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VICC BACKGROUND

- The Vancouver Island Conference Centre (VICC) is a 38,000 sq. ft. conference facility owned by the City of Nanaimo.
- Managed through a venue management agreement with a third-party operator, Oak View Group (OVG) since 2017.
- Built as part of the New Nanaimo Centre Project. A major downtown revitalization project which included:
 - A new conference centre
 - Museum
 - Public parking facility
 - Public auditorium
 - Retail space
 - A New Hotel
- The City invested \$74 Million into the project



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VICC OVERVIEW



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VICC ROLE IN A DESTINATION

VICC Purpose

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

Symbiotic Relationships in Destination

- Conference Centre
- Hotels
- Tourism Activities
- Stimulate growth for the City
- Provide for the cultural enrichment of the community




VANCOUVER ISLAND
CONFERENCE CENTRE



OVG
OAK VIEW GROUP

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VICC MANAGEMENT & OVERVIEW

3rd Party Management:
Oak View Group (OVG)



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



VANCOUVER ISLAND
CONFERENCE CENTRE

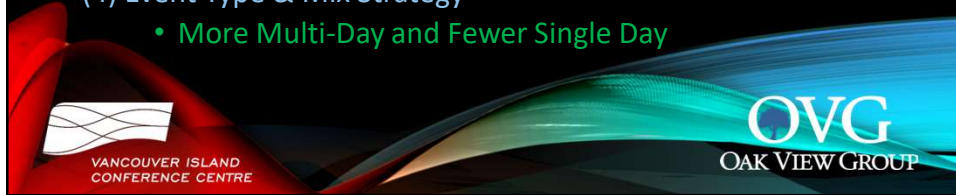


OVG
OAK VIEW GROUP

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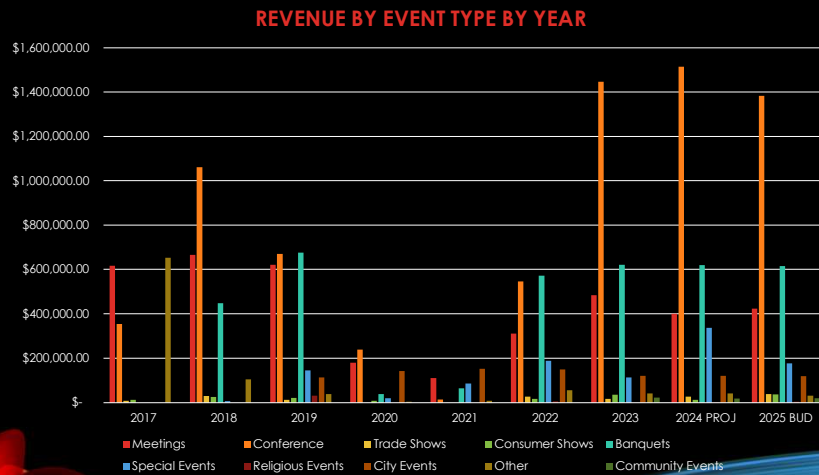
KEY FACTORS IN VICC SUCCESS

- (1) Creation of Tourism Nanaimo Society
 - Destination Central Sales Office
- (2) Business Tourism Collaboration
 - Developing Convention Business Together
- (3) Downtown Accommodations
 - Increased Density Attracting Larger Event
- (4) Event Type & Mix Strategy
 - More Multi-Day and Fewer Single Day

