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CITY OF NANAIMO
THE QUALITY CONNECTION

VICC Background

- The Vancouver Island Conference Centre (VICC) is a 38,000 sq. ft. conference facility owned by the City of Nanaimo and managed through a venue management agreement with a third-party operator, Oak View Group (OVG360).
- Built as part of the New Nanaimo Centre Project. A major downtown revitalization project which included:
 - A new conference centre
 - Public parking facility
 - Museum
 - Public auditorium
 - Retail space
 - A Marriott hotel
 - The City invested \$74 Million into the project



Vancouver Island Conference Centre

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CITY OF NANAIMO
THE QUALITY CONNECTION

VICC Role In A Destination

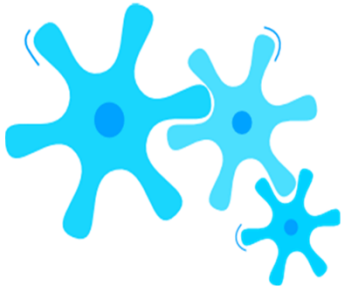
VICC Purpose

- Create positive economic impact
- Stimulate growth for the City
- Provide for the cultural enrichment of the community

Economic Impact Conference Centre

Symbiotic Relationships in Destination

- Conference Centre
- Hotels
- Tourism Activities
- Economic Impact Created
- Social Benefits & Cultural Enrichment.



Hotels

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VICC Management & Overview

3rd Party Management:
Oak View Group (OVG360)

Outsourced Departments:

Food & Beverage Compass – Levy Canada

Audio Visual & Trade Show SW Event\Technology

Competitive Challenges:
Destination Sales & Marketing
Hotel Room Density & Room Block to Space Ratio
CVB Incentive Funding

Key Income Sources:
Space Rental, F&B Commissions, AV Commissions

OVG360

Levy
CANADA

Event\Technology

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Key Pieces To Success: (1) Creation of Tourism Nanaimo Society

- 2021 Tourism Working Group was formed to develop and recommend a new Governance and Delivery Model as Nanaimo's DMO.
- MOU was developed between the VICC, Tourism Nanaimo and the NHA to work collaboratively in bringing more and larger conventions and events to Nanaimo.
- **Prior to 2023, Tourism Nanaimo and NHA had little or no involvement in Business Tourism and M.I.C.E.**
- May 2022 the recommendation was approved by Council and in July 2023 the MOU was also approved and signed off.

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Key Pieces To Success: (2) Business Tourism Collaboration

- **OVG360 worked collaboratively with Tourism Nanaimo in the preceding 15 months of MOU being signed.**
- Joint Trade Missions to Ontario, Alberta and BC in 2022, through 2023 and Spring 2024. To continue through 2024 and into 2025.
- Joint Advertising and Marketing Programs
- VICC assisted TN with Marketing and Advertising for destination exposure and mutual benefit.
- C-Vent upgrade installed by Tourism Nanaimo and with VICC, collaboration on RFPs received from event planners.
- **The VICC's Strategic Plan dovetails with Tourism Nanaimo Strategic Plan**



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Key Pieces To Success: (3) Downtown Accommodations

- New Courtyard by Marriott, with 172 additional rooms directly adjacent to the VICC opened March 2023.
- **VICC Sales began working with the new hotel on room blocks in late 2021.**
- A new Quality Inn Hotel with 48 rooms opened in 2021.
- Coast Bastion completes 179 room renovation and unveils them in June 2024.
- Downtown core now has almost 500 rooms within a 5-minute walk.
- Enhances our ability to attract more and larger events.
- Instrumental in our ability to market Nanaimo as a destination for Business Tourism collaboratively with Tourism.
- **Significant in developing and projecting revenues for 2024 and beyond and shifting our Selling Focus.**

COURTYARD®
BY MARRIOTT



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Key Pieces To Success: (4) Event Type & Mix Strategy

- **Shift to more profitable events.**
- Change Selling Focus more towards “Conferences” versus “Meetings”.
- “Meetings” are generally:
 - Single Day;
 - Not Overnight;
 - Often Without Food & Beverage;
 - Minimal or Basic Audio-Visual;
 - Multiple Daily Flips and Setups.
 - Local/Regional Attendees
 - Basic Economic Impact.

