



COMMUNITY SERVICES DIVISION

Parks & Recreation Department

TO: Chair and Members of the Community and Corporate Services Committee
SUBJECT: MODEL FOR DELIVERY OF TOURISM SERVICES IN BURLINGTON

Report Number: PR 14/05 Report Date: February 16, 2005
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Telephone: Ext. 7729/7930 Date to Council: March 21, 2005
Ward(s) Affected: 1 2 3 4 5 6 All File Number(s): 125-01T

APPROVALS: Department Head General Manager City Manager

To be completed by the Clerks Department

Committee Disposition & Comments
Council Disposition & Comments
01- Approved 02 - Not Approved 03 - As Amended 04 - Referred 05 - Deferred 06 - Received & Filed 07 - Withdrawn

1.0 RECOMMENDATION:

THAT Council endorse the preferred delivery option for tourism services in Burlington as outlined in Report PR14/05 and as recommended by the Tourism Service Delivery Task Force and as endorsed by the Board of Directors of Tourism Burlington and which includes the following:

- incorporated entity; not-for-profit
at arms-length from the City of Burlington
fee-for-service; partnership-based in lieu of an exclusive membership base
defined sector-based composition of Board of Directors; and

THAT any related budget matters with respect to 2005, being a transition year for Tourism Burlington, be referred for consideration during the 2005 Current Budget deliberations; and

THAT Council be requested to duly consider the allocation of specific funding to the "Discover Burlington" initiative during the 2005 Current Budget deliberations; and

THAT Council authorize staff in conjunction with the Tourism Burlington Board to commence the necessary steps for transition upon receipt of Council's approval; and

THAT Council request the current Tourism Burlington Board of Directors to assist with the recruitment of the initial Board of Directors who will make application for incorporation; and

THAT in conjunction with the end of the current membership year at August 31, 2005, that Tourism Burlington Inc. be effective as of September 1, 2005, provided that Letters Patent have been issued for the new corporation; and

THAT Tourism Burlington Inc. be required to present to Council a 3 to 5 year Business Plan (including financial and marketing plans) with related current and capital budget implications, including a capital forecast (2006-2015) for Council's consideration in preparation for the 2006 budget deliberations; and

THAT a community consultation component be included in the development of the Business Plan process; and

THAT Tourism Burlington Inc. review its revitalized governance structure after its initial year of operation and to report back to Council in Fall 2006; and

THAT Council amend resolution No. CC-114-04-1 dated June 14, 2004, respecting the accountability / relationship framework with Local Boards to delete the General Manager of Development and Infrastructure to be replaced with the General Manager of Community Services as the senior staff liaison with Tourism Burlington Inc.; and

THAT Council hereby dissolves the Tourism Service Delivery Task Force.

EXECUTIVE SUMMARY:

In 2003, Burlington Council approved a Tourism Vision for the City. A process was subsequently undertaken to identify the most appropriate service delivery model to achieve the Vision. A Task Force comprised of City staff and Tourism Burlington representatives was established to undertake this work. The Task Force, with the assistance of a consultant, identified a series of principles, organizational functions and criteria against which a wide range of service delivery models were assessed. A Best Practices Review provided a real-world picture of service delivery practices in Ontario, and a consultation process involving key stakeholders closely associated with tourism in Burlington provided perspective on the local situation. With this information in hand, the broad array of delivery alternatives that were considered in the initial review was narrowed to 4 for final assessment:

- Incorporated, Arms-length, Member-based Organization (current Tourism Burlington model plus incorporation); Not-for-Profit Corporation
- Incorporated, Arms-length, Partner-focused Organization (in lieu of an exclusive membership base); Not-for-Profit Corporation
- City-controlled Municipal Business Corporation
- Operating Unit within an Existing Arms-length Organization

Common to all of the 4 models that were initially given further assessment, there exist 2 distinctive premises. First, the organization should be structured at arms-length from the municipality to

ensure nimbleness (eg. ability to leverage opportunities such as private sector funding) and eligibility (eg. ability to secure grant funding such as Trillium.) The second commonality was that none contemplates the separation nor division of tourism functions to more than 1 organization due to the linkages and synergies, which must exist in order to sustain the organization's business streams and achieve its goals. An example of inter-relatedness would be tourism strategy development, tourism advocacy and product development.

It was concluded by the Task Force that the incorporated (without share capital), arms-length, partner-focused organization was the most appropriate vehicle for delivering tourism services in Burlington. The Task Force recognized that both the current member-based model and the recommended model, without an exclusive membership base, share many of the same positive attributes. However, the partner-focused model provides a number of additional benefits including:

- Eliminates any expectations that members have of benefits accruing specifically to them;
- Removes the 2-tier (member and non-member) hierarchy that that may have dissuaded participation by and related revenue generation from non-members;
- Permits staff and Board resources to be redirected from the task of securing and sustaining a limited membership base to the development of creative and entrepreneurial approaches to tourism;
- Removes uncertainty of possible year-to-year fluctuation in membership and/or potential bias in membership representation.

Implementation will take place throughout 2005 with a review of the model after the first full year of operation in Fall 2006. It is recommended that the new tourism corporation be governed by a Board of Directors consisting of 15 Directors that are either community-based or tourism sector-based. The Board will be elected by members who are organized into 2 classes representing either the broad community of Burlington or a particular tourism sector. A sub-committee of Council and the existing Tourism Burlington Board will recruit a slate of 15 individuals to make application for incorporation and who will serve as the initial Board of Directors of the newly incorporated corporation until the first meeting of members is held. A first meeting of members must be held no later than 18 months after incorporation.

As 2005 is a rebuilding year, it is recommended that the current staffing complement of 3 positions be maintained. However, the Task Force concluded that to ensure the future success of tourism in Burlington, a more comprehensive compensation package should be made available to all positions in the complement so as to attract and retain experienced tourism staff. The Current Budget submission includes such funding. A multi-year Business Plan will be prepared to guide the future activities and budget proposals in subsequent years. This will also include financial and marketing plans and a component of community consultation.

The proposed service delivery model represents a departure from the current organization. Of major consideration has been the need to incorporate appropriate accountability checkpoints between Council and the Board, in addition to providing a solid foundation and adequate resources with the assistance of an organizational development process. The recommended model ensures that all of these are possible and will result in great progress towards the attainment of Council's Vision, the delivery of core tourism services and the establishment of a tourism entity as the Destination Marketing Organization on behalf of our community.

2.0 PURPOSE:

The purpose of this report is to respond to Council's direction to review delivery options for municipally-supported tourism services in Burlington. The findings of the Tourism Service Delivery Task Force have resulted in the identification of a preferred service delivery alternative, which has been endorsed by the Tourism Burlington Board. Essentially, the framework of this new organization would be an incorporated entity (without share capital), at arms-length from the municipality and with a focus on partnerships and fee-for-services in lieu of an exclusive membership base. Timelines and budget considerations are also outlined in order to move to the implementation of this change in approach.

