

ITEM 10  
MANAGER'S REPORT NO. 41  
COUNCIL MEETING 91/06/24

TO: MUNICIPAL MANAGER 1991 June 19  
FROM: DIRECTOR PLANNING & BUILDING INSPECTION Our File: 00.830  
SUBJECT: BURNABY CHAMBER OF COMMERCE: 1991 FEE-FOR-SERVICE CONTRACT

PURPOSE: To obtain Council authority to execute an Agreement with the Burnaby Chamber of Commerce for the operation of the Tourism InfoCentre for the 1991 calendar year.

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RECOMMENDATIONS:

1. THAT authority be given for the Corporation to execute the attached Agreement with the Burnaby Chamber of Commerce for the operation of the Tourism InfoCentre at 6525 Sprout Street for the 1991 calendar year at a cost of \$34,140.
2. THAT a copy of this report be sent to Ms. Abby Anderson, General Manager, Burnaby Chamber of Commerce, 6525 Sprout, Burnaby, B.C., V5B 3B8.

R E P O R T

1.0 PURPOSE

In 1986 March, the Municipality entered into an Agreement with the Burnaby Chamber of Commerce, whereby the Municipality provided funding on a fee-for-service basis for the operation of the Tourism InfoCentre, located at 6525 Sprout Street. The contract was last renewed on 1990 June 12 for the 1990 calendar year.

This report reviews the 1990 fee-for-service contract and recommends a renewal of the contract for the 1991 calendar year.

2.0 REVIEW OF THE 1990 CONTRACT

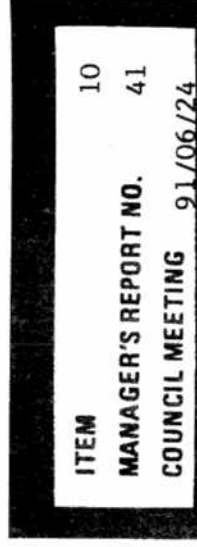
2.1 Staffing and Hours of Operation

The 1990 British Columbia Summer Employment Program provided \$14,125 for operating the Tourism InfoCentre. This was a reduction of \$2,590 (18 percent) over the amount provided in 1989. Five travel counsellors were employed full time under this program.

As outlined in the fee-for-service contract, the hours of operation were 8:30 a.m. to 8:30 p.m. seven days a week for the months of July and August. During the rest of the year, the hours were 9:00 a.m. to 5:00 p.m. five days a week.

2.2 Log of Tourism InfoCentre Users

A log of users shows that there were 17,627 visitors to the InfoCentre, a decrease of 20 percent over 1989 (see Attachment A). This decrease can be attributed to reduced hours of operation in May and June arising from a reduction in funding from the B.C. Summer Employment Program.



July, August and September accounted for 57 percent (10,149) of the visitors. As well, there were a total of 4,013 telephone and mail enquiries during the year.

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### 2.3 Tourism Projects

In addition to handling tourism enquiries, the Chamber participated in a number of projects to promote tourism, including:

- . producing 50,000 copies of a hospitality guide for the traveling public, convention kits, local hotels, recreational vehicle parks and Tourism InfoCentres throughout the province;
- . promoting tourism as a career through presentations to Grade 10 students in all Burnaby and several Port Coquitlam schools (a tourism program will be offered in high schools beginning in September 1991); and
- . conducting research relating to the tourism component of Burnaby's Economic Development Strategy.

### 2.4 Expenditures

Staff have reviewed the Chamber's submission of the 1990 audited financial report and the expenditures for the Tourism InfoCentre which operates in conjunction with its Business Centre.

The Chamber Manager has provided a listing of assigned costs for operating the Tourism InfoCentre in 1990 (Attachment B). After deducting the provincial funding for counsellors, the expenditures as estimated by the Chamber totaled \$90,328 which is slightly higher (0.9 percent) than the \$89,493 budgeted for the year. Consequently, with the Municipality's contribution of \$32,360, the Chamber incurred 64.2 percent (\$57,968) of the assigned costs, under their assignment of the costs incurred.

### 3.0 1991 FEE-FOR-SERVICE CONTRACT

The 1991 Annual Budget has provided the Chamber with a 5.5 percent increase (from \$32,360 to \$34,140) in funding to cover inflation.