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Key Pieces To Success: (4) Event Type & Mix Strategy cont'd

- “Conferences” are generally:
 - Multi-Day;
 - Overnight;
 - Full F&B;
 - Full Bar Service;
 - Full AV;
 - Full Set Ups With Stages & Dance Floors;
 - Complete VICC Rental With Break Out Rooms;
 - Trade Show Incorporated With Booth Set Up and Rental;
 - Pre/Post Conference Activities.
 - Regional/Provincial/National Attendees (some International)
 - **Most Profitable and Greatest Economic Impact**

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VICC Event Mix

EVENT MIX FOR THE PAST 5 YEARS						
	2019 ACT	2020 ACT	2021 ACT	2022 ACT	2023 ACT	2024 OUTLOOK
Meetings	337	127	95	159	176	180
Conference	19	5	2	19	36	39
Trade Show	1	0	0	2	3	3
Consumer Show	3	1	0	2	7	8
Banquets	63	7	9	46	35	43
Special Events	0	0	0	14	13	13
Religious Events	0	0	0	2	0	0
City Events	55	64	65	58	67	60
Other Events	41	6	13	95	22	48
Community Events	0	0	0	0	67	48

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VICC 2023 FINANCIAL RESULTS

	2023 Budget	2023 Projection	2023 Actual
EVENT REVENUE			
Gross Building Rent	\$756,363	\$920,756	\$1,057,637
Catering Sales	\$1,172,834	\$1,487,127	\$1,740,244
Concessions Sales	\$106,610	\$116,322	\$99,036
GROSS EVENT REVENUE	\$2,035,808	\$2,524,205	\$2,896,917
OTHER REVENUE			
GROSS OTHER REVENUE	\$52,000	\$59,216	\$75,026
TOTAL GROSS REVENUE	\$2,087,808	\$2,583,421	\$2,971,943
EVENT EXPENSES			
Building Direct Event Expenses	\$314,152	\$415,427	\$456,987
Catering COS	\$928,960	\$1,177,243	\$1,378,411
Concessions COS	\$88,801	\$96,248	\$81,214
TOTAL EVENT EXPENSES	\$1,331,914	\$1,688,918	\$1,916,612
TOTAL INDIRECT DEPARTMENTAL EXPENSES	\$1,825,895	\$1,807,837	\$1,833,844
NET OPERATING REVENUE / (LOSS)	-\$1,070,000	-\$913,334	-\$778,513

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VICC Delegate Days & Economic Impact

	2022 ACT	2023 EST	2024 BUD	2025 PRJ	2026 PRJ	2027 PRJ	2028 PRJ
DELEGATE DAYS	17,488	19,000	20,500	22,400	23,800	25,200	25,520
ANNUAL ECONOMIC IMPACT	\$5,508,720	\$7,448,000	\$8,036,000	\$8,780,800	\$9,329,600	\$9,878,400	\$10,003,840
PARTICIPANT DAYS	53,119	57,500	62,000	68,000	72,000	76,500	77,500
ACCUMUATED ECONOMIC IMPACT	\$89,665,065	\$97,113,065	\$105,149,065	\$113,929,865	\$123,259,465	\$133,137,865	\$143,141,705

	2022 ACT	2023 ACT	2024 ACT YTD	2024 PRJ
DELEGATE DAYS	17,488	24,921	16,219	30,051
ANNUAL ECONOMIC IMPACT	\$5,508,720	\$9,769,032	\$6,357,848	\$11,779,992
PARTICIPANT DAYS	53,119	58,256	29,699	68,000
ACCUMUATED ECONOMIC IMPACT	\$89,665,065	\$99,434,097	\$105,791,945	\$111,214,089





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2023 Achievements

COLLABORATION & INTEGRATION

- Tourism Nanaimo Society
- Nanaimo Hospitality Association
- Downtown & City Hotels
- Downtown Nanaimo Business Association
- Nanaimo Chamber of Commerce
- City Departments
- MOU Signing

PRE-COVID BUSINESS TOURISM

- Conventions (38)
- Delegate Days (24,921)
- Economic Impact (\$9,769,000)











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2023 Achievements


EVENT MIX SHIFT

- More Multi Day Overnight Conventions
- Less Single Day Meetings
- Formalization of Community Rates
- Expansion of Community Events
- PRC Programming
- Indigenous Events
- Greater Use of Facility By Community

FINANCIAL SUCCESS

- Refund to the City (\$291,487)



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2024 Considerations & Opportunities


Considerations

- Courtyard By Marriott
- HULLO Passenger Ferry VAN – NAN
- DMO Central Sales Office
- City Owned Facilities
- Downtown Revitalization TERMINAL/COMMERCIAL

