

MRDT Public Consultation

Meeting One - Sept. 9/19

7 p.m. @ New Horizons Centre

INVITED: by email:

- I) Hornbyisland.com Vacation Renters list and
- II) Visitor Guide Advertisers

In attendance:

Calum Matthews – Director, Destination Development, Tourism Vancouver Island

D’Arcy – Calum’s staff

Karen Ross – HICEEC

Frances Millan – Wind ‘n Waves Vacation Rental Management company, 34 homes

Patrick Lui – Vacation Rental Management Company & holistic health practitioner

Linda & Gary Manzer – BnB and president of Farris Farmland Trust

Jake Berman – co-owner of hornbyisland.com

Katherine Ronan – HICEEC Board, housing advocate

Linda Lake – Mgr. Tribune Bay Campsite

Helen Grond – former HICEEC Board member, Vacation Rental owner, owner Middle Mountain Meadery

Lisha Scott – Mgr. of the Coop Store

Grant Scott – Trustee for island Trust

NOTES from the meeting

I. Calum’s presentation

1. Introduction to Tourism Vancouver Island
 - a. Advocacy
 - For responsible ethics
 - Need tourism to fit with community values
 - b. Value of Tourism:
 - Infrastructure that locals enjoy
 - Jobs
 - Human relationships
 - c. TVI Programs to support individual businesses
 - Google 360 degree pictures

- Improvements to Google business listing
- Tourism Vancouver Island is partially funded by Destination B.C., and is here to support the needs of communities in their area.
- T.V.I. also offers “fee for service” like managing MRDT

When Fromer’s Guide Books were first started (Fromer went to Yale, Law, then Army intelligence in Europe – where he travelled. First book was Europe on \$2/day for G.I.’s).

1950’2 – 20 million travellers

Now – 2 billion travellers

Boom – increasing discretionary incomes

Huge growth markets, Growing middle classes – in S.E. Asia and Mexico

Now in Barcelona – “tourists go home”, “your vacation is my hell”, etc. A bad example of poorly managed tourism.

2. Introduction to MRDT

a. What is it?

- A tax to help direct money from tourism in directions that the community wants to see
- A tax the tourists pay for services/programs they use
- Keeps the additional costs of tourism off the locals’ property tax bills

b. Who collects it?

- On Vancouver Island there are now 13 jurisdictions collecting this tax.
- Note: The Online Travel Agencies (like Air BnB) are required to remit 3% tax on all rentals in your area. If a community is not registered to collect, this money goes into Provincial coffers.
- Rate is 2 or 3% of revenues from short term transient rentals (hotels, resorts, BnB’s, vacation rentals, etc.). Fixed roof accommodation (campsites and glamping are exempt)

c. Examples of how other communities are using the revenues.

i. Southern Gulf Islands (S.S.I., Mayne, Galiano, the Penders)

- Educational tourism in the winter
- Network of water taxis to connect the islands
- Public buses
- Measures to reduce water usage
- Measures to influence visitor behavior – both in advance and when they come

d. On Hornby we might consider:

- Affordable housing
- Infrastructure – public washrooms, trail maintenance, etc.
- Winter Festivals & Events
- Shoulder season marketing
- Etc.

- e. Application process is a collaboration of:
- Local Government (CVRD)
 - Accommodation of ≥ 4 units. Need 51% in favour, representing at least 51% of the rooms.
 - Tourism sector
 - D.B.C.
 - Ministry of Finance
- f. Ensure ethical use of the funds. Must develop:
- 5 year plan (overview)
 - One year tactical plan (execution of the Strat. Plan)
 - **VERY IMPORTANT: INPUT & OVERSIGHT**
- g. At the end of five years, the process must be repeated, including a chance to have a different service applicant host. (e.g. If HICEEC was the original 5 year host, the Tourism Stakeholders might decide that another group could be put in place. Also a fresh bylaw will be required from the CVRD).
- h. Funds collected are remitted monthly.
- Can't save the money, year to year
 - Must be spent according to the submitted Annual Plan.
 - Although for affordable housing this is not yet conclusive. It is still being worked on, and will be documented specifically
- i. Opportunity beyond the MRDT?
- Some communities use the money as "matching funds" to leverage the money. E.g. partners:
 - Destination B.C.
 - Island Coastal Economic Trust
 - Western Diversification
 - Etc.
- i. There are alternatives to the MRDT. They are voluntary.
- Destination Marketing Fee: e.g. Niagara on the Lake – 1% "eco system fee" on every service
 - "EcoSystem Fee": e.g. in Tofino, tour operators are starting to add a conservation message, and include \$5./head in their fees, which goes to a conservation non-profit that they believe in.
 - Prince of Whales
 - Eagle Wing
 - Business Buy-In: e.g. camping & glamping operations could be approached to voluntarily collect an equivalent amount and remit it to the local program. Could set this up with an accounting firm, so people can't track each others' revenues.

II. DISCUSSION

Helen Grond – very concerned with another tax being added. Add to the expense for the value minded visitors that come to Hornby.

Grant Scott – Islands Trust Vision 2050 is coming up. What do we want the Islands to look like?

13 Island will be coming together, great place to advocate for things like BCF improvements

Linda Lake – Families waiting for 5 hours for ferries is horrible, we need a bigger ferry

Lisha Scott – Loves Hornby in the summer. The need for public washrooms is a discussion that she often hears.

Grant Scott: No one likes taxes but this one is unique in that the money comes back to Hornby to be spent here.

Calum Matthews: “A great place to visit is a great place to live”. (Note: good to remember, the visiting young families may be the very people we discuss recruiting to move here)

Frances Millan – 3 things she tells guests, approx.. quote:

1. Conserve water, reduce garbage
2. Have fun in the sun, and don't flush for number one
3. Smile at a local, you might make their day

Gary Manzer – a growing portion of their business comes through Air BnB, so he would prefer that the MRDT money they are charging his guests comes to Hornby, and not to provincial coffers.

General discussion on whether there would be an appetite for a “voluntary” tax.

KAREN'S NOTE: Today I confirmed with Destination B.C.:

- the whole field of Vacation Rentals would be included in the tax. As of October 1, 2018, any accommodation property that is required to pay PST, is eligible for inclusion in our estimates of the money available from the MRDT.
- Currently, camping and glamping are excluded from having to pay these taxes.

Thanks to Calum and D'Arcy for an excellent presentation, and for providing a bigger picture on the MRDT program, and other services that Tourism Vancouver Island offers!