3.0 BACKGROUND AND RELATIONSHIP TO STRATEGIC PLAN:

Started in the mid 1980's by the Burlington Chamber of Commerce, Tourism Burlington is a member-based non-profit organization governed by a volunteer Board of Directors ("Board") who are elected at an Annual General Meeting ("AGM"). Core funding comes from the City of Burlington ("City") with revenue also derived from membership sales, co-operative marketing programs, souvenir sales and grants. Tourism Burlington is a Destination Marketing Organization that operates a year-round visitor centre, advocates for tourism development and coordinates marketing programs to increase tourism in Burlington and vicinity. Council's recognition of the importance of tourism to the vibrancy of our community has been evidenced by its longstanding support of a tourism entity.

A service delivery review is timely as our community's growth is at a significant juncture given the exciting initiatives underway (eg. waterfront revitalization) and pending (eg. City Park, Performing Arts Centre.) In the Fall of 2004, a Tourism Service Delivery Task Force ("Task Force") was struck to research and recommend a preferred strategy for the delivery of tourism services in Burlington. The Task Force is comprised of:

Gord Langford – Past Chair, Tourism Burlington
Bill Leslie – Director, Tourism Burlington
Pam Belgrade - Acting General Manager & Association Secretary, Tourism Burlington
Mike Hall – Senior Corporate Policy Advisor
Helen Walihura - Communications Advisor
Janet Lunn – Director of Parks & Recreation and Director, Tourism Board
Bob Carrington – General Manager of Community Services (Chair of Task Force)

The assessment and selection of a Tourism Service Delivery Model ("Model") has been anchored by two primary considerations being Council's approved Tourism Vision (2003) and the specific market segments that form the basis of Council's approach to tourism. Briefly, these are outlined below. Also taken into consideration was the review of the City's relationship with its Community Boards as initiated by the City Manager as well as many other background documents (Refer to Appendices A and B).

Admittedly, the history of tourism service delivery in Burlington has been focused on the areas of marketing and visitor services. Clearly, these are core businesses but do not represent the full continuum. There has been a gap in service delivery which has inhibited the effectiveness of tourism for and on behalf of our community. In other words, an assessment of past practice would lead one to deduce that tourism only has 2 functions or "silos" – visitor services and marketing. The

reality is that these are the 2 areas on which previous efforts were focussed due to the limited resources available. Importantly, this is not the intention of the Task Force respecting future direction. Through a solidly defined structure with capable staff, reconstituted Board and enhanced resources, the important linkages which need to exist to support the 2 silos and in totality, create a sustainable and successful tourism operation, can finally be attended to. Examples of these linkages in the tourism continuum which warrant dedicated attention included partnership development, tourism advocacy and tourism strategy development. This approach will become more evident throughout this report.

3.1 Vision

Burlington will provide a distinct tourism experience focused on the waterfront, downtown and natural features and attractions that will respect and enhance the quality of life of the community.

The Vision encompasses 3 key considerations:

- Establishment and offering of distinct tourism experiences
- Tourism experiences that are focused on the waterfront, downtown and the natural features and attractions of the community
- Pursuit of tourism development that is respectful of and which enhances the quality of life of the community's residents

3.2 Tourism Market Segments

In recognition of the segmented character of the tourism industry, Council identified the following market segments in 2003 as the foci of its tourism strategy:

- Visitor Services
- Meeting, Conventions and Hospitality Services
- Festivals and Events
- Sport Tourism

Ongoing community consultation was identified by Council as an important component of the implementation of a tourism strategy based on these market segments.

3.3 Pertinent Council Resolutions

- CC-36-03-1 City of Burlington Proposed Tourism Vision
(March 17, 2003)
- CC-129-03 Approval of Burlington Tourism Vision
(June 9, 2003)
- CC-114-04-1 Receipt of review of relationships between the City of Burlington and
(June 14, 2004) its Community Boards and approval of the accountability / relationship
framework.

Refer to Appendix B for the full details of each of the aforementioned Council resolutions.

3.4 Relationship to Strategic Plan

Future Focus VI states:

LONG-TERM GOAL STATEMENT — PROSPEROUS #1

Burlington will continue to enhance its image as a prime destination for investment and tourism.

Three-year Goals

- 1.1 Burlington's image will continue to be enhanced.
- 1.2 The Downtown and Waterfront will be major attractions for business investment and tourism.
- 1.3 Accessible attractions will be established to increase tourism throughout the city.

4.0 DISCUSSION:

The Task Force approached this matter of service delivery from various perspectives. This group convened on 6 occasions between September 2004 and February 2005. A Best Practices review was conducted as well as an analysis of Burlington's current operations. In addition, interviews with key stakeholders were held. This research provided the basis for a Task Force Workshop, which was held in November 2004, and was facilitated by Fred Galloway of Fred Galloway & Associates. Importantly, update meetings were held with the Board of Directors of Tourism in December 2004, January and February 2005, in order to obtain their input. All of these aspects will be further detailed as we move towards the identification of a preferred service delivery option.

In addition, and as requested by the City Manager, a Joint Information Session facilitated by Fred Galloway, was held on February 11, 2005 with representatives from the Task Force, Tourism Burlington Board and Burlington Economic Development Corporation ("BEDC") Board to explore the option of some aspect(s) of tourism becoming part of the services offered by BEDC. The Task Force offers some comment on the business of tourism as it relates to the existing Team Burlington partners and specifically to economic development, later in this report.

A strong outcome of the Task Force deliberations is that tourism is a public good and therefore, needs to serve the interests of both our residents and visitors. This is reflected in Council's Vision for tourism. The Task Force was mindful of the desired focus on the waterfront, downtown, natural features and attractions. Further, options were analysed for their propensity to encourage synergies with respect to the roles of the City and all Team Burlington partners.

Structure follows strategy. It is the submission of the Task Force that given Council's clearly articulated strategy, the preferred model of service delivery is a structure which will provide the necessary framework to achieve our goals. Given that form follows function, the Task Force has carefully deliberated the relevant organizational functions, based on sound principles, and solidly assessed them against agreed-upon criteria. Importantly, the preferred model or framework for service delivery needs to be adequately resourced in order to be successful. A continuum of supports is outlined later in this report including timelines and financial impacts.

4.1 Best Practices

Ontario Tourism Strategy

As part of Best Practices, the Task Force reviewed the Ontario Tourism Strategy introduced by the Ministry of Tourism and Recreation ("MTR") in the Fall of 2004. This 5-year strategy was developed after consultation with key tourism stakeholders and is a long-term plan for the sustainability and growth of Ontario's tourism industry. All stakeholders in the tourism industry are important partners in the success of this strategy and the next step in this process is to develop a detailed implementation plan. Excerpts from their Vision and Strategic Directions are as follows:

Vision to Guide the Future:

- **Innovative Operators** – will respond to market trends;
- **Welcoming Destinations** – Communities will embrace tourism; and
- **Great Experiences** – Visitors will be satisfied with what they experience in Ontario.