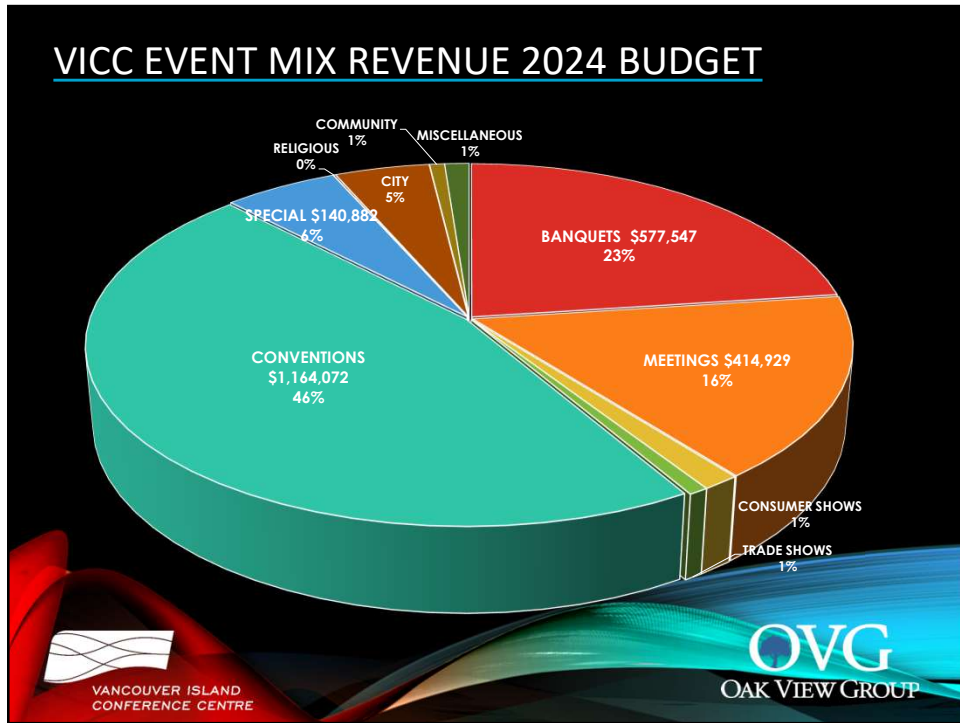


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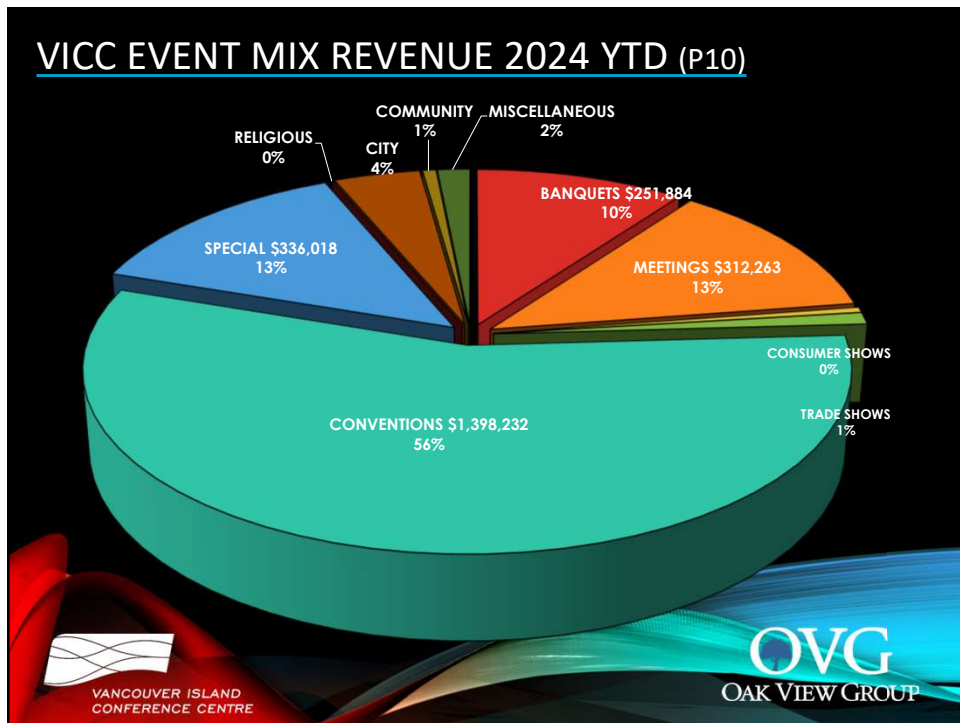
VICC REVENUE BY EVENT TYPE BY YEAR



