revenue [less 10% reserve], estimated at \$47,200 in year 1)</li> <li>3. Sports tourism lead generation, sales calling, planning and hosting of stakeholder workshops planning and hosting, and hosting familiarization tours (31% of MRDT revenue [less 10% reserve], estimated at \$36,580 in year 1)</li> <li>4. Attendance at sports tourism events (9% of MRDT revenue [less 10% reserve], estimated at \$10,620 in Year 1).</li> </ol> </li> <li>• A total of 20% of MRDT revenue will be allocated for marketing activities in support of the two initiatives that are the focus of this Business Plan. At this stage the Applicants are proposing to divide these funds equally between these two initiatives (i.e., 50% for new and enhanced festivals/events and 50% for sport tourism). Under the MRDT revenue assumptions discussed earlier, this would provide approximately \$37,500 annually to support marketing initiatives related to sports tourism. Assuming 10% is kept in reserve leaves about \$33,750 for sport tourism marketing. These funds would be used by the NEDC (Tourism Nanaimo) for sport tourism website development, supplemental sport tourism oriented destination marketing, event advertising in key</li> </ul> |

| Initiative 2               | Develop Nanaimo's sport tourism potential  |
|----------------------------|--|
|                            | sport publications, and development of venue/asset promotional elements (i.e., photographic imagery).  |
| <b>Funding sources</b>     | <ul style="list-style-type: none"> <li>• MRDT (assuming MRDT collection begins in January of 2015, it is estimated that initial revenue will begin flowing to Nanaimo by about the end of March 2015)</li> <li>• Tourism Nanaimo/NEDC funding</li> <li>• Sporting event ticket revenue</li> <li>• Sporting event sponsorship revenue</li> <li>• In-kind contributions from sport group(s)</li> </ul> |
| <b>Measurable outcomes</b> | <ul style="list-style-type: none"> <li>• Annual increase in number of sporting events that involve non-resident participants and spectators.</li> <li>• Increased hotel/motel occupancy in event months (relative to previous years)</li> </ul>  |

### 3.4 Funding and Expense Projections

The spending strategy outlined in Section 3.3 above reflects a number of assumptions regarding the timing, flow and amount of MRDT revenue. Table 2 summarizes total 2013 and projected (2015/16-2019/20) revenues and expenses associated with the delivery of tourism services in Nanaimo (i.e., Tourism Nanaimo). The 2013 figures are provided in order to demonstrate that MRDT revenue will be incremental to existing sources of tourism funding. In viewing projected revenue figures and sources, it should be noted that potential revenues from other community agencies involved in, for example, the organization of new festivals/events (e.g., agency grants, in-kind contributions, event revenues) are not accounted for as they are outside the control of the Applicant organizations.