Strategic Directions:

- **Embracing a Visitor-First Philosophy** –partnerships, networking, market research, training;
- **Developing Destinations** - focus for growth and development on destinations with potential to become international icons. Municipalities will be encouraged to play an active role in planning for tourism;
- **Building the Image and Influence of Tourism** – communities recognize the importance of tourism and how it contributes to economic and social development and their quality of life;
- **Strengthening Strategic Marketing** – strategic, research based, multi-year, coordinated, integrated – strengthening destination marketing and visitor support services; and
- **Developing an "All of Government" Approach** – Strategy will guide all provincial activities related to tourism with MTR as lead ministry.

4.2 Tourism Service Delivery-Comparative Information

The delivery of tourism services at the local level can take on many different forms. As a result of our review, there appears to be no one standard approach to the administration of tourism services in Ontario. The particular requirements of each local municipality tend to dictate the type of service delivery. The key factors that determine a municipality's relative degree of involvement in tourism development include:

- Community Size;
- Size and diversity of the local tourism market;
- Municipal fiscal capacity;
- Municipal expertise and staffing levels;
- Size and strength of the local tourism industry; and
- Performance and capacity of existing local and regional destination marketing organizations.¹

Most smaller communities initially become involved in tourism through the provision of visitor information services. Often this was initiated by a Chamber of Commerce to help promote their members and increase economic activity. As the community grows, often the responsibility of tourism shifts away from the Chamber of Commerce to become either an independent organization or municipally-operated. This has been the case in municipalities such as Burlington and Brantford.

¹ Making Tourism Work in Your Municipality, Randy Olling, RDO Consulting, AMCTO 2004

Appendix C outlines comparative information originally collected in 2003 for Burlington's Tourism Vision Project. Burlington's information has been updated to reflect 2004 budget and initiatives as well, information on Hamilton has been included.

Shifts in tourism delivery may also occur due to changes in mandate. For example, following amalgamation, the City of Hamilton prepared a Tourism Service Delivery Strategy in 2001 which created a new not-for-profit corporation with responsibility for tourism promotion and marketing. Prior to amalgamation, the tourism function was under the auspices of the Economic Development Department. It was identified that there had been an erosion of resources available to promote Hamilton and as a result, the number of conventions had declined and hotel occupancy rates were below the provincial average. Their analysis led to the creation of an aggressive tourism strategy which included additional resources to increase staffing levels and enhance the marketing budget. Since its inception in 2002, Tourism Hamilton Inc. has attracted a record numbers of visitors, unveiled a new brand and hosted major international sports events. Part of this strategy has included preliminary discussions between Tourism Hamilton Inc. and Burlington on potential areas of collaboration such as the recently launched revitalization program, cross-marketing, gateway signage, training and joint visitor centre sites.

4.3 Interviews with Key Stakeholders

During Fall 2004, interviews were conducted on behalf of the Task Force by the General Manager of Community Services and the Director of Parks & Recreation with key stakeholders. The purpose of these interviews was to informally and confidentially discuss tourism with key stakeholders in order to gain their perspectives. For each interview, there was no set agenda nor pre-determined list of questions. In addition to all 7 members of Council, the following were interviewed:

Burlington Economic Development Corporation ("BEDC")

- Don Baxter, Executive Director
- Cindy Porter, Marketing Manager

Chamber of Commerce ("Chamber")

- Penny MacKenzie, President
- Keith Hoey, Executive Director

Burlington Downtown Business Association ("BDDBA")

- Lynn Curtin Lange, Chair
- Brian Dean, Executive Director

It should be noted that consultation with the Tourism Burlington Board ("Board") occurred in a more extensive manner. First, 2 members of their Board are members of the Task Force. Secondly, the Task Force attended 4 Board meetings in order to obtain their perspectives. In the interim, the Board was kept apprised by their representatives on the Task Force. Finally, the Board had representatives participate in the Joint Information Session with BEDC.

While not a scientific nor statistically driven process, the interviews did elicit considerable beneficial insights. Accordingly, a list of "General Conclusions" about tourism services in Burlington has been compiled. It represents an overview or summary and is not an all-inclusive reporting of findings. Recurring themes, unique suggestions or ideas are noted. While individual points contained within the "General Conclusions" may appear conflicting, this is representative of the differing views conveyed by interviewees. Repetition has been eliminated and frequency of comments has not been noted. To add to the context of decision making respecting the preferred model, the "General Conclusions" are as follows:

GENERAL CONCLUSIONS

- Tourism represents a good use of municipal funds
- Whatever governance mode, need to ensure accountability to City
- Need mechanism to ensure that tourism "grassroots" interests have a voice
- Matter of having a general membership base or not needs to be explored; relates to mode of governance
- Has to be seen as an investment
- Has to be city-wide
- Timely opportunity given waterfront, branding, etc
- Are efficiencies to be realized
- Key business streams – marketing and visitor services
- Our tourism future lies in pursuing partnerships, alliances – we need to be part of a "package" (geography, attractions etc.)
- Needs some type of linkages with Team Burlington partners
- May be potential in having Team Burlington serve as the umbrella organization for tourism
- Need to develop strategies to leverage more dollars
- Important to also promote "be a tourist in your own town"

4.4 Principles

As a result of the November workshop, a list of principles was developed by the Task Force to guide the selection of a service delivery model, as noted below:

1. Be a catalyst to leverage partnerships, resources and opportunities for the economic benefit of the community and the industry.
2. Be adequately resourced to achieve the functions selected for its mandate.
3. Develop and implement an accountability program that has a clarity of focus, real outcomes that are measured and regular reporting of the results achieved and the organization's value to the community.
4. Be transparent to the public and other stakeholders in the use of public and other funds and contributed resources.
5. Be customer-focused and ensure value to its customers.
6. Appeal to and attract partners that are committed to meeting the demands of an evolving tourism market.
7. Have market / industry representation and be inclusive of current and potential partners.
8. Have the capacity and intent to connect a wide range of related services, organizations and potentially other municipalities in developing the tourism market both at policy and planning levels and at individual event and initiative levels.
9. Achieve a definitive focus and expertise on tourism as an economic activity in Burlington.
10. Develop an organizational culture and operational capacities that are innovative, entrepreneurial, flexible, adaptable and nimble in responding to evolving tourism market changes and opportunities.

Key elements inherent in the above principles include transparency and accountability, definable and realistic outcomes, a dynamic organizational culture that is innovative and entrepreneurial, and the ability to leverage resources and opportunities to the benefit of the community. An observation

is that the "General Conclusions" of the interviews are for the most part, reflected in these principles.

