



AGENDA
DISTRICT OF PORT HARDY
COMMITTEE OF THE WHOLE MEETING
6:00 pm TUESDAY MAY 24, 2016
COUNCIL CHAMBERS, MUNICIPAL HALL
7360 COLUMBIA STREET

Mayor: Hank Bood
Councillors: Pat Corbett-Labatt, Dennis Dugas, Jessie Hemphill, Rick Marcotte, Fred Robertson, John Tidbury

Staff: Allison McCarrick, Chief Administrative Officer; Heather Nelson-Smith, Director of Corporate Services; Abbas Farahbakhsh, Director of Operational Services; Adrian Maas, Director of Financial Services

<u>Page</u>		<u>Time:</u>	
	A. CALL TO ORDER		
	B. APPROVAL OF AGENDA		
	Motion required	1.	2.
	C. STAFF REPORTS		
1-2	1. Adrian Maas, Director of Finance (May 19/16) re: Tourism – Port Hardy and Visitor Information Center. Overview.		
	Motion / direction required	1.	2.
	D. DELEGATION		
	1. Carly Pereboom, Visitor Information Center – 2016 budget.		
3-10	Visitor Information Centre 2015 Report.		
	E. NEW BUSINESS		
	No new business.		
	F. ADJOURNMENT		
	Motion required	1.	2. Time:



DISTRICT OF PORT HARDY

STAFF REPORT



DATE: May 19, 2016
TO: Mayor and Councillors
FROM: Adrian Maas, Director of Finance
RE: Tourism - Port Hardy and Visitor Information Center

PURPOSE

To provide information for Council to consider how best to manage attracting (marketing) and informing tourists.

ANALYSIS

Earlier this year the process began to renew the MRDT (Municipal Regional District Tax) or Hotel tax as it is commonly known.

The process of renewal and subsequent reporting on how these funds are used has become substantially more complicated than in past years. At the provincial level the program is administered by Destination BC and the base requirement for renewal of the MRDT includes:

1. Five Year Strategic Business Plan (Including a one year tactical plan with performance measures)
2. Evidence that funds from the tax are incremental to existing sources of tourism funds
3. Evidence of consultation and support, as applicable, from local governments
4. Evidence and authority and request to impose the tax
5. Documentation of how the MRDT program, including revenue, will be administered
6. Evidence of consultation with tourism stakeholders
7. Accommodation Directory form
8. Accommodation sector in support of MRDT tax form
9. Confirmation of consultation with Destination BC
10. Tourism Events Program Sponsorship undertaking (3% applicants only)

Bullets 1,6, and 8 are critical to completing the base information to apply.

The current situation is that:

- District of Port Hardy provides funding for the Tourist Information Center which is managed under contract by the Chamber of Commerce. (information function)
- Tourism Port Hardy is a volunteer society without staff who provide input and manage a small amount of funds (20% of the MRDT) for marketing Port Hardy specifically. (attraction function to specific location)
- Vancouver Island North Tourism manages 80% of the MRDT funds regionally. (attraction function regionally)

As the renewal process began it became evident that a certain amount of synergy was lost as:

- Tourism Port Hardy has no staff and lacks the administrative capability to complete the renewal process given the new requirements though they have done a good job in the past with a simpler process.
- Visitor information center staff have felt put upon acting in a support role without a clear mandate.
- Vancouver Island North staff have largely been sidelined when they have capability and experience specific to the process and currently are the recipients of 80% of the funding raised locally.

To improve the situation staff have had discussions with Tourism Port Hardy, Chamber of Commerce (Visitor Information Center) and Vancouver Island North Tourism. All parties are interested in getting the results required and the consensus is that the process would be better managed in a different format.

The format the discussions have evolved could be an advisory committee of council whose makeup and role could be:

1. Include Representatives of Council, district staff as required, Tourism Port Hardy (advisory roles), Visitor Information Center(advisory role) and as required or desired representatives from hoteliers
2. To oversee renewal of the MRDT application process.
3. Review and approve Five Year Strategic Business plan and one year tactical plan.
4. Provide direction to Visitor information center regarding specifically how the marketing portion of funds raised from MRDT are allocated and spent. **(should be clear No additional support funds for administrative function to visitor information center all additional funds to be used for marketing)**
5. Act as liaison between the various groups as required.
6. Provide recommendations to council

It is suggested that at the outset meetings be held at least bi-weekly until the MRDT is renewed and if unsuccessful at the 3% until funding level sharing with regional efforts are re-evaluated.

