



STAFF REPORT TO COMMITTEE

DATE OF REPORT November 28, 2023
MEETING TYPE & DATE Committee of the Whole of December 13, 2023
FROM: Economic Development Division
Strategic Services Department
SUBJECT: Tourism Cowichan 2024 Tactical Plan and Budget
FILE: 0230-20 Tourism Cowichan 2024

PURPOSE/INTRODUCTION

The purpose of this report is to seek Board approval of the Tourism Cowichan 2024 Tactical Plan and Budget.

RECOMMENDED RESOLUTION

That it be recommended to the Board, on December 13, 2023, that the Tourism Cowichan Tactical Plan and Budget for the period January 1 to December 31, 2024, as outlined in the Economic Development Division staff report to the December 13, 2023 Committee of the Whole, be approved.

BACKGROUND

Updated Contribution Agreement

On September 27, 2023 the CVRD Board approved (Resolution #23-458) an updated Regional Tourism Services Contribution Agreement (2023-2025) between Tourism Cowichan Society (TCS) and the CVRD.

This Agreement aims to streamline TCS reporting requirements, timelines, and payment terms. The updated service agreement enables the CVRD Board to review and provide feedback on the draft One-Year Tactical Plan and Budget for the forthcoming year before the Plan is finalized, and is found in Attachment A to this report. The agreement also broadens TCS mandate to take, where appropriate, a leading role in supporting tourism product development in the CVRD, in consultation with EDC staff.

Annual Work Plan and Budget for 2024

In order for Tourism Cowichan Society (TCS) to receive an annual contribution from the CVRD in 2024, TCS must provide the Annual Work Plan to the CVRD. The Annual Work Plan consists of:

- 1) the Annual Performance Report and Financial Report from the previous year (2022);
- 2) the One-Year Tactical Plan and Budget for the forthcoming year (2024); and,
- 3) The Annual Financial Statements of Tourism Cowichan (2023).

The 2022 Annual Performance Report is found as Attachment B to this report. The 2024 One-Year Tactical Plan and Budget, due to be submitted to the Province of BC's Municipal and Regional District Tax (MRDT) program, are found in Attachments C and D to this report.

The 2023 Annual Financial Statements of Tourism Cowichan (2023) is expected to be received by staff by July 31, 2024, at which time the CVRD Financial Contribution may be processed.

The 2024 One-Year Tactical Plan outlines a number of marketing components and other activities around destination and product experience management, industry development, and visitor centre support. The Plan contains the following marketing components:

- Promoting the new TourismCowichan.com website (align with stakeholder websites);
- Traditional advertising (print, broadcast and out-of-home advertising);
- Collateral Production & Distribution (newly designed Cowichan Visitor Guide);
- Digital marketing (utilize social media networks, user generated content, advertising);
- Travel trade & media relations (attend consumer shows to maximize brand awareness);
- Asset development (written content, video, imagery, etc.); and
- Consortium investments (marketing in partnership with sector organizations).

The Tactical Plan outlines a number of other key activities around destination and product experience management such as supporting visitor centres, and providing marketing dollars for members' visitor attraction efforts through the Events and Festival's Fund.

In line with the revised Contribution Agreement, the 2024 Tactical Plan also outlines ways in which TCS is acting to support tourism product development in the region, including conducting a Hotel Needs Assessment (2023) in collaboration with Economic Development Cowichan, plans to launch a new Tourism Development Fund in 2024, and working on fulfilling the requirements to become a Biosphere Certified Destination.

Tourism Cowichan Society intends to rate its performance in 2024 based on a series of measurables closely related to its tactical plan, including stakeholder satisfaction and engagement, the number of publications it distributes, website and social media engagement, and the number of travel trade and media tours hosted.

Goals for the organization outlined in the Tactical Plan include increasing visitation and expenditures of travellers to the region, extending visitation into the shoulder and off-seasons, and increasing stakeholder collaboration and export readiness.

This report will be accompanied by a presentation by Tourism Cowichan Society.

