



## Council Member Motion

For the Governance and Priorities Committee Meeting of November 19, 2015

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**To:** Governance and Priorities Committee      **Date:** November 13, 2015  
**From:** Mayor Lisa Helps and Councillor Margaret Lucas  
**Subject:** Municipal Regional District Tax (MRDT)

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### Background:

In British Columbia, destination marketing at the community level is governed through the Municipal Regional District Tax (MRDT). Tourism Victoria is currently grandfathered under the old legislation. All but six municipalities in British Columbia have modernized their relationship with their Community Destination Marketing Organization (CDMO's). The majority of CDMO's are on a 5 year renewal with their local councils; Victoria is on an annual renewal.

Tourism Victoria's 2017-2022 Strategic Plan supports the MRDT Application. It is aligned with industry priorities, City of Victoria Strategic Plan and the Mayor's Task Force on Economic Development; "Making Victoria – Unleashing Potential". Tourism Victoria held an open house with accommodators in the City of Victoria and there was broad support for the MRDT Application.

We are now seeking Council approval to proceed with the Municipal Regional District Tax (MRDT) application. We have attached supporting correspondence and letters of support.

### Motion:

That Council approve in principle the development of a renewed relationship with Tourism Victoria based on the following four principles:

1. Remove Grandfather Status and name Tourism Victoria the Eligible Entity for Destination Marketing.
2. Continue with the VCON partnership. Tourism Victoria will take the lead on the Sales & Marketing function at the Victoria Conference Centre. This will drive synergies and improve performance.
3. The Tourism Industry, through Tourism Victoria, will make a \$1M dollar industry contribution towards the David Foster Harbour Pathway, focused on Phase 2 of the Belleville Street Harbour Pathway. This matches the City of Victoria's contribution of \$1M dollars.
4. Accommodation sector voluntarily agrees to raise MRDT from 2% to 3%.

The application process takes approximately 9 months. These framework elements are effective January 1, 2017. We plan to come back to Council with a completed accommodation registry and strategy along with the completed MRDT application in by February 2016.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. Helps".

Mayor Lisa Helps

A handwritten signature in black ink, appearing to read "Lucas".

Councillor M. Lucas