Opportunities

- Marriott Corporate Selling VICC Events
- Partnerships With Snuneymuxw
- Increased Business Use & Marketing On Fast Ferry
- Dominant Trade Show Presence, Marketing & RFP Collaboration
- Partnership With PRC For Trade Shows and Conventions
- Increased Attraction To Nanaimo For Event Planners

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VICC 2024 FINANCIAL RESULTS YTD

	2024 Bud YTD	2024 Act YTD	2024 Budget
EVENT REVENUE			
Gross Building Rent	\$403,621	\$526,161	\$950,111
Catering Sales	\$557,166	\$739,979	\$1,471,851
Concessions Sales	\$34,254	\$38,924	\$96,589
GROSS EVENT REVENUE	\$995,041	\$1,305,064	\$2,518,551
OTHER REVENUE			
GROSS OTHER REVENUE	\$25,830	\$41,051	\$62,000
TOTAL GROSS REVENUE	\$1,020,871	\$1,346,115	\$2,580,551
EVENT EXPENSES			
Building Direct Event Expenses	\$176,659	\$201,735	\$410,318
Catering COS	\$441,057	\$576,149	\$1,167,560
Concessions COS	\$28,193	\$31,768	\$79,269
TOTAL EVENT EXPENSES	\$645,909	\$809,652	\$1,657,147
TOTAL INDIRECT DEPARTMENTAL EXPENSES	\$829,781	\$792,504	\$1,962,817
NET OPERATING REVENUE / (LOSS)	-\$454,819	-\$256,041	-\$1,039,413


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OVG360 Historic Operations

	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual
EVENT REVENUE							
Gross Building Rent	\$493,814	\$860,436	\$821,981	\$292,837	\$285,280	\$781,291	\$1,057,637
Catering Sales	\$764,213	\$1,340,096	\$1,330,207	\$315,636	\$125,882	\$994,446	\$1,740,244
Concessions Sales	\$104,451	\$132,862	\$173,425	\$19,033	\$18,284	\$89,621	\$99,036
GROSS EVENT REVENUE	\$1,362,478	\$2,333,394	\$2,325,613	\$627,506	\$429,446	\$1,865,358	\$2,896,917
GROSS OTHER REVENUE	\$44,871	\$75,810	\$71,794	\$42,248	\$25,206	\$29,543	\$75,026
TOTAL GROSS REVENUE	\$1,407,349	\$2,409,204	\$2,397,407	\$669,754	\$454,652	\$1,894,901	\$2,971,943
TOTAL EVENT EXPENSES	\$898,398	\$1,595,710	\$1,621,163	\$495,049	\$277,486	\$1,175,212	\$1,916,612
TOTAL INDIRECT EXPENSES	\$1,405,409	\$1,645,665	\$1,570,280	\$1,174,150	\$1,076,371	\$1,523,314	\$1,833,844
NET INCOME / (LOSS)	-\$896,457	-\$832,171	-\$794,036	-\$999,445	-\$899,205	-\$803,625	-\$778,513
ANNUAL BUDGET	-\$1,030,876	-\$996,103	-\$990,125	-\$950,423	-\$1,053,362	-\$964,589	-\$1,070,000
OVG360 REFUND TO CITY	\$134,419	\$163,932	\$196,089	-\$49,022	\$154,157	\$160,964	\$291,487
ACCUMULATED REFUND	\$134,419	\$298,351	\$494,440	\$445,418	\$599,575	\$760,539	\$1,052,026
RETURN ON INVESTMENT E.I.	\$8,349,075	\$11,178,720	\$7,674,660	\$1,490,580	\$2,069,865	\$5,508,720	\$9,769,032
ACCUMULATED R.O.I. / E.I.	\$8,349,075	\$19,527,795	\$27,202,455	\$28,693,035	\$30,762,900	\$36,271,620	\$46,040,652

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Ongoing 2024 Key Initiatives

Strategic Priority: Social, Health and Public Safety Challenges	
“Safe Secure Sustainable Streets” Partnering with Hotels, DNBA, CSO	
Strategic Priority: Communicating with the Community	
“Expanding The VICC Walls” Partnering with Parks, Recreation and Culture facilities (Nanaimo Ice Centre, Frank Crane)	
“Opening Our Doors Wider” Partnering with PRC, Community Groups, and Non-Profits	
“West Coast Indigenous Inspired Fusion Culinary” Partnering with Snuneymuxw	

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THANK YOU FOR THE OPPORTUNITY TO PRESENT

ANY QUESTIONS OR COMMENTS?

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