ANALYSIS

The TCS bylaws stipulate that the organization be industry-led and that Board members represent an industry segment. The current Board of Directors are:

Last Name	First Name	Status	Board Role	Business
Open	Open	Elected	Chair, Director at Large, Attractions	
Bogwald	Leif	Appointed	Director of Corporate/ Professional, Treasurer/ Secretary	Vancouver Island Expeditions

Chilton	John	Appointed	Ex-officio Chambers of Commerce Rep	Cowichan River Lodge/ Cowichan Lake Chamber of Commerce
Colebank	Brennan	Elected	Director, Agri-Tourism	Stillhead Distillery
Docherty	Janet	Appointed	Ex-officio Director, Past-Chair	Merridale Cider & Distillery
Day	Bob	Elected	Director, Arts, Culture & Heritage, Interim Chair	Ts'uubaa-asatx Nation
Handysides	Josh	Elected	Director at Large	Malahat Nation
Koops	Evelyn	Elected	Director, Accommodation <25	Farm Table Inn
Kosmuk	Shawn	Elected	Director, Sports, Outdoors & Marine	Oak Bay Marine Group
McPherson	Ian	Elected	Director at Large	Brentwood College School
Open	Open	Elected	Director, Food Beverage Retail	
Open	Open	Elected	Director, Accommodation >25	

The CVRD's Manager of Economic Development Cowichan acts as a liaison between TCS and the CVRD's Legislative Services and Finance Divisions in administrative and financial matters pertaining to the Municipal Regional District Tax.

Staff feel the Plan balances tourism marketing activities with efforts to examine opportunities to support tourism product development in the region through the examination of opportunities to support increased tourism accommodation, and the creation of the new Tourism Development Fund.

Economic Development Cowichan supports the outcomes outlined in Tourism Cowichan Society's Tactical Plan and Budget for 2024.

FINANCIAL CONSIDERATIONS

CVRD Funding

Funding of \$120,000 less the government allocation of \$2,353 means that a total of \$117,647 will be awarded to Tourism Cowichan Society in 2023 by the CVRD.

With funding of \$120,000 less a government allocation of \$2,353, it is estimated that Tourism Cowichan Society will be awarded \$117,647 by the CVRD for 2024.

MRDT Funding

On November 8, 2023 the CVRD Board resolved to allocate MRDT revenues from Online Accommodation Platforms (OAPs) to affordable housing in 2024. MRDT OAP is estimated at \$176,000 in 2024 and will be allocated towards affordable housing, however, this number may be

impacted by forthcoming short-term vacation rental regulations. A separate staff report is being prepared to outline the use of OAP MRDT funds towards affordable housing. If approved, the Annual Tactical Plan will be updated with this information prior to submission to Destination BC.

General MRDT funds budgeted to flow to TCS in 2024 are estimated at \$537,000 in the MRDT One-Year Tactical Plan 2024 Budget.

Use of Surplus

The draft Budget is fiscally prudent, in that it seeks to draw down the existing budget surplus by over \$300,000 in 2024.

Visitor Centre Funding

On November 8, 2023 the CVRD Board passed a resolution that staff work with Tourism Cowichan Society to explore options for increasing the annual grants for Visitor Centres in the region. At the time of writing this report, TCS Board had not had an opportunity to fully consider this request. TCS staff expect they will be able to provide an update to the CVRD on this question in advance of the December 13 Committee meeting. Any changes can be included in the final submission to DBC.

COMMUNICATION CONSIDERATIONS

N/A

STRATEGIC/BUSINESS PLAN CONSIDERATIONS

The effective delivery of destination marketing services by Tourism Cowichan Society runs parallel to Economic Development Cowichan efforts to support tourism development in Cowichan.

Referred to (upon completion):

- ☐ Community Services (*Cowichan Community Centre, Cowichan Lake Recreation, South Cowichan Recreation, Arts & Culture, Facilities & Transit*)
- ☒ Corporate Services (*Finance, Human Resources, Information Technology, Legislative Services*)
- ☐ Operations (*Utilities, Parks & Trails, Recycling & Waste Management*)
- ☐ Land Use Services (*Community Planning, Strategic Initiatives, Development Services, Building Inspection & Bylaw Enforcement*)
- ☒ Strategic Services (*Communications & Engagement, Economic Development, Emergency Management, Environmental Services*)

Prepared by:



Nicole Rallis, Special Projects Assistant
Economic Development

Reviewed by:



Barry O'Riordan, Manager
Economic Development



Clayton Postings
General Manager

Reviewed for form and content and approved for submission to the Committee:

Resolution:

☒ Corporate Officer

Financial Considerations:

☒ Chief Financial Officer

ATTACHMENTS:

Attachment A – TCS CVRD Contribution Agreement 2023-2025

Attachment B – 2022 MRDT Annual Performance Report

Attachment C – 2024 MRDT One Year Tactical Plan

Attachment D – 2024 MRDT One Year Tactical Plan Budget