4.5 Functions

In support of the principles outlined above, the following organizational functions were identified and are prioritized in Appendix D. In summary, the functions focus on visitor services, marketing (externally and internally), community support and development, as well as industry facilitation and product development. More specifically, the organizational functions have been categorized as:

- Visitor Centre Operations
- Tourism Development and Marketing
- Packaging / Joint Marketing
- Souvenirs
- Partnership Development
- Tourism Advocacy / Community Development
- Tourism Product Development
- Revenue Generation
- Tourism Research

4.6 Criteria for Assessment

In order to best assess the various scenarios of service delivery, the Task Force utilized the following criteria:

- Degree of alignment with City's goals/strategies/programs (*"Identification of options and synergies as it relates to the respective roles of the City of Burlington, Tourism Burlington and other Team Burlington members in delivery of tourism services".*)²
- Achievement of Vision, goals and objectives
- Most cost-effective/best return on investment
- Maximizes customer service and product delivery
- Degree of engagement with the community
- Capacity for innovation in both service delivery and product development
- Model works in both the short and long-term and can be phased (*"Development of a phased implementation strategy, encompassing various funding level options, to ensure both strategic and operational effectiveness is achieved by 2006 within the five (5) core tourism service areas."*)²

4.7 Service Delivery

4.7.1 Service Delivery Alternatives

A variety of service delivery alternatives were reviewed. After analysis of their respective attributes and comparison with the principles, 4 potential service delivery models were selected for further assessment. Importantly, there are 2 distinctive premises common to all of these potential models. The first distinctive yet common premise is that of being structured at arms-length from the municipality. The Task Force concluded that this was a key factor. Best Practices Research indicates that this is the trend in the industry. Solid accountability to the City, as the major funding

² Council Resolution, March 17, 2003

agency, including transparency in the use of public funds, is of paramount consideration. However, this does not inherently mean that the service must be directly delivered by the municipality, as evidenced by the many effective relationships and successful partnerships that the City has established with other agencies and service providers.

By retaining its autonomy from the municipal corporation, the entity responsible for tourism can ensure that those who have a vested interest in tourism can both contribute and assume some accountability. As well, this would optimize the opportunities to leverage support, financial or otherwise, from private sector partners, sponsors and other agencies. A prime example is that of Trillium Funding for which municipalities are not eligible. Establishing a sound yet nimble organizational structure with sufficient authority and autonomy yet with clearly articulated checkpoints of accountability was deemed to be in the best interests of tourism services in our community.

A second notable commonality of the initial 4 potential models is that none contemplates the separation nor division of the tourism functions to various (more than one) service providers. The consensus of the Task Force was that "the sum of the parts were not greater than the whole." In other words, for tourism to be successful and effective, all components of its organizational functions need to work together under 1 jurisdiction. To parcel out the core services of tourism to different partner(s) as the defined way of doing business, would undermine its effectiveness by disengaging the necessary linkages and collaboration. It should also be noted that the Tourism Board of Directors does not support the division of core functions of a tourism operation to more than 1 organization.

An outline of each of the 4 potential models is now described:

(A) Incorporated Arms-length Member-based Organization

This is a member-based model that focuses on the municipality leveraging its investment through the attraction of membership dues and fees plus member-specific program investments. The organization would be an incorporated legal entity. It would operate at arms-length from the municipality by way of a separate Board of Directors. Members would pay an annual fee and participate in individually selected programs at predetermined costs. Accountability to the municipality and the members would be through its Board of Directors, via annual audits, an Annual General Meeting ("AGM"), as well as municipal and member representation on the Board of Directors. Essentially, this is representative of the current model of Tourism Burlington, which has an exclusive membership base, with the addition of becoming an incorporated entity.

(B) Incorporated, Arms-length Partner-focused Not-For-Profit Corporation

Pursuant to the Corporations Act, this model would be an incorporated body (without share capital) that would be at arms-length from the City. Participants would pay user fees associated with all programs, such as co-op advertising, training and development events. The legislation requires that an incorporated entity without share capital have members who in turn elect the Board of Directors at the AGM. Members could be divided into distinct classes such as municipal and private sector, voting and non-voting. It is not a requirement that a membership fee be charged, hence it is a broader and more inclusive approach than in the current operating model.

The Corporations Act requires that there be a fixed number of Directors elected by the members. The applicants for incorporation become the first Directors. In addition to annual audits, budget approval and an AGM, Council can participate with the tourism industry in

selecting a group of individuals to make application for the issuance of Letters Patent and appoint the Council representative(s) to the Board's Nominating Committee. This model is similar in structure to Tourism Hamilton Inc.

(C) City-Controlled Municipal Business Corporation

Under the provisions of the Municipal Act, 2001, municipalities can incorporate municipal business corporations to among other things to promote the City for any purpose through the collection and dissemination of information. Municipal business corporations can be incorporated on a for-profit basis through the Business Corporations Act or on a not-for-profit basis through Part III of the Corporations Act. The municipality must retain 51% of the total voting rights attached to voting shares issued by a for-profit corporation or 51% of the voting rights allocated to members in a not-for-profit corporation. In this way, the City would exercise considerable control over the municipal business corporation. Municipal business corporations are highly regulated and the process of establishing one is lengthy and complicated. This structure is typically more suitable for facility-based and facility-focused enterprises, which are profit-based.

(D) Operating Unit within an Existing Arms-length Organization

This model would involve placing the tourism function within the jurisdiction of another existing entity, which has accountability to the City. The tourism function would be integrated with other potentially related service(s). Economies of scale may be achieved. A ready scenario would be that of a Team Burlington partner. In keeping with Council's Vision to pursue possible synergies with our Team Burlington partners, this model was given due consideration through stakeholder interviews, in the Task Force discussions and Joint Information Session with BEDC. Refer to Section 4.10 on the "Relationship with Team Burlington" for specific details.

Another possibility within this structural scenario is something akin to a regional partnership initiative. At this time, our municipal partners within the region are interested in maintaining separate entities, yet pursuing strategic alliances where there is a viable opportunity. Geographic boundaries aside, discussions with other potential partners are always welcomed and again are deemed to best be addressed on a "one-off" basis rather than embedded into an organizational structure. The ongoing discussions with Tourism Hamilton Inc. are a positive example.

4.7.2 Attributes of the Alternatives

The review of the short-listed alternatives or potential models revealed that each possess favourable and unfavourable attributes as described in Table 1 below.