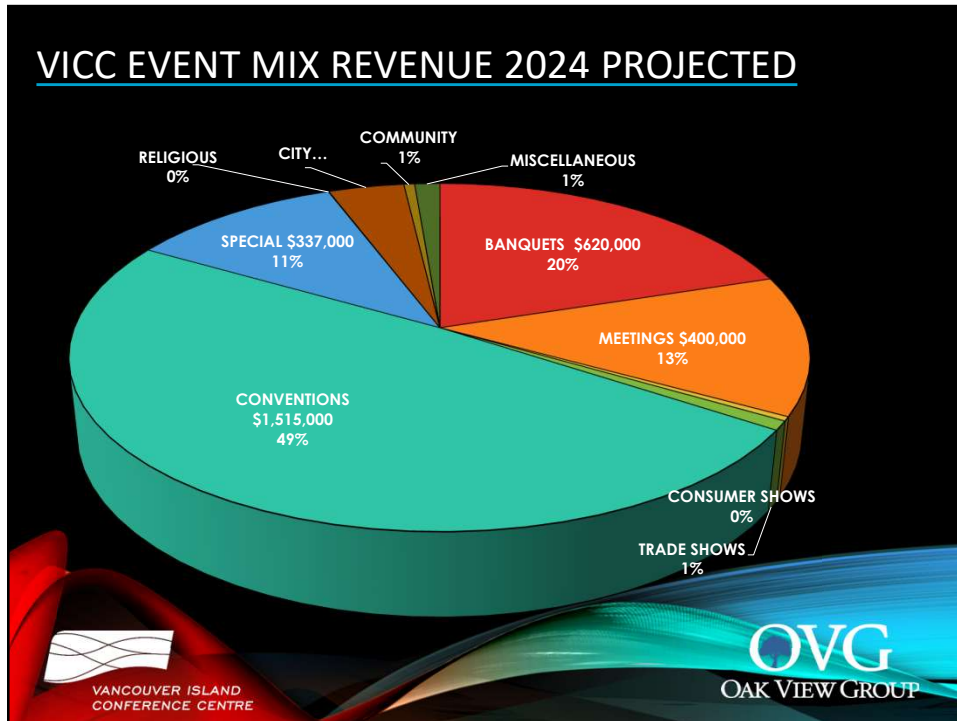
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VICC 2024 ACHIEVEMENTS

GREATER 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

CONTINUED FINANCIAL SUCCESS

- Projected Refund to the City (\$317,862)



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VICC 2024 FINANCIAL RESULTS & PROJECTION

	2024 Budget	2024 YTD Bud	2024 YTD Oct	2024 Projection
EVENT REVENUE				
Gross Building Rent	950,111	\$762,621	\$1,088,907	\$1,200,000
Catering Sales	1,471,851	\$1,078,267	\$1,348,578	\$1,800,000
Concessions Sales	96,589	\$64,139	\$59,264	\$88,000
GROSS EVENT REVENUE	\$2,518,551	\$1,905,027	\$2,496,749	\$3,088,000
OTHER REVENUE				
GROSS OTHER REVENUE	\$62,000	\$51,664	\$77,710	\$92,000
TOTAL GROSS REVENUE	\$2,580,551	\$1,956,691	\$2,574,459	\$3,180,000
EVENT EXPENSES				
Building Direct Event Expenses	410,318	\$332,847	\$449,994	\$489,000
Catering COS	1,167,560	\$853,833	\$1,054,227	\$1,400,000
Concessions COS	79,269	\$52,753	\$48,709	\$70,000
TOTAL EVENT EXPENSES	\$1,657,147	\$1,239,433	\$1,552,930	\$1,959,000
TOTAL INDIRECT DEPARTMENTAL EXPENSES	\$1,962,817	\$1,608,877	\$1,604,375	\$1,942,551
NET OPERATING REVENUE / (LOSS)	-\$1,039,413	-\$891,619	-\$582,846	-\$721,551



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VICC 2024 DELEGATE DAYS & ECONOMIC IMPACT