| Table 2: Tourism Revenue and Expense Projections |                   |                         |                     |                     |                     |                     |
|--|-------------------|-------------------------|---------------------|---------------------|---------------------|---------------------|
| Tourism Revenues and Expenses                    | W/O MRDT          | Projections - With MRDT |                     |                     |                     |                     |
|  | 2013              | 2015/16                 | 2016/17             | 2017/18             | 2018/19             | 2019/20             |
| <b>Projected Revenues</b>                        |                   |                         |                     |                     |                     |                     |
| MRDT (assumes 2% annual increase)                | \$ -              | \$ 375,000              | \$ 382,500          | \$ 390,150          | \$ 397,953          | \$ 405,912          |
| NEDC funding for Tourism Nanaimo                 | \$ 570,000        | \$ 570,000              | \$ 575,700          | \$ 581,457          | \$ 587,272          | \$ 593,144          |
| <b>Other Tourism Nanaimo Sources of Revenue</b>  |                   |                         |                     |                     |                     |                     |
| RDN funding to NEDC for Tourism Nanaimo          | \$ 137,000        | \$ 137,000              | \$ 137,000          | \$ 137,000          | \$ 137,000          | \$ 137,000          |
| Destination BC                                   | \$ 33,000         | \$ 33,000               | \$ 33,000           | \$ 33,000           | \$ 33,000           | \$ 33,000           |
| Advertising Revenue (Tourism Nanaimo)            | \$ 50,000         | \$ 50,000               | \$ 51,000           | \$ 52,020           | \$ 53,060           | \$ 54,122           |
| Stakeholder Program Revenue                      | \$ 5,000          | \$ 30,000               | \$ 30,600           | \$ 31,212           | \$ 31,836           | \$ 32,473           |
| <b>Total Revenue</b>                             | <b>\$ 795,000</b> | <b>\$ 1,195,000</b>     | <b>\$ 1,209,800</b> | <b>\$ 1,224,839</b> | <b>\$ 1,240,121</b> | <b>\$ 1,255,651</b> |
| <b>Projected Expenses</b>                        |                   |                         |                     |                     |                     |                     |
| Festivals and Events Support                     | \$0               | \$ 151,875              | \$ 154,913          | \$ 158,011          | \$ 161,171          | \$ 164,394          |
| Sport Tourism Support                            | \$0               | \$ 118,125              | \$ 120,488          | \$ 122,897          | \$ 125,355          | \$ 127,862          |
| Marketing for Festivals/Events                   | \$0               | \$ 67,500               | \$ 68,850           | \$ 70,227           | \$ 71,632           | \$ 73,064           |
| 10% Reserve                                      |                   | \$ 37,500               | \$ 38,250           | \$ 39,015           | \$ 39,795           | \$ 40,591           |
| Tourism Nanaimo operations (wages/office exp.)   | \$ 279,000        | \$ 359,000              | \$ 366,180          | \$ 373,504          | \$ 380,974          | \$ 388,593          |
| <b>Tourism Nanaimo Program Expenses</b>          |                   |                         |                     |                     |                     |                     |
| Destination Development                          | \$ 125,000        | \$ 125,000              | \$ 125,000          | \$ 125,000          | \$ 125,000          | \$ 125,000          |
| Tourism Marketing Programs                       | \$ 348,000        | \$ 336,000              | \$ 336,000          | \$ 336,000          | \$ 336,000          | \$ 336,000          |
| <b>Total Expenses</b>                            | <b>\$ 752,000</b> | <b>\$ 1,195,000</b>     | <b>\$ 1,209,680</b> | <b>\$ 1,224,654</b> | <b>\$ 1,239,927</b> | <b>\$ 1,255,505</b> |



As shown in Table 2 above, the total amount of revenue available for tourism in Nanaimo 2013 was \$795,000. Assuming MRDT collection starts on January 1, 2015, the total amount of revenue available for tourism in Nanaimo in 2015/16 is projected to be about \$1.19 million or about 50% more than in 2013. Of total projected 2015/16 revenue, about 31% would come from the MRDT while the remaining 69% would come from other sources.

While Table 2 summarizes annual MRDT revenue projections, it is recognized that revenue expenditures will need to reflect both an uneven monthly revenue flow and an initial delay in revenue flow when MRDT collection begins. Assuming the start date for revenue collection is January 1, 2015, the Applicants realize that it could be up to three months before any revenue is received back from the Province. As such, the data in Table 3 reflects the estimated amount of MRDT collected each month and not the nature of monthly revenue flow back to the community.

**Table 3: Projected Monthly MRDT Revenue Collection in 2015 (Year 1) based on 2009 Monthly Room Revenue (Most Recent Data Available)**  
(Source: 2009 Room Revenue percentages derived from BC Stats 2009 Room Revenue Data for the City of Nanaimo)

|                           | Jan.      | Feb.      | Mar.      | Apr.      | May       | Jun.      | Jul.      | Aug.      | Sep.      | Oct.      | Nov.      | Dec.      | Annual  |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|
| % Room Rev. by Mo. (2009) | 5%        | 7%        | 7%        | 7%        | 10%       | 10%       | 10%       | 14%       | 10%       | 7%        | 8%        | 5%        | 100%    |
| Proj. MRDT Rev. by Month  | \$ 18,750 | \$ 26,250 | \$ 26,250 | \$ 26,250 | \$ 37,500 | \$ 37,500 | \$ 37,500 | \$ 52,500 | \$ 37,500 | \$ 26,250 | \$ 30,000 | \$ 18,750 | 375,000 |

### 3.5 Tracking and Evaluation

The MRDT spending strategy will be evaluated quarterly by the NHA with the input of the NEDC, using the following performance indicators. These indicators relate directly to the objective identified in Section 3.1 which is to increase overnight tourism visits and improve visitor accommodation occupancy rates.