TABLE 1: ANALYSIS OF SERVICE DELIVERY ALTERNATIVES

	(A) Incorporated Arms-length Member-based Not-For-Profit Corporation	(B) Incorporated, Arms-length Partner-focused Not-For-Profit Corporation	(C) City Controlled Municipal Business Corporation	(D) Operating Unit Within An Existing Arms- Length Organization
Favourable Attributes	Engages the industry on a full-partnership basis at the governance level.	Engages the industry on a full-partnership basis at the governance level.	Clear accountability for the expenditure of public funds and the model is transparent.	Potential economies of scale that could result in increased efficiencies.
	Intensifies the sense of shared responsibility and ownership.	Intensifies the sense of shared responsibility and ownership.		A reduced number of Boards / bodies reporting to or interacting with the City.
	Provides opportunities to structure the membership and the Board around different sectors: municipal, industry sectors, public at large, voting and non-voting.	Provides opportunities to structure the membership and the Board around different sectors: municipal, industry sectors, public at large, voting and non-voting.		Less chance for duplication of responsibilities and/or "asks" targeted at similar clients.
	Potential to attract industry participation on task forces, committees and related development components of the organization.	Potential to attract industry participation on task forces, committees and related development components of the organization.		Potential to attract industry participation on task forces, committees and related development components of the organization.
	Accountability related to use of public funds due to the Council's representation on the Board.	Accountability related to use of public funds due to the Council's representation on the Board.	Accountability related to use of public funds as Council is major shareholder.	
	Ability to generate revenues through basic annual dues of Members and additional revenues through other fee-for-service opportunities.	Ability to generate revenues through fee-for-service opportunities and aligns with Council's user-pay philosophy.	Ability to generate revenues through fee-for-service opportunities.	Ability to generate revenues through fee-for-service opportunities.
	Affords the Board and members legal protection through creation of a corporate entity.	Affords the Board and members legal protection through creation of a corporate entity.	Allows for the protection of Directors and members (or shareholders) through the legal corporate entity.	
		Corporation may also be eligible to apply for grants not otherwise available to the municipality or to an unincorporated organization.		
		Premise that tourism is a public good which benefits the community; this model is all-inclusive.		

TABLE 1: ANALYSIS OF SERVICE DELIVERY ALTERNATIVES CONTINUED

	(A) Incorporated Arms-length Member-based Not-For-Profit Corporation	(B) Incorporated, Arms-length Partner-focused Not-For-Profit Corporation	(C) City Controlled Municipal Business Corporation	(D) Operating Unit Within An Existing Arms- Length Organization
Unfavourable Attributes	Seen as exclusive, "members only".	Potential for a sense of less ownership by the industry that may affect participation and perspective.	Would not facilitate a sense of partnership due to the specific municipal focus and structure.	Significant potential to lose focus and expertise on tourism as a specific enterprise.
	Matter of participation of non-members or not, may limit desire for involvement and/or awareness of opportunities.	Marginal decrease in revenues due to loss of membership dues anticipated at outset; to be recovered through program development and partnership opportunities.	In an industry where opportunities and needs evolve quickly, the structure may not be nimble and entrepreneurial enough to achieve the growth perspectives and economic impacts desired or potentially available to the City.	Potential for conflict over the use, distribution and application of the funds available to support all of the organization's mandates.
	High costs to generate nominal revenues in membership dues.		Very cumbersome process to set up and incorporate. Very heavily regulated.	Potential for conflict between the organization's mandate and actions which may be contrary to the premise that tourism is a public good.
	Inordinate amount of staff time dedicated to membership-specific tasks.			Accountability respecting the use of public funds may become less clear
	If major industry operators do not participate as members or there is limited interest in the organization, its viability comes into jeopardy.			May not align with Council's user pay philosophy.
	Potential for the nature and scope of tourist services to be driven by the special interests of those appointed to the Board by the members.			Eligibility of entity to apply for grants not otherwise available to the municipality or to an unincorporated entity will vary based on the structure of the actual organization.
	Expectations amongst members respecting the benefits of membership may become unrealistic and lead to resistance to provide additional resources. (e.g. time, money)			
	Shared accountability between the Municipality and the industry can create challenges and conflict due to potentially differing priorities, values and focus. Where the City exerts too much control over the organization, it may be held to be a local board if challenged.			

4.8 Preferred Alternative

The Task Force submits that Model B or the "Incorporated, Arms-Length, Partner-Focused Not-For-Profit Corporation" has emerged as the preferred alternative for the delivery of tourism services in Burlington. All of the principles including accountability, innovation, industry representation, partnership-oriented and customer-focused can be achieved. The status of incorporation will grant the necessary rights and privileges to its officers to act on behalf of the organization. It also provides them with a degree of protection. Incorporation is a key component of accountability. As a not-for-profit entity, it will be established under the Corporations Act on a "without share capital" basis. The current Board of Directors had previously commenced the process of incorporation. At this time, the process is being held in abeyance until the matter of service delivery is decided.

Incorporation also provides the framework for the entity to operate at arms-length from the municipal corporation. As previously outlined, there are relevant attributes to this approach. Essentially, it provides a better mechanism to ensure that the tourism interests in our community can participate directly, can be represented on a sector basis and can be accountable to their industry. Importantly, it will allow for a better realm of opportunities respecting grant eligibility, strategic alliances and the leveraging of other monies. The City has a proven track record of working collaboratively with many other community boards and agencies in this type of accountability framework.

4.8.1 Membership-Serviced vs. Partner-Focused Membership

A major difference in the proposed model from the current model is that of the membership aspect. By the way of background, there were 122 members generating \$28,000 from membership dues in 2004. Other partnered programs generated approximately \$50,000. Expenses related to the support of member services was approximately \$19,000, exclusive of time dedicated by the Executive Director and Board. Refer to Appendix E for more details.

This aspect of membership was a prevalent topic of considerable discussions with key stakeholders, the Task Force and the Board. Our Best Practices Research has indicated that while there is a substantial number of tourism organizations on both sides of the continuum, it is the larger entities, those undergoing transition and/or planning to revitalize who are seriously contemplating the move towards a fee-for-service rather than reliance on an exclusive membership base.

Section 4.7.2 outlines both the favourable and unfavourable attributes of the 4 potential models. Factors respecting membership-based or not are articulated under Model A and Model B (*Preferred*). Both scenarios engage the industry, provide accountability to Council and have the ability to generate revenues. However, a fundamental tenet of Council's Vision was that tourism is a public good which benefits the community and hence, is a worthwhile use of public funds. It would then be contrary to use that municipal support to essentially support a member-serviced organization. Rather, the emphasis will be on partnership opportunities and fees-for-service as being more sustainable due to its broader scope and appeal.

The nominal loss in membership revenues can be offset through the development of entrepreneurial and relevant initiatives to generate revenues which would be available to a wider market base. Both members and non-members can avail themselves of relevant tourism programs and services on a fee-for-service basis. This is in alignment with Council's user pay philosophy, as recently reiterated in Future Focus VI. Evidence has shown that our future success in tourism lies in the areas of strategic partnerships as well as the packaging of opportunities (eg. destinations & accommodation)

and the bundling of services (eg. advertising & trade shows). Staff time and resources can be redeployed toward more creative and entrepreneurial tactics to promote tourism, such as an annual 1-day symposium for industry-based interests to learn and share information, in conjunction with Tourism Week. Another example is the “Tourism Revitalization Program” funded by the Province in response to SARS wherein we have partnered with Hamilton, Niagara, Hamilton International Airport, Can Jet and TripCentral.ca to compile a destination marketing package to attract visitors to the west end of Lake Ontario.