	2022 ACT	2023ACT	2024 ACT YTD	2024 PROJ
DELEGATE DAYS	17,488	24,921	27125	28175
ANNUAL ECONOMIC IMPACT	\$5,508,720	\$9,769,032	\$10,633,000	\$11,044,600
PARTICIPANT DAYS	53,119	58,256	54,410	65,000
ACCUMULATED ECONOMIC IMPACT	\$89,665,065	\$99,434,097	\$110,067,097	\$110,478,697

	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
ACCUMULATED ECONOMIC IMPACT	\$89,665,065	\$97,113,065	\$105,149,065	\$113,929,865	\$123,259,465	\$133,137,865	\$143,141,705



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VICC 2025 CONSIDERATIONS & OPPORTUNITIES

Considerations

- Courtyard By Marriott
- HULLO Passenger Ferry VAN – NAN
- DMO Central Sales Office Expansion / Specialization
- City Owned Facilities
- Continued Downtown Revitalization COMMERCIAL ST / DKP

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 - 2029 BUDGETS & PROJECTIONS

	2024 Budget	2024 Projection	2025 Budget	2026 Projection	2027 Projection	2028 Projection	2029 Projection
EVENT REVENUE							
Gross Building Rent	950,111	\$1,200,000	\$1,072,320	\$1,120,574	\$1,171,000	\$1,223,695	\$1,277,538
Catering Sales	1,471,851	\$1,800,000	\$1,659,520	\$1,734,199	\$1,812,238	\$1,893,788	\$1,977,115
Concessions Sales	96,589	\$88,000	\$110,464	\$115,435	\$120,629	\$126,058	\$131,604
GROSS EVENT REVENUE	\$2,518,551	\$3,088,000	\$2,842,304	\$2,970,208	\$3,103,867	\$3,243,541	\$3,386,257
GROSS OTHER REVENUE	\$62,000	\$92,000	\$70,000	\$72,100	\$74,263	\$76,491	\$78,786
TOTAL GROSS REVENUE	\$2,580,551	\$3,180,000	\$2,912,304	\$3,042,308	\$3,178,130	\$3,320,032	\$3,465,042
EVENT EXPENSES							
Building Direct Event Expenses	410,318	\$489,000	\$469,255	\$490,371	\$512,438	\$535,498	\$559,060
Catering COS	1,167,560	\$1,400,000	\$1,317,977	\$1,377,286	\$1,439,264	\$1,504,031	\$1,570,208
Concessions COS	79,269	\$70,000	\$90,682	\$94,762	\$99,027	\$103,483	\$108,036
TOTAL EVENT EXPENSES	\$1,657,147	\$1,959,000	\$1,877,914	\$1,962,420	\$2,050,729	\$2,143,012	\$2,237,304
TOTAL INDIRECT DEPARTMENTAL EXPENSES	\$1,962,817	\$1,942,551	\$2,020,157	\$2,060,560	\$2,101,771	\$2,143,807	\$2,186,683
NET OPERATING REVENUE / (LOSS)	-\$1,039,413	-\$721,551	-\$985,767	-\$980,673	-\$974,370	-\$966,787	-\$958,945



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VICC 2025 FINANCIAL CONSIDERATIONS

ANNUAL OPERATING INVESTMENT

The 2025 Draft Operating Budget includes an annual operating investment by the City of \$985,767 and a \$100,000 contingency budget for non-capital improvements.

CAPITAL PROJECT PLAN

The 2025 Draft Capital Budget includes new projects amounting to \$73,800 including 6 glass doors and network equipment replacements.

Previously budgeted for Capital projects anticipated to be completed in 2025 include Phase 2 of the AV Upgrade in the ballroom and meeting rooms; and refurbishment of 2 freight elevators.

The 5 Year Draft Capital Budget for 2025 – 2029 amounts to \$997,800.