| Table 4: MRDT Spending Strategy Performance Evaluation Indicators |  |   |
|---|--|---|
| Indicator   | Measurement Frequency  | Sources   |
| <b>1: Accommodation occupancy</b>                                 |  |   |
| Accommodation occupancy rates                                     | Monthly and annual   | <ul style="list-style-type: none"> <li>Tourism BC – Tourism Indicators Supplement Tables. See:<br/><a href="http://www.destinationbc.ca/Research/Industry-Performance/Tourism-Indicators.aspx#.UelY2Hjn-Uk">http://www.destinationbc.ca/Research/Industry-Performance/Tourism-Indicators.aspx#.UelY2Hjn-Uk</a> or,</li> <li>Chemistry Consulting Group Monthly Tourism Bulletin</li> </ul>  |
| <b>2. Accommodation room revenue</b>                              |  |   |
| Room revenue  | Monthly - but there is typically about a six month time lag with this data (e.g., January data released in July) | <ul style="list-style-type: none"> <li>Room Revenue and Property Count prepared by BC Stats. See:<br/><a href="http://www.bcstats.gov.bc.ca/StatisticsBySubject/BusinessIndustry/Tourism.aspx">http://www.bcstats.gov.bc.ca/StatisticsBySubject/BusinessIndustry/Tourism.aspx</a></li> </ul> <p>At the time of writing, Nanaimo was not included in this dataset. However, the City will be added once the MRDT levy is in place.</p> |

## **4.0 Organizational Structure**

### **4.1 Administration of Tax Revenue**

Once the authority to levy the MRDT in the City of Nanaimo has been approved, and qualifying accommodation operators have registered with the Ministry of Finance, the collection of the MRDT will begin. All MRDT revenue collected by City of Nanaimo operators and submitted to the Ministry of Finance will be transferred first to the City and then to the NHA on a monthly basis, less the \$20 per operator administration fee.

The NHA will, in turn, contract with the NEDC to implement the projects to be supported by MRDT funds. These arrangements are outlined in the NHA-NEDC Contract for Services Agreement provided in Appendix C. Under the terms of this agreement, the NEDC will submit invoices to the NHA as key service delivery goals are met. In turn, the NHA will pay these invoices, without charging an administration fee.

A representative(s) of the NHA will meet with the NEDC on a quarterly basis to review the status of Business Plan implementation and the progress achieved relative to performance expectations. On an annual basis, the NHA will review and provide any updates or amendments to the business plan no later than 30 days prior to the end of each contract year. Amendments to the Business Plan will require the support of a simple majority of NHA members. The Business Plan, if amended, would be submitted to the Ministry of Finance as part of the Annual Report and audited financial statements that will be submitted to the Ministry of Finance at the conclusion of each tax year.

### **4.2 Accountability and Control**

The following accountability and control guidelines have been established to ensure that MRDT funds are spent by the NEDC in accordance with the spending strategy outlined in the Business Plan and approved by the NHA:

- The NHA will maintain proper and current financial books and records in accordance with generally accepted accounting principles.
- The NEDC will maintain proper and current financial books and records in accordance with generally accepted accounting principles. The NEDC will maintain the statement of funds related to the NHA MRDT service agreement as an independent cost centre of the NEDC's budget and financial statements. The NEDC has agreed that the NHA may, with reasonable notice, request that the statement of funds for the MRDT service agreement be made available for inspection.

- The City of Nanaimo has entered into a 20-year contract with the NEDC and has also committed to provide annual funding support for NEDC operations of \$1.375 m. for the next five years (of which a share goes to Tourism Nanaimo).
- Within the NEDC, oversight of business plan implementation and the administration of MRDT revenue will be the responsibility of the Tourism Leadership Committee (TLC). At all times, the NHA will have a minimum of three seat(s) on the TLC and one ad hoc seat on the NEDC Board of Directors.
- Prior to the conclusion of the five-year term of this business plan (i.e., 2019/20), the accommodation sector will vote on whether to continue with or discontinue the collection of the MRDT.