Moving away from a member-serviced approach also removes any artificial expectations that members have of benefits accruing to them directly and their possible resistance to investing more time and money beyond membership dues. This is especially true if the members feel that an attractive array of products and services are not available to them. As well, there has been the question as to what is available to non-members, which may have limited awareness, dissuaded participation and related revenue generation. Reliance on an exclusive membership base can be effective when all is well including level of participation, timely payments, retention and growth in membership. This takes considerable effort on the part of staff and Board Members and recent statistics do not support the cost-benefit analysis. If membership declines and/or is biased in its representation, that impacts the organization's ability to sustain itself.

Another area of concern is that of potential conflict between the interests of members and the City, its major funder, placing the Board in an unenviable position. Finally, there is a considerable investment of public funds in Tourism Burlington, representing 72% of the 2004 actual year-end revenues. From the community’s perspective, this could be seen as disproportionate given the limited financial investment by members and who represent only a fraction of those involved in and/or are impacted by tourism efforts.

In order to address these concerns, it is recommended that the new tourism corporation move away from a member-serviced approach, and become community and tourism sector-based. This will be reflected both in composition of the Board of Directors of the new organization and as well in membership. The Corporations Act permits the establishment of classes of membership for purposes of governance. Using class definition as a tool, the new corporation can be structured in a way that is both responsive to the tourism sectors that constitute Burlington's tourism industry, and has a greater accountability both to the industry and to City Council, its major funding source. This new approach will allow for sector representation and accountability but not tie the Board and Staff to serving an exclusive base of individual members.

It is recommended that the new tourism corporation be based on two classes of membership, both of which will be voting classes. Each member will be entitled to 1 vote when transacting the business of the corporation. The 2 classes are community-based (Class 1) and tourism-based (Class 2) and both will have representatives on the Board of Directors. The payment of membership fees or dues is not a legislated requirement. Class 1 members will be entitled to elect 8 members to the Board of Directors. Class 2 members shall be persons that are either residents of the City of Burlington or are owners or employees of a Burlington-based tourism business or organization and are approved by the Board of Directors. Class 2 members shall be entitled to 1 vote per member at all meetings of the members of the Corporation generally. Class 2 members shall as a class be entitled to elect 7 members to the Board of Directors.

4.8.2 Board of Directors

For any structure to be successful, it needs solid leadership from its Board of Directors. The Task Force submits that a revitalization of the Board's relationship with Council, its responsibilities as well as its composition would build on the strengths already evidenced by the current Board. As appropriate, the official documents of Tourism Burlington Inc., be it the Letters Patent, Constitution or Bylaws will articulate the relevant content.

Experience has shown that in order for any Board to be strategic and effective, it is prudent to identify the skill sets that are required for its members. Qualifications in such areas as finance and business management, corporate governance, knowledge of the community and consumer relations are integral to any entity governed by a Board. Industry-specific attributes also need to be considered. In this instance, knowledge of the tourism sector, sales, marketing and product development would be beneficial. This is not to imply that every Director needs to possess the full range of qualifications. In fact, there is likely merit in having a diverse yet compatible range of expertise and perspectives around the Board table. The appointment of a member of the public illustrates this.

Further, the inclusion of key partners as Board members cements those strategic alliances. In this case, Team Burlington Board representatives and the Royal Botanical Gardens would be prime examples. Tourism Burlington shares this philosophy, as evidenced through the years in their efforts to recruit Board members. Further, given the significance of tourism as a vital and emerging business stream as well as the degree of support granted by the City, it is felt that 2 designates from Council are warranted. This would also support the principles of accountability and community interests. Overall, the Board would be increased from its current composition of 12.

It is recommended that the new tourism corporation be managed by a Board of Directors that is representative of its member base, and consists of 15 Directors or such other number of Directors as may be determined from time to time by Special Resolution. Directors will be elected to the Board by membership class, as follows:

Class 1 of the membership will elect 8 community-based Directors to the Board. They will be admitted to the membership by virtue of their position held in the community and shall be comprised of 1 member from each of the following:

- Mayor of the City of Burlington (Ex-Officio)*
- City Council
- BEDC Board of Directors
- A BIA Association Board
- Certified financial professional
- Legal professional
- The Community-at-large

**has all of the rights and privileges of a Board Member, but not considered part of the quorum*

Class 2 of the membership will elect 7 sector-based Directors to the Board, each of whom is a representative of 1 of the following tourism sectors:

- Accommodations
- Adventure, sport and recreation
- Food and beverage
- Attractions
- Convention, travel/trade and transportation
- Arts, culture, heritage
- Festival and events

The Board will be a rotating Board. In order to proceed with an application for incorporation, a list of applicants need to be identified. The applicants become the first directors of the corporation upon incorporation and continue as such until the new Board is formally elected by the members. A meeting of the membership must take place no later than 18 months after incorporation. Board members must be or become within a prescribed period of time, members of the organization. A sub-committee with representation from both City Council and the current Board of Tourism Burlington working together will compile a list of persons who will make application for incorporation and who will serve as the first directors. Importantly, the Board will report back to Council in Fall 2006, with an assessment of its revitalized governance after its first full year of operation and with any recommendations to increase its effectiveness.

Resources

The Executive Director of Tourism Burlington Inc. will provide the necessary senior staff support to the Board, attend Board meetings and serve as the Association Secretary. The Executive Director is not a Director of the Board and therefore does not have voting privileges nor factor into quorum. This is an appropriate delineation of jurisdiction between the appointed Board Members and the staff who are employees.

Given the linkages between Tourism Burlington Inc. and the City of Burlington, due to both the governance and financing structures, it would be prudent to have a senior City staff representative serve as a liaison. Accordingly, it is suggested that the Director of Parks & Recreation or designate serve in this capacity. This representative would attend Board meetings to serve as a resource but would not be a Board Member, not be entitled to vote nor factor into quorum. Again, this is the City's standard approach to working with other community boards and agencies and is an appropriate distinction of jurisdiction. Other identified resources to provide support to the Board as needed, again in the capacity as staff liaisons, would be the City's General Manager of Community Services or designate and a representative from the Ministry of Tourism and Recreation. By way of housekeeping, Council is being asked to amend its Resolution CC-114-04-1 dated June 14, 2004, to update the senior staff accountability with Tourism Burlington Inc. (Refer to Page 2 of Appendix B).

4.8.3 Staffing Structure

Any sustainable business entity requires a capable and motivated staff team to attain its objectives, support its clients and in this case, to work with its Board. Attracting and retaining experienced tourism staff is imperative to the future success of tourism in Burlington. The Task Force did not identify the need for any major changes to the existing staff complement for 2005, as this is a rebuilding year.