FINANCIAL IMPLICATIONS

There are no financial implications.

STAFF RECOMMENDATION

"THAT Council consider establishing a tourism advisory committee, and discuss with the Chamber of Commerce (Visitor Information Center) the additional duty of marketing utilizing MRDT funds"

Respectfully submitted,

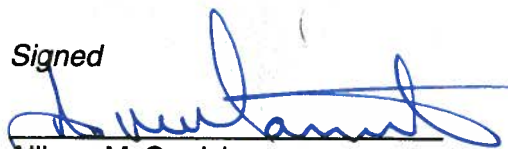
I agree with the recommendation.

Signed



Adrian Maas
Director of Finance

Signed



Allison McCarrick
Chief Administrative Officer



Port Hardy
BRITISH COLUMBIA

LIVE THE ADVENTURE

Visitor Information Centre 2015 Report



Visitor
Centre



**SUPER, NATURAL
BRITISH COLUMBIA***

LIVE THE ADVENTURE

#visitporthardy

www.VisitPortHardy.com¹

VIC SUMMARY REPORT 2015

Port Hardy's Visitor Information Centre (PHVIC) has a 4 year strategic plan in place. The steps and decisions the PHVIC makes in both daily operations and long term planning are made in accordance with the objectives as defined in the 4 year plan.

OBJECTIVES

The 4-Year Strategic Plan for the Port Hardy Visitor Information Centre (PHVIC) was developed to work with organized industry partners, community groups, and stakeholders to enhance the level of visitor engagement in Port Hardy, maximize the length of visitor stays, capitalize on visitor expenditures and enhance the global perception of our town and its resources.

The plan is not based on new, high-risk or high-cost ideas; rather it is built using the guidelines and community support tools available to us for the development of our local tourism industry from the RD, Tourism Port Hardy and VINTA. There are measured, accessible steps already defined by organizations such as the Canadian Tourism Commission, Destination BC, Aboriginal Tourism BC, Destination Marketing Accreditation International and more, for communities such as Port Hardy to engage in tourism and hospitality market development.

Port Hardy Visitor Centre has restructured in recent years, leveraging the power of partnership with the Port Hardy Chamber of Commerce to support, streamline and improve the level of visitor services available in the District of Port Hardy, allowing both organizations to positively impact tourism economic growth over both the short and long term.

2015 FACILITY UPGRADE

In the spring of 2015 the PHVIC continued moving forward with improvements to the interior of the Visitor Information Centre. This is a 4 year plan to gradually increase the operational, aesthetic and visual values of the facility to better reflect our community's tourism product. We received additional financial support from the District of Port Hardy; the Port Hardy Chamber of Commerce and Visitor Centre had made plans for the improvement, and matched the additional contributed funds. Improvements included:

- The addition of a food-safe food preparation area
- Building of slat wall for improved information and racking display
- Improved retail area and display
- A designated lounge area for travelers
- Improved storage for Visitor Centre materials and stock

Updates to the exterior of the building stalled and will be completed in the spring of 2016.

2

VIC SUMMARY REPORT 2015

COMMUNITY ENGAGEMENT

Recognizing the value that community events bring to the travel, tourism and hospitality sector, the Visitor Information Centre continues to support these initiatives while still managing our primary mandate of one-on-one visitor servicing and the distribution of information. In 2015 we played a vital administrative role in planning and facilitating:

- Oceans Day
- Van Isle 360 Sailing Race
- Canada Day
- Aboriginal Days
- Filomi Days
- Pumpkin Patch Walk

In addition to the above events, we have effectively engaged the community to make use of the facility, making it available for other events that are organized by community volunteers; Santa Claus Parade, Wounded Warrior Run, Cops for Cancer, 4Paws Fundraising, Go Fly a Kite etc. The PHVIC is continuing to work towards a stabilized community event planning structure in partnership with the District and understanding ways in which we can add value to the seasonal jobs available and promote meaningful workforce development.

MEDIA & INFORMATION TECHNOLOGY

The Port Hardy Visitor Centre remains committed in its working partnership with Tourism Port Hardy and varying stakeholders within the community. We continue to work with Tourism Port Hardy ensuring our messaging and marketing is streamlined, reducing redundancies and minimizing expenses. We began building the web platform www.visitporthardy.com in 2014, and through 2015 worked towards creating a tight online resource with strong calls to action; 2016 we will continue to build on this and look forward to continued improvements on the website.

