

ITEM 2
MANAGER'S REPORT NO. 1
COUNCIL MEETING 1989/01/03

RE: 1989 TOURISM VANCOUVER AGREEMENT

ACTING MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Planning & Building Inspection be adopted.

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TO: MUNICIPAL MANAGER 1988 December 19
FROM: DIRECTOR PLANNING & BUILDING INSPECTION Our File: 00.830.1

SUBJECT: 1989 TOURISM VANCOUVER AGREEMENT

PURPOSE: To present a proposal concerning the 1989 Tourism Vancouver Program and municipal cost sharing.

RECOMMENDATIONS:

1. THAT Council approve in principle, a contribution of \$31,965, representing Burnaby's share, towards the funding of the 1989 Agreement between the GVRD and regional municipalities for the provision of tourism destination marketing services by Tourism Vancouver in 1989 as outlined in this report on the understanding
 - that the Municipalities as listed in Appendix 2 will be participating in the Tourism Vancouver cost sharing arrangement on the basis as outlined
 - that, in the event that full participation is not received and subsequent significant reductions in the 1989 contract become necessary, Council will be requested to give final approval to the amended Agreement.
2. THAT a copy of this report be forwarded to Ms. Joanne Wolff, Manager, Burnaby Chamber of Commerce, 6525 Sprout Street, Burnaby, B.C. V5B 3B3; Mr. Hugh Kellas, Administration & Policy Development, G.V.R.D., Development Services Department, 4330 Kingsway, Burnaby, B.C. V5G 4G8; Mr. James Coleridge, Director of Tourism Development, Tourism Vancouver, 562 Burrard Street, 2nd Floor, Vancouver, B.C. V6C 2J6.

R E P O R T

105

1.0 BACKGROUND

At its meeting of 1988 March 28, Council authorized the execution of an Agreement between the District of Burnaby and the G.V.R.D. for the provision of tourism marketing services to be undertaken by Tourism Vancouver. Burnaby's contribution to Tourism Vancouver under the Agreement for 1988 was \$33,160.

A Tourism Vancouver Contract Committee was struck to advise Tourism Vancouver on the development of services and products identified in the contract. Burnaby has been represented in this Committee by the Assistant Director - Long Range Planning as well as through participation by the Manager of the Burnaby Chamber of Commerce.

2.0 THE 1988 PROGRAM

The objectives of municipal participation in the Tourism Vancouver Destination Marketing Program are to increase the number of visitors who travel throughout Greater Vancouver and to promote municipal attractions to a broad market at the least cost.

Appendix 1 to this report outlines the components of the 1988 program, together with their status and costing. The program has been broadly based and intended to raise the awareness of suburban tourist destinations. A package of materials representative of the results of the 1988 program is available for viewing in the Planning & Building Inspection Department.

The process of involving local representatives in developing tourism products has improved significantly throughout the year. Participation on the Contract Committee has been steadily expanded to ensure representation by most of the local tourism promotion agencies.

The multi-Municipality contract, unfortunately, was not finalized until 1988 April and therefore the products specified have only recently begun to be completed. The Contract Committee of the participating Municipalities recently met to review the results of the 1988 program and concluded that the works done to date are a valuable starting point. At the same time, it is recognized that the exact content and form of the products developed to date may require amendment based on the results of their use.

This department has embarked on the preparation of a broadly based economic development strategy for the Municipality. One of the elements of the strategy identified for further evaluation is the tourism sector. Based on the experiences of this year's initial contract, it is the view of staff, as well as the Chamber of Commerce, that the Municipality has received good value in expanding traditional initiatives in this sector by buying into Tourism Vancouver's international marketing program to highlight municipal attractions having potential regional tourism interest.