At present there are 3 tourism positions: Executive Director, Marketing and Sales Co-ordinator & Administration & Visitor Services Co-ordinator. The Task Force did review the salary levels and benefit packages of these positions with assistance from the City's Human Resources Department. The salaries were compared as much as possible with similar positions in the City and other tourism organizations. Current salary ranges equate to entry levels and may not attract the type of experienced and self-directed staff required to operate this small but dynamic organization. Adequate funding is crucial and will allow the Board to negotiate within the salary range depending on the applicant's experience. It was also determined that a more comprehensive benefit package including contributions to a pension plan should be made available to all 3 of the positions. This would be equitable as previously benefits were only provided for 1 position.

A Hiring Committee comprised of Council and Board representatives will be struck. Their mandate will be to determine the best means to resource the staff positions. Any recruitment process would include full disclosure to candidates respecting the service delivery review and transitional circumstances. Depending on determination of process, it would be prudent to build flexibility into the process to attain the staffing objectives. Examples of various options could be the hiring of staff on a contract or secondment basis. Other dimensions for consideration include initiatives such as the management and operation of the revitalized downtown waterfront and the outcomes of the Festivals & Events Strategy.

The 3-year proposed budget plan does indicate some additional staffing requirements to expand the marketing, sales and administrative support for tourism. This would enable tourism to increase marketing in the events, sports tourism and "soft" adventure areas through partnered programs. It would also provide resources to manage the bookkeeping function in-house by 2007. This long-term staffing plan is contingent on a number of other initiatives including Council's approval of a multi-year business plan (including financial and marketing plans) and the results of various other studies and projects which have relevance to tourism (e.g. Festivals & Events Strategy). An organization chart showing the existing staff positions, and the proposed future staffing levels is included as Appendix F.

4.9 Implementation of Preferred Alternative

The implementation of the preferred alternative must first commence with the transition to the new model. The dissolution of the current organization would take effect on August 31, 2005, being the end of the membership year end in accordance with Tourism Burlington's Bylaws. In the interim, concrete actions can be taken towards organizational development including recruitment of the first Directors for the Board who make the application for incorporation as well as transitions in staffing. Specific timelines outlining next steps are included in Table 2, which is premised on Council's approval of both the preferred service delivery model and the 2005 Current budget by March 31, 2005.

The new organization must deliver on Council's request for a multi-year Business Plan (including financial and marketing plans) as well as Current and Capital Budgets for 2005, 2006 and 2007, plus a Capital Forecast for 2006 – 2015. This reporting to Council would occur in Fall 2005. The timelines in Table 2 also outline the need for Tourism Burlington Inc. to report back to Council in Fall 2006 with an analysis of the effectiveness of their renewed governance structure.

To achieve these significant goals and in recognition that this is an interim period involving considerable transition in operations, a vacant staff complement as well as a new Board to be indoctrinated, expertise in the area of organizational development will be needed. It is

recommended that a consultant be hired to provide guidance, support and direction as a front-end component to rebuilding a sustainable organization. These actions would commence in April 2005, immediately following the determination of the new Executive Director. The consultant would assist in the realm of tasks from revamping the Constitution, to business planning to budget forecasting to community consultation to team-building. City staff will also serve as resources throughout the transition and implementation of the new model.

Table 2 – Proposed Implementation Timelines

Timeline	Task	Responsibility
April 2005	<ul style="list-style-type: none"> • Strike Hiring Committee • Finalize job descriptions and determine recruitment processes • Update to members including notice of AGM with executive summary of C&CS Report - Model for Delivery of Tourism Services in Burlington • Commence recruitment to identify persons to make application for incorporation and become first directors of the corporation. • Prepare application for incorporation, draft revised bylaws • Determination of Executive Director/Recruitment for Marketing & Sales Co-ordinator and Administration & Visitor Service Co-ordinator • Enlist consultant to assist with Development of 3 to 5 year Business Plan, Capital & Current Budget Proposal and organizational development • Annual General Meeting – Tourism Burlington <ul style="list-style-type: none"> – Dissolve existing organization as of August 31, 2005 – Confirm the list of persons who will make application for incorporation and become the first Directors. – Present new service delivery model. • Launch meeting with Team Burlington partners re: Discover Burlington 	<p>Council\Board Hiring Committee\ Acting General Manager Board\ Acting General Manager</p> <p>Council\Board</p> <p>Board</p> <p>Hiring Committee</p> <p>Board\ Acting General Manager</p> <p>Board</p> <p>Board\Acting General Manager</p>

Table 2 – Proposed Implementation Timelines Continued

Timeline	Task	Responsibility
May 2005	<ul style="list-style-type: none"> Confirm Executive Director Determination of Marketing & Sales Co-ordinator and Administration & Visitor Service Co-ordinator Staffing Transition Commence organizational development and Business Planning and Budget Process Submit application for incorporation 	Hiring Committee Hiring Committee\ Executive Director Executive Director\Acting General Manager Board\Executive Director\Consultant Applicants\First Directors
June 2005	<ul style="list-style-type: none"> Confirm Marketing & Sales Co-ordinator and Administration & Visitor Service Co-ordinators 	Executive Director\Hiring Committee
August 31, 2005	<ul style="list-style-type: none"> End of membership year/dissolution of Tourism Burlington (subject to issuance of Letters of Patent) 	Board\Membership
September 1, 2005	<ul style="list-style-type: none"> Effective date of new organization and Board term for Tourism Burlington Inc. (subject to issuance of Letters of Patent) 	First Directors\Executive Director
October 2005	<ul style="list-style-type: none"> Conclude organizational development work 	First Directors\Executive Director \ Consultant
November 2005	<ul style="list-style-type: none"> Present 3 to 5 year Business Plan and Capital & Current Budget Proposal to Council Progress report to Council on "Discover Burlington" 	First Directors\ Executive Director\Consultant Team Burlington Sub- committee
Fall 2006	<ul style="list-style-type: none"> Assess current governance structure and report to Council 	First Directors\Executive Director
March 2007	<ul style="list-style-type: none"> Latest Date by which the first AGM must be held and new Board elected 	First Directors\Executive Director

4.10 Relationship with Team Burlington

It can be argued that tourism is a subject matter with some degree of connection to all of the Team Burlington partners. The area of tourism has the potential to tap into the respective expertise of each partner as a unifying endeavour. It has been likened to the momentum and success of their partnership on the recent branding exercise.

It should be noted that 2 of the entities have stated that they have no interest in fully assuming any or all of the services as currently provided by Tourism Burlington. However, they have emphasized their support for Tourism Burlington and their interest in pursuing relevant collective interests. First, the BDBA does not feel that the assumption of tourism responsibilities would be in keeping with their mandate. Their focus and their clients solely pertain to the geographic area defined as downtown Burlington. Therefore, they would not be positioned to provide the required delivery of tourism services on a city-wide basis.