Social Media Campaigns have been drafted and our online presence continues to grow. Further implementation of media and effective online marketing programs developed by the PHVIC will be followed through in the coming year.

INNOVATION

- Website & Social Media Engagement
- Mobile Visitor Servicing
- Planning for increased presence at points of entry
- Focusing on further support for Experiential Tourism Products, Cultural Tourism and Green Tourism Initiatives in our community

VIC SUMMARY REPORT 2015

PLANNING

Our operational plan is in place to ensure the goals of the 4 year strategic plan are being met. This past year we made headway on the following;

- Developing partnerships with First Nations communities to have meaningful participation in events and employment within the centre. We have successfully partnered two years in a row with Quatsino First Nations to employ youth.
- Engagement with the BC Jobs Plan program to understand and benefit from the commitment of the Government of BC's new BC Jobs Plan initiatives in relation to tourism.
- Community relations – bridging the information gap, providing timely input and information to all stakeholders about the benefits and contributions of each sector in our community , driving home the message that we are all in tourism.
- Staff retention; Retaining in-house staff that have the capacity to achieve high level goals through enhanced organizational development and training opportunities. This is ongoing as we try and stabilize funding to support a full operational position for the PHVIC.
- Provided new mapping and resources that control the flow of our tourism traffic and support the development of signature experiences locally.

STAFFING

We were successful in our Summer Student Jobs funding, which provided the centre with two post-secondary students. We had one student from the Quatsino First Nations Youth Employment program and were able to make use of an Internship program through Volunteer Comox Valley. Without these successful grants being awarded, maintaining our extended hours and full 7 day a week services would have presented operational challenges. We hope we are as successful in our 2016 applications for wage grants.

In order for the Visitor Centre to be effective locally, regionally and Provincially having someone oversee operations, planning, marketing and distribution of materials on a full time bases is required. We are a hub for the community as much as we are an information centre for those visiting, and those who are new to the area. We continue to apply for wage subsidies, and identify revenue streams which can support this position in order to run the facility to it's full extent.

VIC SUMMARY REPORT 2015

VISITATION AND STATS

Under the direction of Destination BC and the Visitor Centre Network the Port Hardy Visitor Centre (PHVIC) collects stats, on visitor origins, lengths of stay in the community and the activities in which they partake. The value of these reports are part of on-going research to examine how travellers use VICs and how they travel throughout the Province. The use of the Port Hardy Visitor Centre provides our community with an opportunity to influence the activities and satisfaction of travellers before they reach our community and once they arrive, thus increasing the length of stay and the probability of a return visit to the community. Our reporting assists in measuring the impacts that Visitor Information Centres have on traveller behaviour; determining the economic benefit of having a Visitor Information Centre.

2015 proved to be a year of overall growth for Tourism on Vancouver Island. Port Hardy in particular saw an increase in visitation, after a decrease in 2014. The Port Hardy Visitor Centre assisted a total of 15,938 individuals, a 25% increase from the year before. Ferry ridership from Port Hardy to Prince Rupert saw little growth with only 1.4% increase.

While the summer months prove to be where visitation and party numbers show the greatest increase in visitation, it is the shoulder season which has most notably picked up, visitation increasing by 13.1% in 2015; offering the greatest opportunities for growth in tourism locally. Relative to other regions, the North Island is gaining popularity as a destination for daytrips and getaways in the spring, which presents an opportunity to increase the number of trips taken and/or the duration of visits during this season.

Port Hardy continues to be able to capitalize on affordability; Hiking, commuter trails, Provincial Park access, coastal surfing, camping, these are being highlighted as free or inexpensive activities that offer the traveller the opportunity to explore and adventure without excessive fees. Due to the nature of these trips, multi-day trips and extended stays within Port Hardy are on the up. In 2015 stays extending more than 1 night in the off season increased by 6.4%. Despite these positives Port Hardy lacks services that enable the traveller to spend their time entirely in Port Hardy, the following are key challenges that visitors face.

Service deficiencies ;

- Lack of market ready businesses offering local excursions
- Transportation options that allow the traveller to see multiple points in a single day
- Lack of interpretive signage, history and cultural information throughout the community
- Recreational rentals, ie. Kayaks, fishing gear, paddle boards, bikes etc.

DESTINATION BC—REMARKABLE EXPERIENCE'S MOVING FORWARD

Having identified gaps in service we know that as a community and Information Centre that we have to appeal to target markets with experiences relevant to their interests, this a critical part of our PHVIC #visitporthardy campaign. Tourism products and packages that are focused on visitors interests, passions and built to connect visitors with local people who share those passions will help with the success of our tourism brand. We look to increase the human and social interactions of the #visitporthardy experience.