2.1 Monitoring

As was requested in the approval of the 1988 Contract, Tourism Vancouver has provided statistics as related to the tourism sector to help monitor the merits of the program. A summary of the materials provided include:

- Greater Vancouver room rental expenditures in the first half of 1988 are up 17.1 percent or \$16.9 million dollars over the same period in 1987.
- Overall, Greater Vancouver Info Centre's enquiries have increased by 16.1 percent.
- Conventions bookings in 1988 have increased 7.1 percent over 1987, representing an additional \$5.46 million dollars in convention delegate spending.
- Convention delegate attendance has increased from 179,341 to 185,546 in 1988.
- Douglas border crossings in 1988 are at the same level as 1987 with the exception of January which had a 29.2 percent increase and March which had a 20.9 percent increase.
- The firm of Panell Kerr Forster has tracked a 27.7 percent increase in attraction attendance in July in Greater Vancouver while Greater Victoria declined 18.6 percent in the same period.
- Cruise ship passenger totals have increased in 1988 over the same period in 1987, embarking is up 8.4 percent, disembarking is up 6.6 percent and in-transit is up 12.6 percent.
- In person enquiries at the Burnaby Info Centre in the first half of 1988 have increased 27 percent over the corresponding period in 1987. In the same period, phone and mail enquiries have increased by 21 percent.

The direct relationship of these figures to the success of the 1988 Contract work is difficult to substantiate. It is our view that, while these figures can be helpful from an overall perspective, a better measure will be the experiences of tourism operators, such as those in the Burnaby Tourist Info Centre and elsewhere, as the implementation of the 1988 and 1989 programs proceed.

3.0 1989 PROGRAM

At its meeting of 1988 October 26, the GVRD Board resolved to administer a contract between Municipalities and Tourism Vancouver for the provision of tourism destination marketing services for 1989.

107

The proposed 1989 marketing program as developed by the Contract Committee and Tourism Vancouver continues and builds upon the initiatives begun in 1988. The components and estimated costing of the proposed 1989 program is as shown on the attached Appendix 2. The thrust of this program is to tie into Tourism Vancouver's estimated \$4.5 million 1989 general marketing budget and continue to highlight suburban tourism attractions.

The budget for the 1989 program is \$199,000. This includes \$36,000 in overhead and administration costs carried by Tourism Vancouver from other sources, \$13,000 carried over from the 1988 program for revision of the driving tour brochure, and \$150,000 in funds to be raised from participating municipalities. The funding formula for municipal shares is based 50 percent upon the distribution of 1988 commercial assessment for Regional Hospital District purposes and 50 percent upon the distribution of hotel rooms as set out in the 1988 B.C. Accommodation Guide. This formula, which was recommended by the Regional Administrative Advisory Committee for the 1988 program, reflects the view that growth of the tourism industry will benefit more significantly the retail sector and municipalities with a concentration of hotel rooms. The assigned cost to Burnaby under this formula is \$31,965. Funding for participation in the 1989 program has been included in the 1989 Provisional Operating Budget.

Each of the municipalities proposed to be involved with this program is being asked for expressions of interest in participating in the 1989 program. Staff, in assessing the progress made to date and the components of the proposed 1989 program, are of the view that the costs apportioned to Burnaby would represent good value for the products and services to be provided, and would therefore recommend that approval in principle be given for participation in the 1989 program. Final Council approval would be required at the time of the submission of the actual contract document.

Approval in principle is recommended on the understanding that the Municipalities listed within Appendix 2 will be participating in the proposed cost sharing arrangement. In the event that full participation is not received and subsequent significant reductions in the program become necessary, Council approval to participating under an amended agreement would be sought.



A.L. Parr
DIRECTOR PLANNING &
BUILDING INSPECTION

JSB/mcb
Attachs:

cc: Director Finance
Municipal Clerk
Economic Development Coordinator

ITEM	2
MANAGER'S REPORT NO.	1
COUNCIL MEETING	1989/01/03

STATUS REPORT, NOVEMBER 1988

TOURISM VANCOUVER
1988 GREATER VANCOUVER DESTINATION MARKETING PROGRAM

The following presents the status to November 22, 1988 of projects and services included in the 1988 Tourism Vancouver contract with municipalities.

1. Magazine Advertisements

Advertisements featuring municipal attractions and Infocentre locations were placed in the YVR August edition and Playboard October edition. The same advertisement will also be placed in the YVR December edition.