The Chamber's submission of their 1991 budget for operating the Tourism InfoCentre is included in Attachment C. In summary, the budget is as follows:

- . Tourism InfoCentre total expenditures: \$122,449
- . Less: B.C. Summer Employment Program funding 13,986
- . Less: Municipal contribution 108,463  
34,140
- . Projected cost to the Chamber \$74,323

Under the 1991 British Columbia Summer Employment Program: Tourism Component, the Chamber will be receiving \$13,463 to hire three counsellors. This is a reduction in funding from previous two years: \$14,125 in 1990 and \$16,715 in 1989.

The hours of operation will be the same as in 1990. The hours for July and August will be from 8:30 a.m. to 8:30 p.m., seven days a week. During the rest of the year, the InfoCentre will be open from 9:00 a.m. to 5:00 p.m. during weekdays.

Re: Chamber of Commerce  
1991 Fee-for-Service Contract  
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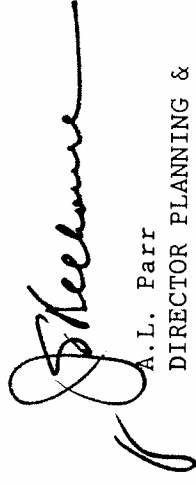
4.0 CHAMBER'S REQUEST FOR ADDITIONAL FUNDING

For 1991, the Chamber has made a request for additional funding over and above the \$34,140 that this department is recommending to Council. It requested an additional \$50,000 which would increase the Municipality's contribution to 77.5 percent of the 1991 budgeted operating cost. Given that a tourism strategy for the municipality is being developed at the present time, staff would recommend that Council not approve this request. The 1992 fee-for-service contract with the Chamber of Commerce, as well as the funding to Tourism Vancouver, would be based on the results and directions of the tourism strategy.

5.0 RECOMMENDATIONS

The Tourism InfoCentre is fulfilling a valuable and growing service as a first contact point for many visitors to Burnaby and the Lower Mainland area. Therefore, it is recommended that Council authorize the execution of the fee-for-service Agreement (Attachment C) with the Burnaby Chamber of Commerce.

The Municipal contribution to the operation of the Tourism InfoCentre for the 1991 calendar year would be \$34,140. Payment would be made in two equal installments on 1991 July 05 and 1991 September 01. Funds are provided for in the 1991 Annual Operating Budget.



A.L. Parr  
DIRECTOR PLANNING &  
BUILDING INSPECTION

SL/db

Attachments

cc: Director Finance  
Municipal Solicitor  
Economic Development Officer

BURNABY CHAMBER OF COMMERCE

TOURIST INFORMATION CENTRE 1990  
VISITOR STATISTICS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	1989
Burnaby	110	98	163	101	174	163	323	186	60	74	36	99	1,587	2,566
Lower Mainland	99	64	90	83	84	211	416	371	81	96	70	97	1,762	1,902
Vancouver Island	16	-	7	2	31	3	35	-	14	35	12	164	380	
British Columbia	44	26	81	193	140	193	329	299	47	66	9	148	1,575	1,490
Alberta	27	6	57	98	91	161	514	704	314	49	47	77	2,145	2,826
Canada	66	51	97	41	211	212	1007	632	396	31	93	96	2,933	3,120
WA/OR/California	29	11	31	63	103	41	274	333	190	12	13	70	1,170	1,618
U.S.A.	11	4	29	41	71	273	631	714	387	17	6	79	2,263	2,110
Overseas	61	16	56	37	111	26	472	461	265	82	2	107	1,696	1,808
Miscellaneous	87	104	36	166	311	307	135	189	375	266	171	185	2,332	4,362
TOTAL	550	380	647	825	1,327	1,590	4,110	3,924	2,115	707	482	970	17,627	22,182
Telephone	60	220	274	307	291	311	653	731	274	201	137	151	3,610	1,689
Mail	33	27	21	12	48	45	57	54	27	24	31	24	403	253

\*Telephone: Includes outgoing Travel enquiries to satisfy Tourism Information requests

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# Attachment B

1990 PROPORTIONAL SHARE  
ACTUAL EXPENSES  
BURNABY CHAMBER OF COMMERCE  
BUSINESS CENTRE  
AND  
BURNABY TOURISM INFOCENTRE

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	BUSINESS CENTRE	TOURISM INFOCENTRE
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STAFF EXPENSE

Salaries, Commissions and Benefits	112,715	39,900	72,815
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BUILDING EXPENSE

Land Rental, Taxes, Utilities, Janitorial and Maintenance	10,106	4,042	6,064
Insurance and Security	1,290	516	774
Interest	3,667	1,467	2,200