## **5.0 Industry Support**

### **5.1 Consultation with Industry**

Tourist accommodation operators in Nanaimo have been discussing the option of implementing the 2% MRDT for a number of years. Interest in implementing the tax grew due to the impact of the global economic slowdown on occupancy rates and room revenue. In 2011, the NHA Board of Directors began actively engaging the industry (tourist accommodation operators) in discussions about the MRDT. A number of meetings were held to discuss options and ideas. In 2012/13, a consultant was engaged to help facilitate discussions with industry and develop this Business Plan.

During the Business Plan development process, the elected NHA Board of Directors led a number of industry consultation initiatives which were largely done through a combination of face-to-face and online discussions. Copies of the online discussions are available upon request by the Ministry. The face-to-face meetings included the following:

- Feb. 24, 2012 – A meeting was held with representatives of the City of Nanaimo, the NHA, the NEDC, and the consulting team to discuss the proposed MRDT administrative model and the proposed Service Agreement between the NHA and the NEDC.
- January 17, 2013 – A meeting was held with representatives of 16 of the 22 eligible properties in Nanaimo to discuss moving forward with the MRDT application. All 16 individuals indicated their support for moving forward.
- February 21, 2013 – A meeting was held between representatives of the City of Nanaimo, the NHA, the NEDC, and the BC Hotel Association to discuss possible formats for the City/NHA/NEDC Service Agreement that will govern the administration of the MRDT revenue. The outcome of this meeting was the development of a Memorandum of Understanding (MOU) which confirmed the willingness of the City of Nanaimo, the NHA and the NEDC to develop a Service Agreement for the administration of the MRDT.
- July 12, 2013 – A meeting of the NHA, attended by 8 representatives, was held to determine the spending strategy outlined in this Business Plan.
- Ongoing informal discussions with accommodators.

## **5.2 Accommodation Sector in Support of the MRDT**

Within the boundaries of the City of Nanaimo, there are 24 tourist accommodation properties that are eligible to collect the MRDT. These properties represent a total of 1322 rooms and are listed in the 'Accommodation Directory' table that starts on the next page.

In order demonstrate that the MRDT is supported by a minimum of 51% of eligible properties representing a minimum of 51% total rooms, Nanaimo requires the support of a minimum of 13 operators representing a minimum of 661 rooms. As shown in the table entitled 'Accommodation Sector in Support of the Hotel Room Tax' which follows the 'Accommodation Directory' table, the application to levy the MRDT in Nanaimo is supported by 17 (71%) operators representing 1045 (79%) of the total rooms. As such, the level of accommodation operator support required has been well exceeded.

Insert *Accommodation Directory* table followed by the *Accommodation Sector in Support of the Hotel Tax* table (latter will need to be scanned as it will include signatures)

## **Appendices**

- A. Municipal Bylaw
- B. Tourism Leadership Committee Terms of Reference
- C. Service Agreements
- D. Nanaimo & Region Tourism Strategy – Executive Summary
- E. NEDC Tourism Development Fund Documentation



## **A. Municipal Bylaw**

---

## **B. Tourism Leadership Committee Terms of Reference**

---



**Nanaimo Economic Development Corporation  
Tourism Leadership Committee**

**Mandate**

The Tourism Leadership Committee provides strategic recommendations to the Nanaimo Economic Development Corporation Board of Directors regarding tourism strategy, marketing. In addition the Tourism Leadership Committee will provide input/ insight to the NEDC Board regarding infrastructure gaps, product development and regulatory issues with a tourism impact.

**Chair of the Committee Charter  
Roles and Responsibilities**

The Chair is expected to fulfill the duties and responsibilities of a Committee member, and, in conjunction with the NEDC staff, but subject to the control of the Committee, to:

1. Direct the affairs of the Tourism Leadership Committee generally
2. Report annually in writing to the Board of Directors of the Nanaimo Economic Development Corporation on the program and activities of the Tourism Leadership Committee and, following adoption of such report by the Board, forward that report to the shareholders of the Corporation
3. Preside over all meetings of the Committee in an efficient and effective manner, ensuring orderly deliberation and decision-making of the Committee
4. The Chair shall have the right to vote
5. Ensure that the decisions of the Tourism Leadership Committee shall be made by majority vote of those present
6. The Chair shall ensure that the recommendations arising from the Tourism Leadership Committee are reflective of the Tourism sector as an industry and are not directed to the support of any segment, sector and facet of the industry
7. The Chair may designate to another member of the Committee to undertake specific activities and responsibilities delegated by the Chair
8. Act as the Tourism Leadership Committee liaison with Tourism Nanaimo staff, including acting as a sounding board and counsel for, and collaboratively resolving any issues with Tourism Nanaimo staff.