Expenditure: \$6,900

2. Greater Vancouver Driving Tours Brochure

The driving tours brochure which identifies municipal attractions is complete and 100,000 copies have been printed. Distribution is currently underway to Infocentres, convention planners, tour wholesalers, and automobile associations. Only a limited number of brochures have been printed to permit some experience with the material and revisions in time for the 1989 peak tourist season. Some funds have been held over to 1989 to enable revisions.

Expenditure: \$42,000

Carry Over to 1989: \$13,000

3. Representation at Travel and Trade Shows

Municipal attractions are highlighted at all travel and trade shows where Tourism Vancouver is represented. Travel shows during 1988 are as follows:

National Tour Association, Kansas City, November 1988
World Travel Mart, London, December 1988
Atelier Canada, Paris, December 1988

Expenditure: \$1600

4. Municipal Attractions Slide Program

Municipal contacts have provided slides of attractions and a professional photographer has taken additional slides where necessary. The slide program is complete. It will be included in Tourism Vancouver's slide library and distributed to convention planners and travel media.

Expenditure: \$5000

5. Press Kits

This program is ongoing. Individual municipal press releases on tourism attractions have been approved by municipal contacts. This material has been included in kits which go to travel writers, media and incoming tour wholesalers. Approximately 188 writers from around the world have been informed and are receiving these releases.

Expenditure: \$2000

6. Convention Facilities Manual

Information on municipal attractions has been included in Tourism Vancouver's convention planners manual which is distributed to over 2000 individuals. This material was completed in November 1988 and over-run copies have been distributed to municipal contacts.

Expenditure: \$7000

7. Convention Schedule

The confidential convention schedule and an update have been provided to municipal contacts. It lists all conventions booked and permits municipal tourism organizations to initiate contacts.

Expenditure: Nil

8. Convention Marketing Package

Information on municipal attractions has been included in Tourism Vancouver's convention marketing package. This program is ongoing.

Expenditure: \$2000

9. Greater Vancouver Attractions Video

A five minute clip showing municipal attractions is being added to the existing travel/trade show video. The video will be finalized not later than mid-February 1989. Copies of the video will be provided to each participating municipality.

Expenditure: \$12,000

10. Direct Mail Distribution

The Greater Vancouver "lure piece" which includes the location and address of local Infocentres is being sent in response to all requests for information. Brochures on municipal attractions provided to Tourism Vancouver are also being forwarded upon request.

Expenditure: \$5200

ITEM	2
MANAGER'S REPORT NO.	1
COUNCIL MEETING	1989/01/03

11. Municipal Brochure Rack Space

This program is ongoing. A tourism brochure, as provided from each municipality, is being displayed in the Tourism Vancouver downtown Infocentre. The information is also included in binder form on the Infocentre counter and used to advise tourists on municipal attractions.

Expenditure: Nil

12. Tourism Development Missions

The purpose of this program was to include information on municipal attractions in tourism development missions. Tourism Vancouver has not undertaken any tourism missions in 1988 due to budget constraints.

Expenditure: Nil

13. Chamber/Tourist Bureau Membership in Tourism Vancouver

The Chamber of Commerce or Tourism Bureau from each participating municipality has been included in Tourism Vancouver's membership mailing list.

Expenditure: Nil

14. Municipal Contacts Meetings

To date, five meetings of the Tourism Vancouver Contract Committee have been held. The meetings include both contacts designated by the councils of participating municipalities and representatives of local tourism promotion agencies. The purpose of the Committee is to advise Tourism Vancouver on the products and services being developed.

Expenditure: Nil

15. GVRD Board Representation

Mayor Marilyn Baker and Mayor Bill Copeland are the GVRD Board representatives on the Tourism Vancouver Board in 1988. The Mayors are being briefed regularly on the program status.

Expenditure: Nil

16. Greater Vancouver Tourism Development Strategy

Terms of reference have been prepared for a tourism development strategy. Discussions with possible consultants are underway to determine the approximate budget for the proposed study. Discussions are also taking place with federal and provincial governments to secure funding.

Expenditure: Nil

17. Greater Vancouver Attractions Guide

The purpose of this program was to include municipal attractions in a guide to Greater Vancouver. This project did not proceed due to the lack of matching provincial funds.