OFFICE EXPENSE

Accounting and Audit	5,180	2,590	2,590
Conference and Memberships	3,968	1,984	1,984
Equipment Rental	8,305	4,153	4,152
Interest (Operating)	570	285	285
Office Supplies	8,724	4,362	4,362
Postage	6,140	3,070	3,070
Telephone	4,032	2,016	2,016
Sundry	<u>2,068</u>	<u>1,034</u>	<u>1,034</u>

TOTAL EXPENSES

	166,765	65,419	101,346
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DEPRECIATION

Buildings	3,896	1,558	2,338
Furnishings	<u>1,281</u>	<u>512</u>	<u>769</u>

GRAND TOTAL

	171,942	67,489	104,453
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Less: B.C. Summer Employment Program Funding

	<u>14,125</u>
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	90,328
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Less: Municipal Contribution toward Operating Tourism InfoCentre

	<u>32,360</u>
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Actual Cost to Chamber to Operate Tourism InfoCentre

	57,968
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# Attachment C 1:

THIS AGREEMENT dated the            day of            , 1991

BETWEEN:

THE CORPORATION OF THE DISTRICT OF BURNABY  
4949 Canada Way  
Burnaby, B.C. V5G 1M2

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(hereinafter called the "Municipality")

OF THE FIRST PART

AND:

THE BURNABY CHAMBER OF COMMERCE  
6525 Sproutt Street  
Burnaby, B.C. V5B 3B8

(hereinafter called the "Chamber")

OF THE SECOND PART

WHEREAS the Municipality recognizes the importance of promoting Burnaby as a regional tourist centre;

AND WHEREAS the Chamber has provided and desires to continue to provide a Tourism Information Centre service at its Business Centre in Burnaby as a means of promoting Burnaby as a regional tourist centre;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and other recited considerations of the mutual covenants and other recited consideration, the parties agree as follows:

1. The Municipality agrees to pay a fixed amount of \$34,140 to the Chamber in support of their providing the services of a Tourism Information Centre during the 1991 calendar year. The Chamber shall provide all additional funds necessary to operate and maintain the Tourism Information Center.
2. The parties agree that the Municipality's payment to the Chamber is based on the budget prepared by the Chamber and set out in Schedule A hereto attached and forming part of this Agreement.

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3. The Chamber shall, by March 31, 1992, submit to the Municipality an audited financial statement, certified by a Chartered Accountant licensed to practice in British Columbia, specifying the actual operating costs associated with the operation of the Business Centre and the Tourism Information Centre during the term of this Agreement that can, to the reasonable satisfaction of the Municipality, be compared with the projected expenses included in Schedule A.
4. The Municipality and the Chamber agree that in the event the Provincial 1991 B.C. Summer Employment Program grant of \$13,986 shown in Schedule A for the hiring of three Travel Counsellors is not forthcoming in 1991, the level of service described in Section 7(iii) herein shall, if necessary, be reduced to reflect the actual amount received following consultations between the Municipality and the Chamber.
5. The Municipality and the Chamber agree that in the event no funds are forthcoming from the B.C. Summer Employment Program in 1991, the Chamber shall nonetheless provide the service necessary to operate the Tourism Information Centre during normal business hours (during the entire year).
6. The Municipality agrees to provide payment to the Chamber in two equal installments of \$17,070 on July 5, 1991 and September 1, 1991.

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7. The Chamber covenants and agrees to the following relating to promotion of tourism in the Municipality:

- i) The Chamber will administer, staff and operate a Tourism Information Centre intended to provide visitor information services to both residents of the Municipality and tourists.
- ii) The Tourism Information Centre will be housed within the Chamber's Business Centre situated at 6525 Sprout Street, Burnaby, B.C. with at least 50 percent of the premises allocated to the operation of the Tourism Information Centre.
- iii) During the term of this Agreement, the Tourism Information Centre will be operated in conformity with the following timetable:

<u>Period</u>	<u>Days/Week</u>	<u>Hours of Operation</u>
1991 January 01 -	5	
1991 June 30	(Mon.- Fri.)	9 am - 5 pm
1991 July 01 -	7	
1991 August 31		8:30 am - 8:30 pm
1991 September 01 -	5	
1991 December 31	(Mon. - Fri.)	9 am - 5 pm