9. Act as the Tourism Leadership Committee liaison with the NEDC Board, including reporting on and communicating all Tourism Leadership Committee deliberations and recommendations, responding to any questions about the Tourism Leadership Committee from the NEDC Board
10. Determine, review and ensure the completeness of Tourism Leadership Committee agendas, minutes and pre-read information in conjunction with the Tourism Nanaimo staff
11. Build Tourism Leadership Committee unity, solidarity and trust;
12. Demonstrate integrity and ethical leadership;
13. Ensure that the Tourism Leadership Committee focuses at a high, strategic level, not delving into operational matters;
14. Coach Committee members, collectively and individually, to ensure full utilization of individual capabilities and optimum performance of the Committee
15. Ensure that the Tourism Leadership Committee members are properly informed on matters of substance;
16. Establish and promote harmonious and effective working relationships within the Tourism Leadership Committee and with stakeholders that might be involved with the Committee
17. Satisfy, from time to time, such other duties and responsibilities as may be assigned by the NEDC Board of Directors; and
18. Conduct one on one dialogue as called for, and at least annually, with all members of the Tourism Leadership Committee to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Committee, including assisting with their orientation to the Committee, relationship as an advisory body to the NEDC, promoting their understanding and development, and providing advice, mentoring, coaching and guidance as called for.

The foregoing list is not exhaustive, and the Chair may, in addition, perform such other functions as may be necessary or appropriate in the circumstances.

Adopted by the NEDC Board March 21, 2013



**TOURISM LEADERSHIP COMMITTEE  
COMMITTEE MEMBER CHARTER  
Roles and Responsibilities**

Each member of the Tourism Leadership Committee covenants with the Nanaimo Economic Development Corporation to:

1. Provide strategic recommendations to the Nanaimo Economic Development Corporation Board of Directors regarding strategies pertaining to the Tourism Industry Sector.
2. Act honestly and in good faith with a view to the best interests of the Tourism Leadership Committee in accordance with the NEDC Conflict of Interest Policy.
3. Exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances
4. Demonstrate integrity and ethical leadership and set a positive example
5. Refrain from either giving or receiving preferential treatment, be it personal, family or related corporate opportunity potentially available due to the position of Committee member or access to confidential information (for example, employment or contractual opportunities, gifts of a material nature
6. Participate actively in meetings of the Committee, read and understand Committee documents and briefing notes prior to meetings and follow up on important matters, participate effectively and constructively in meetings, engage at a high, strategic level, not delve into operational minutiae, and ask questions with an independent mind. Support a policy that being absent from three consecutive meetings would place the committee position in jeopardy and will need to be addressed by the Chair.
7. Suggest additional agenda items as appropriate to the Committee Chair, as well ahead of meetings as possible
8. Participate in ensuring that the Committee clearly communicate expectations to staff, including clarity on information requests and clear direction
9. Work collaboratively and respectfully with other Committee members, members of any interim sub-committees and members of staff
10. Express their opinions, but once Committee recommendations are made, support the decision
11. Participate in any Committee evaluations as applicable
12. Remain properly informed on matters of substance relating to the Tourism Industry
13. Satisfy, from time to time, such other duties and responsibilities as may be assigned by the Committee

Adopted by the NEDC Board March 21, 2013

## **C. Service Agreements**

---

## **D. Nanaimo & Region Tourism Strategy Executive Summary**

---

## **E. NEDC Tourism Development Fund Documentation**

---

The following three documents are attached:

- Tourism Development Fund Criteria and Overview
- Tourism Development Fund Application
- Tourism Development Fund Business Case Template



## Flatman, John CSCD:EX

---

**From:** Beck, Adrienne JTST:EX  
**Sent:** Thursday, November 3, 2016 12:20 PM  
**To:** Krenz, Linda DBC:EX  
**Cc:** Minaker, Willow JTST:EX  
**Subject:** RE: Nanaimo

Could you send us Appendix C of their application also?

