

DATE OF MEETING | OCTOBER 16, 2024 |

AUTHORED BY | LAURA MERCER, GENERAL MANAGER, CORPORATE SERVICES |

**SUBJECT                      TOURISM NANAIMO FUNDING REQUEST**

## **OVERVIEW**

### **Purpose of Report**

To provide the Finance and Audit Committee with information relating to the 2024 funding of a new Tourism Nanaimo Staff position. |

### **Recommendation**

That the Committee recommend that Council provide Tourism Nanaimo with an additional \$29,000 in grant funding for 2024 only to fund a new Sport Tourism Coordinator position.

## **BACKGROUND**

Tourism Nanaimo is a multi-stakeholder, not-for-profit society with a membership and board of Directors that are representative of all key groups in Nanaimo's tourism industry. Tourism Nanaimo is the primary tourism agency in Nanaimo, recognized by the City, Destination BC, Destination Canada, tourism operators and stakeholders as the community's Destination Marketing and Management Organization (DMO).

In July 2024, the Province renewed the Municipal Regional District Tax (MRDT) program with the City of Nanaimo for another five (5) years. With this renewal, the City changed administrators to Tourism Nanaimo. Previously the administrator had been the Nanaimo Hospitality Association (NHA). In the City's view, Tourism Nanaimo, as the DMO, should be responsible for administering all General MRDT revenues.

In the past Tourism Nanaimo received a negotiated portion of the General MRDT revenues each year from the NHA to support destination sales and marketing initiatives. As the administrator they will now receive all of the general MRDT funds and will be responsible for achieving all of the goals set out in the MRDT's Five-Year Strategic Business Plan that was submitted to and approved by the Province.

Sports Tourism has been a focus of the City and in the use of the MRDT funds. Included in the MRDT 2025-2029 Five-Year Strategic Business Plan, Sports Tourism in Nanaimo is listed under Strategic Pillar #1 Build Out the Real Nanaimo. The Goal of "Transforming Nanaimo into a leading accessible Tourism destination and a premier hub for sports tourism by 2030" is specifically listed in the plan. As Tourism Nanaimo will be the administrator of this Plan, they will be responsible for bringing this to fruition.

Currently there are seven (7) Staff positions within Tourism Nanaimo.

- Executive Director
- Marketing Director
- Social Media Manager
- Business Development Manager
- Operations Officer
- Visitor Services (2)

## **DISCUSSION**

At the regular council meeting on 2022-APR-25, Council granted in-principle approval for the Sport Tourism Strategy, marking a pivotal moment in its advancement. A critical and immediate step in driving this strategy forward is the creation and hiring of a Sport and Event Coordinator. This position is essential for attracting larger sporting events to Nanaimo and fostering stronger collaboration between local sports organizations, City staff, and key departments. The coordinator will be tasked with executing key strategic recommendations, including:

- Developing a "Sport Tourism Event Playbook" for bid responses
- Creating a marketing strategy aligned with event targets
- Compiling a Sport Tourism Event Catalogue (both print and online)
- Identifying essential sport and event requirements
- Designing a "Sport Tourism Product Development" program

These efforts, along with a comprehensive inventory of city infrastructure and future improvement plans, will ensure that accurate, up-to-date information is available for event bids, avoiding scheduling conflicts with planned maintenance.

Additionally, the role involves building a robust database of local clubs, contacts, and events to identify upcoming provincial and national opportunities for Nanaimo. These foundational tasks require urgent attention to position Tourism Nanaimo, in partnership with the City, to capitalize on future sports business and event opportunities once the 55+ Games conclude.

The Sport Tourism Strategy is also fully aligned with the City Plan / Integrated Action Plan #96 – A Healthy Nanaimo, prioritizing the implementation of sport tourism initiatives. This role is not only necessary but vital to Nanaimo's success in the competitive world of sport tourism. Currently Tourism Nanaimo does not have funding available to add this position until 2025. |

## **FINANCIAL CONSIDERATIONS**

The estimated cost of adding this position in 2024 is approximately \$29,000. Tourism Nanaimo falls under the Corporate and Business Development department and it is anticipated that there will be surplus funds in this section to cover an additional cost.

Wages & Benefits	\$ 27,000
One-time Expenses	<u>\$ 2,000</u>
Total Estimated cost	<u>\$ 29,000</u>

## **OPTIONS**

1. That the Finance and Audit Committee recommend that Council provide the Tourism Nanaimo with an additional \$29,000 in grant funding for 2024 only to fund a new Sport Tourism Coordinator position.
  - The advantages of this option: Tourism Nanaimo will have an opportunity to get a head start on working towards the Five-Year Strategic Business Plan initiatives.
  - The disadvantages of this option: Any surplus from staff vacancies in the Corporate and Business Development section will not be available to fund other initiatives.
  - Financial Implications: Funding can be found from surplus in the Corporate and Business Development department due to staff vacancies.
  
2. That the Finance and Audit Committee recommend that Council deny the request for additional 2024 funding to Tourism Nanaimo for a new Sport and Event Coordinator position.
  - The advantages of this option: No additional funding will be needed.
  - The disadvantages of this option: Tourism Nanaimo will miss an opportunity to get a head start on working towards the Five-Year Strategic Business Plan initiatives.
  - Financial Implications: Any surplus from staff vacancies in the Corporate and Business Development section will be allocated to reserves at year end.
  
3. That the Finance and Audit Committee recommend that Council provide alternative direction. |

## **SUMMARY POINTS**

- Effective 2025-JAN-01, Tourism Nanaimo will be the administrator of the Municipal Regional District Tax program.
- Sports Tourism is sited as a key Goal in the MRDT 2025-2029 Five-Year Strategic Business Plan.
- As Tourism Nanaimo will be the administrator of the MRDT program effective 2025-JAN-01, they will need a staff person to achieve this goal.
- To get a head start on filling the position, Tourism Nanaimo is asking for additional funding in 2024.

### **Submitted by:**

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### **Concurrence by:**

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Director, Finance

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