- iv) The Chamber will provide adequate staff and other resources for the effective operation of the Tourism Information Centre during the times set forth in Clause 7(iii), including the use of the Chamber Manager, Membership Services Coordinator and Secretary, as well as the use of Travel Consultants provided through the 1991 B.C. Summer Employment Program.
- v) The Chamber will acquire and distribute suitable brochures and descriptive literature, particularly pertaining to Burnaby and the Lower Mainland, for the benefit of residents of the Municipality and tourists.
- vi) The Chamber will actively promote Burnaby as a centrally situated regional visitor centre through referrals to local facilities, businesses and attractions, including specific facilities as identified through coordination with the Municipality.
- vii) The Chamber will prepare and pursue available senior government grant applications, will hire and supervise Travel Counsellors and prepare a tourist information program and budget that will be the basis for preparing a subsequent Agreement between the parties.
- viii) The Chamber will maintain a log of Tourism Information Centre users with statistics being available on the number of individuals served in person, by telephone and through correspondence as one measure of the service provided pursuant to this Agreement.

ix) The Chamber will provide secretarial, bookkeeping and other office services as are necessary for the efficient operation of the Tourism Information Centre.

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x) The Chamber will not incur any expense for which the Municipality shall be required to reimburse the Chamber, or for which the Municipality in any other way shall become liable to any person without prior consent of the Municipality in writing.

xi) The Chamber will indemnify and save the Municipality harmless from all loss, damage, costs, actions and suits arising out of or in connection with the services to be supplied by the Chamber under this Agreement and provide proof of comprehensive public liability insurance.

8. In the event that the Chamber desires to commence negotiations for a subsequent agreement with the Municipality, the Chamber shall so advise the Municipality on, or before, November 1, 1991. The Chamber shall, on or before March 31, 1992, submit to the Municipality in support of an application for a further agreement:

i) an audited financial statement of actual operating expenses associated with the operation of the Business Centre and the Tourism Information Centre in 1991, certified by a Chartered Accountant licensed to practice in British Columbia that can, to the reasonable satisfaction of the Municipality, be compared with the projected expenses included in Schedule A

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ii) a final report of the log of tourist enquiries and tourism programs in 1991

iii) a proposed operating budget for 1992.

It is mutually understood that nothing herein creates a binding obligation by the Municipality to enter into any subsequent agreement.

9. The Municipality and the Chamber agree that the provisions of this Agreement shall be given such reasonable interpretation as will facilitate a full and proper handling of tourist and related information services for all residents of and visitors to the Municipality.

IN WITNESS WHEREOF the Corporate Seals of the Parties hereunto been affixed in the presence of their duly authorized officers the day and year first above written.

THE CORPORATE SEAL OF THE  
CORPORATION OF THE DISTRICT OF BURNABY  
WAS HEREUNTO AFFIXED IN THE PRESENCE OF:

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Municipal Clerk - Authorized Signatory

THE CORPORATE SEAL OF THE  
BURNABY CHAMBER OF COMMERCE  
WAS HEREUNTO AFFIXED IN THE PRESENCE OF:

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President - Authorized Signatory

SCHEDULE A

1991 PROPORTIONAL SHARE  
 PROJECTED EXPENSES  
 BURNABY CHAMBER OF COMMERCE  
 BUSINESS CENTRE  
 AND  
 BURNABY TOURISM INFOCENTRE

	COMBINED TOTAL	BUSINESS CENTRE	TOURISM INFOCENTRE
<u>STAFF EXPENSE</u>			
Salaries, Commissions and Benefits	152,596	63,900	88,696
<u>BUILDING EXPENSE</u>			
Land Rental, Taxes, Utilities, Janitorial and Maintenance	10,864	4,345	6,519
Insurance and Security	1,387	555	832
Interest	3,512	1,405	2,107
<u>OFFICE EXPENSE</u>			
Accounting and Audit	6,000	3,000	3,000
Conference and Memberships	3,000	1,500	1,500
Equipment Rental	9,500	4,750	4,750
Interest (Operating)	2,570	1,285	1,285
Office Supplies	8,500	4,250	4,250
Postage	7,000	3,500	3,500
Telephone	4,500	2,250	2,250
Sundry	<u>2,000</u>	<u>1,000</u>	<u>1,000</u>
TOTAL EXPENSES	211,429	91,740	119,689
<u>DEPRECIATION</u>			
Buildings	3,600	1,440	2,160
Furnishings	<u>1,000</u>	<u>400</u>	<u>600</u>
GRAND TOTAL	216,029	93,580	122,449
Less: B.C. Summer Employment Program Funding			<u>13,986</u>
			108,463
Less: Municipal Contribution toward Operating Tourism InfoCentre			<u>34,140</u>
Projected Cost to Chamber to Operate Tourism InfoCentre			74,323