---

**From:** Krenz, Linda DBC:EX  
**Sent:** Thursday, November 3, 2016 12:13 PM  
**To:** Minaker, Willow JTST:EX  
**Cc:** Beck, Adrienne JTST:EX; Harrison, Peter DBC:EX; McKay, Alison J DBC:EX  
**Subject:** RE: Nanaimo

Hi Willow,

I have attached the MRDT application, including and Business Plan for the City of Nanaimo. The MRDT for the City of Nanaimo was approved effective April 1 2015. I have not been contacted by the City of Nanaimo.

**Linda Krenz**  
Destination Development Coordinator, MRDT Program  
**Destination British Columbia**  
12th Floor, 510 Burrard Street  
Vancouver, British Columbia  
Canada V6C 3A8  
T 604.660.6391  
F 604.660.3383  
E [Linda.Krenz@DestinationBC.ca](mailto:Linda.Krenz@DestinationBC.ca)  
Consumer [HelloBC.com](http://HelloBC.com)  
Corporate [DestinationBC.ca](http://DestinationBC.ca)



Sign up [here](#) for updates, invites and our new industry newsletter, **Destination BC News**. Receive updates on our marketing campaigns, hear about tourism partnership and media coverage successes, learn facts and figures from our research team, get news you can use about upcoming events—and much more, right to your inbox.

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Thursday, November 3, 2016 11:48 AM  
**To:** Krenz, Linda DBC:EX; McKay, Alison J DBC:EX; Harrison, Peter DBC:EX  
**Cc:** Beck, Adrienne JTST:EX  
**Subject:** Nanaimo

Hi all,  
s.13,s.16

Thanks,  
Willow

**Willow Minaker**

Director, Policy and Investment Alignment  
Tourism Policy Branch  
Ministry of Jobs, Tourism and Skills Training  
250.356.7861 (office)  
s.17 (cell)  
[Willow.Minaker@gov.bc.ca](mailto:Willow.Minaker@gov.bc.ca)

## Flatman, John CSCD:EX

---

**From:** Minaker, Willow JTST:EX  
**Sent:** Thursday, November 3, 2016 1:24 PM  
**To:** Harrison, Peter DBC:EX  
**Cc:** Krenz, Linda DBC:EX; McKay, Alison J DBC:EX; Beck, Adrienne JTST:EX  
**Subject:** RE: Nanaimo

Thanks Peter for the background and Linda for sending the Strategic Plan. <sup>s.13</sup>

Cheers,

W.

s.13

-----Original Message-----

From: Harrison, Peter DBC:EX  
Sent: Thursday, November 3, 2016 12:47 PM  
To: Minaker, Willow JTST:EX  
Cc: Krenz, Linda DBC:EX; McKay, Alison J DBC:EX; Beck, Adrienne JTST:EX  
Subject: Re: Nanaimo

Hi Dan Brady from the Nanaimo Hospitality Association contacted me a couple of weeks ago and asked what was required if Nanaimo wanted to make changes to their program.

I mentioned if they ere strategic changes they needed to talk to us and if it was just tactical changes they don't need to contact us. Dan is a registered contact that the city has approved us discussing the Nanaimo MRDT with. <sup>s.13,s.16</sup>

s.13,s.16

s.13,s.16

s.22

s.22

I would be available on Monday to meet with you to discuss re your

earlier email. Cheers

Sent from my iPad

> On Nov 3, 2016, at 11:47 AM, Minaker, Willow JTST:EX <[Willow.Minaker@gov.bc.ca](mailto:Willow.Minaker@gov.bc.ca)> wrote:

>

> Hi all,

s.13,s.16

> Thanks,

> Willow

>

>

> Willow Minaker

> Director, Policy and Investment Alignment Tourism Policy Branch

> Ministry of Jobs, Tourism and Skills Training

> 250.356.7861 (office)

> s.17 (cell)

> [Willow.Minaker@gov.bc.ca](mailto:Willow.Minaker@gov.bc.ca)<<mailto:Willow.Minaker@gov.bc.ca>>

>

> <Op-Ed Still Perplexed.pdf>