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VICC KEY PERFORMANCE INDICATORS

The Current Agreement also provides that following KPIs be reported on monthly, quarterly and annual bases to the City and Stakeholders:

- > Multi-Day Non-Resident Conferences, Conventions & Events
- > Event Days
- > Delegate Days
- > Economic Impact
- > MOU Compliance
- > Single Day Meetings & Events
- > Trade & Consumer Shows
- > Participant Days
- > Customer Satisfaction
- > Community Use
- > Financial Results



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CITY COUNCIL STRATEGIC FRAMEWORK

2023 – 2026 STRATEGIC PLAN

IN JUNE 2023 COUNCIL ENDORSED THE 2023-2026 COUNCIL STRATEGIC FRAMEWORK. THE FRAMEWORK REFLECTS SIX KEY FOCUS AREAS THAT WILL SERVE TO GUIDE COUNCIL'S DECISION-MAKING IN THE YEARS AHEAD.

THE SIX KEY FOCUS AREAS ARE:

- > IMPLEMENTING "CITY PLAN" ACTION PLANS AND KEY MANAGEMENT PLANS
- > SOCIAL, HEALTH AND PUBLIC SAFETY CHALLENGES
- > MAINTAINING AND GROWING CURRENT SERVICES
- > CAPITAL PROJECTS
- > COMMUNICATING WITH COMMUNITY
- > GOVERNANCE AND CORPORATE EXCELLENCE



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2025 KEY INITIATIVES - NEW & ONGOING

Strategic Priority: Implementing City Plan Action Plans and Key Management Plans
"Accelerating Circular Economy" Partnering with Synergy Foundation

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/Levy – Launch 2025

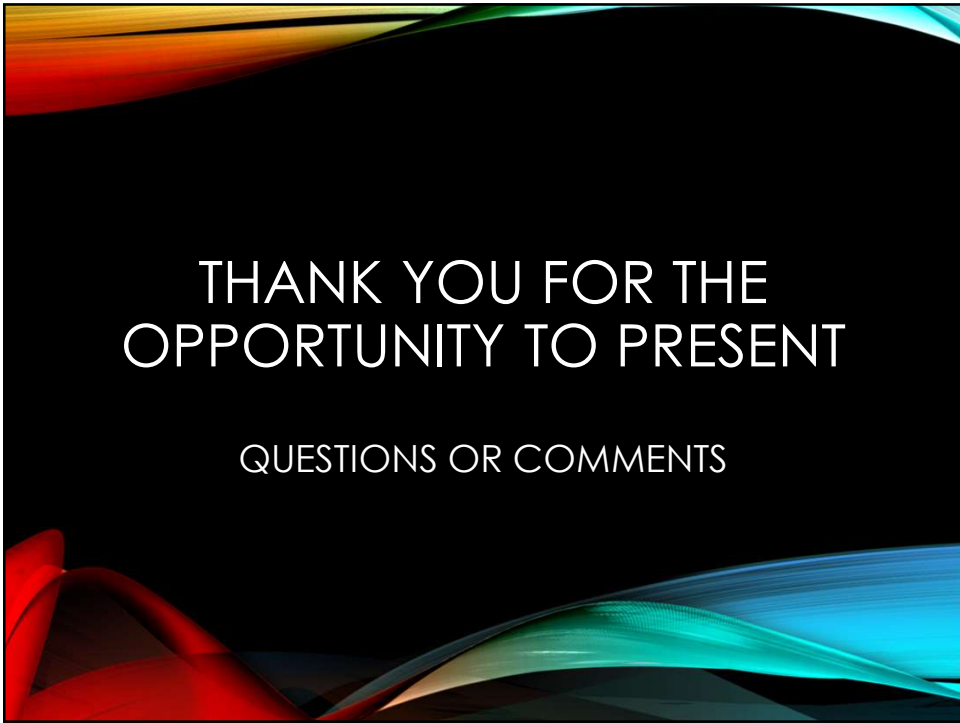


The slide features a dark background with a colorful, wavy graphic at the bottom. On the left, the Vancouver Island Conference Centre logo is displayed, consisting of a stylized white wave icon above the text "VANCOUVER ISLAND CONFERENCE CENTRE". On the right, the OVG logo is shown, with "OVG" in large white letters above "OAK VIEW GROUP" in smaller white letters.

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THANK YOU FOR THE OPPORTUNITY TO PRESENT

QUESTIONS OR COMMENTS



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