18. Greater Vancouver "Lure Piece"

The "lure piece" is complete. It was distributed to municipal Infocentres and is being used in all Tourism Vancouver destination marketing programs. The back panel of the material was redeveloped to provide the names and locations of local Infocentres.

Expenditure: \$9300

19. Familiarization Trips

This program is ongoing. Tourism Vancouver is currently providing all municipal attraction information available to travel writers and media visiting Greater Vancouver. The names of municipal contacts are provided and travel throughout Greater Vancouver is encouraged.

Expenditure: \$2000

20. "Discover the Magic" Marketing Program

This program was started in November 1988. It is aimed at attracting a Pacific Northwest travel market. Municipal attractions are included in the multi-media program with a total cost of \$450,000.

Expenditure: \$5700

SUMMARY OF EXPENDITURES

1988 GREATER VANCOUVER DESTINATION MARKETING PROGRAM
 TOURISM VANCOUVER

Magazine Advertising	\$ 6,900
Driving Tour Brochure	42,000
Travel/Trade Show Representation	1,600
Slide Program	5,000
Press Kit Articles	2,000
Convention Manual	7,000
Convention Schedule	Nil
Convention Marketing Package	2,000
Municipal Attractions Video	12,000
Direct Mail	5,200
Municipal Brochure Rack Space	Nil
Chamber/Bureau Membership	Nil
Municipal Contacts Meetings	Nil
GVRD Board Representation	Nil
Tourism Development Strategy	Nil
Greater Vancouver Lure Piece	9,300
Familiarization Trip Material	2,000
Discover the Magic Program	5,700

PRODUCTION TOTAL 100,700
 MATERIAL DISTRIBUTION 5,000

CARRY-OVER TO 1989 FOR 13,000
 REVISIONS TO DRIVING BROCHURE

TOTAL \$118,700

PROGRAM ADMINISTRATION PROVIDED BY TOURISM VANCOUVER \$32,000

TOTAL PROGRAM EXPENDITURE IN 1988 \$137,700

ITEM	2
MANAGER'S REPORT NO.	1
COUNCIL MEETING	1989/01/03

TOURISM VANCOUVER
1989 GREATER VANCOUVER DESTINATION MARKETING PROGRAM

113

"THE PRIMARY OBJECTIVE OF THIS DESTINATION MARKETING PROGRAM IS TO ENSURE THAT VISITORS TRAVEL AND VISIT THROUGHOUT THE GREATER VANCOUVER REGION AND MUNICIPALITIES REACH A GLOBAL AUDIENCE FOR THE LEAST OF COSTS."

It should be noted that each of the programs listed below will be supported by complementary and additional marketing programs Tourism Vancouver develops throughout 1989. Tourism Vancouver estimates their total marketing budget for 1989 to be approximately \$4.5 million. This GVRD program is targeted to take advantage of that budget.

The following list of products and services is subject to \$150,000 being available from municipalities which participate through the GVRD administered contract.

1. Accommodations 1989 Advertisement

With circulation of one million, this guide is distributed through 140 Tourism Information Centres in B.C., tourism delegates at trade shows and conventions, travel agents, provincial government tourism promotion offices, Tourism Canada offices and Chambers of Commerce. 75% of the distribution is in Canada, 11.5% in the U.S., 6.5% overseas, and 7% through trade shows and conventions. The purpose of the full page four colour advertisement will be to market the municipalities and encourage the reader to use the Greater Vancouver driving tour brochure when they are here. The advertisement will include a coupon to request the driving tour brochure and number for telephone enquiries. These will be used to track responses to the advertisement.

Scheduled completion time: January 1989
 Budget: \$27,000

2. Convention Schedule

The schedule is a bi-annually updated list of conventions which have been booked by Tourism Vancouver's convention bureau. It is intended for use by chambers of commerce and convention bureaus in targeting specific delegate groups to municipal attractions.

Scheduled completion time: January and June 1989
 Budget: Nil

ITEM	2
MANAGER'S REPORT NO.	1
COUNCIL MEETING	1989/01/03

3. Convention Delegate Program

Information on municipal attractions and events is included in all material provided to convention planners.