Customer participation (in varying degrees) and the connection to the environment (from minimal to immersion) are the two key factors of the experience of tourism. In looking for experiences and packages to promote through our campaign, PHVIC seeks to focus on experiences that blend entertainment, education, landscape, esthetics and escapism into another world. The Canadian Tourism Commission suggests looking for the following principals for "experiential tourism providers:"

Themed the experiences:

- Steps taken to promote positive experiences
- Steps taken to eliminate negative experiences
- Ensure that pre-departure trip planning and post-trip follow-up become a part of the visitor counseling process
- Draw people into local nature, culture and history
- Ensure the experience is personal and unique to each visitor
- Create authentic opportunities that allow for personal growth
- Create authentic, participatory experiences that share knowledge
- Share traditional ways of life

The Port Hardy Chamber of Commerce, in conjunction with the PHVIC and Tourism Port Hardy continue to collaborate with tourism businesses to encourage them to transform their already fantastic traditional tourism businesses into businesses that are market ready for the "experiential" tourism experiences that the travel market is looking for. This will come by way of round-table discussions, workshops and seminars provided for business owners and front-line staff. Building effective partnerships and working collectively is the key to closing the gaps in services available locally, moving forward the PHVIC will continue to facilitate outreach and engagement with key stakeholders.

REGONIZING VALUE AND INVESTMENT

Currently the Port Hardy Visitor Information Centre receives funding from the District of Port Hardy and Destination BC. We are the largest Visitor Centre North of Campbell River and handle the majority of inquiries and travel requests for the North Island. We served more than 15,000 people last year; that number reflects walk in numbers to the facility, that number does not reflect the amount of email and direct call inquires that the facility fields. We are a hub of information for people considering relocating to the North Island and are a constant resource to locals. We work collaboratively with community and regional stakeholders that have a vested interest in tourism flourishing on the North Island. Investment into the Port Hardy Visitor Centre supports tourism services locally, providing a touch stone for stakeholders and is a point of contact for investors, businesses and media outlets. The Visitor Centre provides more than just a service to those visiting, we are a committed organization in the development and economic well being of an industry that continues to outgrow any other sector in BC.

In 2014 Tourism BC provided a snapshot of the Value of Tourism. The numbers were staggering. In 2014 the tourism industry generated \$14.6 billion in revenues, a 5.1% increase from 2013 and a 37.7% increase from 2004. The increase for 2015 is estimated to be around 10%. Tourism employed more that 127,500, paying a total of \$4.3 billion in wages and salaries.

The potential for Port Hardy to evolve into a sought after destination is materializing; continued support and investment into this sector by First Nations, travel trade, regional and municipal entities continues to grow, putting Port Hardy on a path of tourism stability, fostering local business growth. As the Port Hardy Visitor Centre our mission is to continue providing supportive services to community entities, organizations and being a source of information for those looking to visit, relocate and or learn more about our community. We are committed to marketing and promoting the town of Port Hardy for the adventures and unparalleled experiences our community can offer.

FINANCAL REVIEW

The PHVIC continues to allocate and maximize the funds acquired in order to provide stable services to Port Hardy. Please see attached the finances for 2015.

Visitor Information Centre

(Schedule 1)

Year Ended December 31, 2015

(Unaudited - See Notice To Reader)

	2015	2014
REVENUE		
Grants	\$ 77,961	\$ 77,437
Wage Recovery	4,477	2,700
Commissions	219	1,163
Other income	2,619	2,016
Special Projects VIC—District Contribution	10,000	-
Retail Sales Revenue VIC	13,638	20,368
Cost of Sales	(7,826)	(10,153)
	<u>101,088</u>	<u>93,531</u>
EXPENSES		
Accounting fees	1,853	1,160
Advertising and promotion	6,124	5,331
Amortization	1,476	1,484
Community events	1,618	544
Insurance	1,948	2,026
Interest and bank charges	1,137	1,241
Meetings and conventions	405	769
Office	9,623	4,832
Repairs and maintenance	11,509	1,968
Salaries and wages	59,810	66,705
Telephone	2,096	2,247
Travel	1,951	1,717
Utilities	1,487	1,202
	<u>101,037</u>	<u>91,226</u>
INCOME FROM OPERATIONS		
	<u>\$ 51</u>	<u>\$ 2,305</u>