Scheduled completion time: Ongoing
Budget: \$2500

4. Magazine Advertising

This program is a continuation of the 1988 advertising theme which involved placements in Greater Vancouver magazines to encourage travel throughout the region by visitors and residents. Continued marketing of the local Infocentres for further information will be enhanced through these advertisements.

Scheduled completion: Summer 1989
Budget: \$7500

5. Greater Vancouver Driving Tours Brochure

This brochure is produced for visitors who are either coming to Greater Vancouver or are already here. The driving tours both highlight attractions in each municipality and encourage visitors to travel throughout the Region. Revisions to the brochure produced in 1988 will be undertaken to include new attractions and to respond to experience by Infocentres with using the brochure. A cartographic rather than cartoon map has been suggested. Approximately 250,000 brochures will be printed.

Scheduled completion time: May 1989
Budget: \$95,000 including \$13,000 carried over from 1988 for revisions

6. Media and Travel Writer Information Program

Municipal tourism press releases and municipal slides will be included in all kits given to television, radio, writers and photographers. These media visitors will be sent throughout the region to ensure that editorial and pictorial coverage reflects all of Greater Vancouver.

Scheduled completion time: Ongoing
Budget: \$2000

7. Municipal Brochure Rack Space

This program involves the display and distribution of each municipality's tourism brochure in Tourism Vancouver's downtown Infocentre. To complement the distribution of Municipal tourism information and coverage of local Greater Vancouver attractions, these brochures/literature will be mailed to all written enquires about the region though Tourism Vancouver's direct mail program.

Scheduled completion time: Ongoing
Budget: \$2000

8. Representation at Travel and Trade Shows

Information on Municipal attractions will be included in all travel and trade shows where Tourism Vancouver is a participant. The following shows are included:

Intertour Expo, Hongkong, February 1989
Pacific Area Travel Mart, Bali, April 1989
Alliance of Canadian Travel Agents National, Toronto, April 1989
Rendez-vous Canada, Vancouver, April 1989
National Tour Association, November 1989
World Travel Mart, London, December 1989
Atelier Canada, Paris, December 1989.

Scheduled completion time: Ongoing
Budget: \$10,000

9. GVRD Board Representation

As in 1988, two Tourism Vancouver Board positions will be made available for members of the GVRD Board.

Scheduled completion time: Ongoing
Budget: Nil

10. Chamber of Commerce/Tourism Bureau Membership

Free membership in Tourism Vancouver will continue to be provided to a chamber of commerce or tourism bureau from each participating municipality.

Scheduled completion time: Ongoing
Budget: Nil

11. Greater Vancouver Tourism Development Strategy

A strategy is desirable to identify the kinds of infrastructure and attractions necessary to develop the region's tourism industry. This program is contingent upon funding for the study by the federal and provincial governments.

Scheduled completion time: November 1989
Budget: Nil

12. Greater Vancouver Accommodation Listing

This program would provide a listing of all hotels, motels, recreational vehicle areas and camp grounds by municipality within Greater Vancouver. The material would be used by Infocentres in advising tourists on local accommodation.

Scheduled completion time: March 1989
Budget: \$7500

ITEM	2
MANAGER'S REPORT NO.	1
COUNCIL MEETING	1989/01/03

13. Greater Vancouver Events Calendar

A calendar listing events such as community and cultural festivals by municipality would be produced for use by Infocentres and in material for press kits, convention planners, and travel writers.

Scheduled completion time: April 1989
Budget: \$4500

14. Tracking System and Tourism Monitoring Report

Tourism Vancouver will prepare a tourism monitoring report. It will include the factors used in 1988 plus the results of a tracking system, as follows:

- Greater Vancouver hotel room tax revenue.
- Number of enquiries recorded by municipal Infocentres.
- Number of conventions booked by Tourism Vancouver and estimated number of delegates.
- Border crossings.
- Selected factors for Greater Vancouver from the Panell, Kerr, Foster publication entitled "Trends in the Tourism Industry".
- The results of a tracking system which identifies the distribution of Greater Vancouver marketing materials. The system will be implemented through tracking responses to advertisements in Accommodation 1989 Guide and other placements, and requests for material.

This statistical information will be used to supplement an expression of satisfaction with the products and services by local tourism organizations in evaluating the Tourism Vancouver Destination Marketing Program.

Scheduled completion time: October 1989
Budget: \$5000

15. Municipal Representative Review Committee

As in 1988, regular meetings with Municipal contacts and representatives of local tourism promotion agencies will be held to develop and refine the 1989 program. Tourism Vancouver will work directly with these individuals in the development of projects and programs. A minimum of five days will be allowed for the review of draft material by Municipal contacts.

Scheduled completion time: Ongoing
Budget: Nil

1989 BUDGET SUMMARY

TOURISM VANCOUVER
1989 GREATER VANCOUVER DESTINATION MARKETING PROGRAM

ITEM	2
MANAGER'S REPORT NO.	1
COUNCIL MEETING	1989/01/03

EXPENDITURE

Accommodation 1989 Advertisement	\$ 27,000
Convention Schedule	Nil
Convention Delegate Program	2,500
Magazine Advertising	7,500
Greater Vancouver Driving Tour Brochure	95,000
Media/Travel Writer Information Program	2,000
Municipal Brochure Rack Space	2,000
Representation at Travel/Trade Shows	10,000
GVRD Board Representation	Nil
Chamber/Tourist Bureau Membership	Nil
Tourism Development Strategy	Nil
Greater Vancouver Accommodation Listing	7,500
Greater Vancouver Events Listing	4,500
Tracking System/Tourism Monitoring Report	5,000
Municipal Review Committee	Nil

117

PRODUCTION TOTAL	\$163,000
OVERHEAD/ADMINISTRATION	36,000
TOTAL PROGRAM BUDGET	\$199,000

REVENUE

CARRY-OVER FROM 1988	\$13,000
PARTICIPATING MUNICIPALITY CONTRIBUTIONS	150,000
OVERHEAD/ADMINISTRATION FROM TOURISM VANCOUVER	36,000
TOTAL PROGRAM REVENUE	\$199,000

HOTEL	PERCENT	SHARE	1988 COMMERCIAL	PERCENT	SHARE	TOTAL
ROOMS			ASSESSMENT			SHARE
NEW WESTMINSTER	4.36%	\$3,268	\$278,899,473	4.51%	\$3,383	\$6,651
NORTH VANCOUVER CITY	1.10%	\$824	\$392,861,750	6.35%	\$4,765	\$5,589
PORT COQUITLAM	1.58%	\$1,186	\$101,008,200	1.63%	\$1,225	\$2,411
PORT MOODY	0.79%	\$593	\$43,842,650	0.71%	\$532	\$1,125
WHITE ROCK	0.85%	\$636	\$34,961,250	0.57%	\$424	\$1,060
BURNABY	17.10%	\$12,828	\$1,577,856,129	25.52%	\$19,138	\$31,965
COQUITLAM	5.65%	\$4,237	\$406,778,150	6.58%	\$4,934	\$9,171
DELTA	3.03%	\$2,271	\$385,176,110	6.23%	\$4,672	\$6,942
NORTH VANCOUVER DISTRICT	10.47%	\$7,853	\$290,349,250	4.70%	\$3,522	\$11,374
RICHMOND	43.33%	\$32,496	\$1,374,101,381	22.22%	\$16,666	\$49,162
SURREY	4.76%	\$3,572	\$780,814,808	12.63%	\$9,470	\$13,042
WEST VANCOUVER	1.00%	\$752	\$217,975,300	3.53%	\$2,644	\$3,396
LANGLEY TOWNSHIP	2.47%	\$1,851	\$153,206,300	2.48%	\$1,858	\$3,709
LANGLEY CITY	3.51%	\$2,632	\$145,775,400	2.36%	\$1,768	\$4,400
TOTAL	100.00%	\$75,000	\$6,183,606,151	100.00%	\$75,000	\$150,000

ITEM 2
 MANAGER'S REPORT NO. 1
 COUNCIL MEETING 1989/01/03