The following input was received from the Executive Director of the Chamber, "with the current funding model for Tourism (i.e. significant dollars coming from the City), the Chamber could not "absorb" Tourism into its operation. Doing so could have an impact on the Chamber's ability to effectively advocate on behalf of Chamber members. If, however, the accounting for Tourism is kept completely separate from that of the Chamber, we believe that the Chamber could assume the services provided by Tourism Burlington." The Tourism Task Force appreciates this input, yet does not advocate this approach.

4.10.1 Relationship Between Tourism and Economic Development

On behalf of another Team Burlington partner, BEDC staff informally expressed an interest in assuming the marketing function(s) of Tourism Burlington during our key stakeholder interviews. It is our understanding that they saw a fit with their core services and that their focus would be on the development of a strong program to market our community's image, both internally and externally. Subsequently, the BEDC Board struck a sub-committee to further pursue this concept. At the City Manager's request, a Joint Information Session was held on February 11, 2005, with representatives from the Task Force, Tourism Board and BEDC Board to further explore this possibility. Fred Galloway facilitated this session. A Draft Discussion Paper entitled "Reflecting Burlington's Future" was presented by the Executive Director on behalf of BEDC. It is our understanding that as at February 11, 2005, this document had not yet been presented nor therefore, approved by the BEDC Board.

Given the limited time frame between the presentation of this proposal and the report deadline for the Community and Corporate Services Committee, the Task Force has attempted to duly consider the overall intent of the draft BEDC proposal. It is the Task Force's submission that all parties share the worthy concepts of investing in the leveraging of opportunities, optimization of public dollars and image building. Not only are these outlined in Future Focus VI and Council's Vision, but have also been in keeping with the philosophies of the Tourism Board and Team Burlington. In other words, all parties hold the same intent and goals. However, the approach differs amongst the parties as to the most effective means for service delivery.

Respectfully, the Task Force submits that the BEDC's Draft Discussion Paper leaves some unanswered questions. Further understanding is needed in such key areas as allocation of funding, level of community engagement, anticipated revenue generation, product and program deliverables, eligibility for grants and the disposition of the other significant organizational functions of a tourism entity. However, until the BEDC Board issues any formal position and related documents, and until all members of Council are apprised by the BEDC Board, it is premature for the Task Force itself, to issue any formal position in response to the BEDC's Draft Discussion Paper.

In general terms with respect to a longstanding connection between economic development and tourism, our Best Practices Research shows that there is a trend to disentangling these. Further, those that remain under a single jurisdiction tend to be the large urban municipalities with the tourism function wholly incorporated into economic development yet adequately resourced (eg. staffing, budgets) to focus on this business stream. This may even be an "apples to oranges" comparison as none of the municipalities wherein tourism is contained within the economic development framework, have such a unique partnership as "Team Burlington".

Based on feedback received, there is a sense that once the service delivery deliberations respecting tourism moves into the implementation stage, that respectfully, there may be merit in revisiting the Team Burlington partnership in order to take it to a heightened level of its potential. At this

"umbrella" level involving all Team Burlington partners, there is the talent and capacity for further collective achievements. There may even be consideration to expanding participation beyond the original Team Burlington partners to include other relevant organizations (e.g. another BIA). It is our understanding that there have been recent discussions respecting a renewal of the mandate of Team Burlington. Everything from policies and procedures to enshrining opportunities for collective consultation to better distilling their relationships with the City to pursuing another substantive and unified team initiative, may be worthy of discussion. It would appear that this suggestion is also in keeping with Council's resolution with respect to establishing a clear accountability framework with our community boards.

4.11 "Discover Burlington" Initiative

The Charter for Team Burlington speaks to "a dynamic relationship that builds on the skills, expertise and energy of its 5 partners". Through a collaborative and customer-oriented approach, members are committed to working together in a flexible and mutually supportive environment to "take on emerging opportunities while sustaining the Team into the future". Potential projects/initiatives are evaluated to consider those projects which have "potential economic and cross-organizational impacts". Initiatives such as strategic marketing and master branding appear to meet the outlined criteria and touch the mandate of each of the existing Team Burlington partners.

The Executive Budget Committee (of senior management) have endorsed a collaborative marketing and partnership proposal with the working title of "Discover Burlington". While it supports tourism's core services, its reach extends beyond the singular tourism entity and contemplates the involvement of the current Team Burlington partners, which includes the City. It could even be extended and benefit from the involvement of other organizations with an interest in tourism (eg. Aldershot BIA). Refer to Appendix G for the inaugural description of "Discover Burlington".

The Task Force endorses this initiative and concurs that a major key to its success will be in the contribution of efforts, perspectives and resources (eg. networks) of other like-minded bodies. In keeping with the Team Burlington Charter, this unified approach will contribute to the promotion of the City's image, the economic growth of the City as well as capitalizing on a common client base and opportunities for synergy. The Board of Tourism Burlington is willing to assume lead responsibility for "Discover Burlington" (refer to Section 4.12 – Tourism Board Resolutions).

Financial resources are needed to mount this initiative and they have been outlined in Section 5.0 – Financial Matters. In determining the next steps for the implementation of the preferred alternative, the "Discover Burlington" initiative has been incorporated (refer to Section 4.9 – Table 2).

4.12 Tourism Burlington Board Resolutions

The Board has been kept apprised of the progress of the Task Force and has had the opportunity for input throughout the process. The Board supports the Task Force's recommendation of Model B as the preferred alternative and feels it will result in great progress towards the delivery of the defined core services of tourism, the attainment of Council's Vision and establishing Tourism Burlington Inc.'s reputation as the Destination Marketing Organization on behalf of our community. As confirmation, note the resolutions of support approved unanimously from the current Board (with 1 abstention from Janet Lunn), as follows:

i) January 20, 2005:

"The Tourism Burlington Board supports in principle the preferred service delivery model and recommendations presented in the draft report on January 20, 2005"

ii) February 17, 2005:

"The Board of Directors of Tourism Burlington unanimously endorse the recommendations of the Tourism Service Delivery Task Force Report dated February 17, 2005, and proposes the immediate implementation of the recommendations in that report."

Further, as a result of their participation in the Joint Information Session with the BEDC and their subsequent and independent deliberations, the Tourism Board approved the following resolution dated February 17, 2005:

"Tourism Burlington agrees in principle with the concept of a 'Marketing Management Committee' as proposed by BEDC in their Draft Discussion Paper entitled 'Reflecting Burlington's Future'; and

Further that this proposal is very similar in structure and mandate to the 'Discover Burlington' initiative outlined and endorsed by the Board in the Tourism Task Force Report dated February 17, 2005, both being structured to operate with collaborative input from all Team Burlington partners and funded independently from the operating budgets of these respective partners; and

Therefore be it resolved that Team Burlington be asked to review its mandate and objectives to include a collaborative marketing initiative incorporating the key objectives outlined in both the 'Reflecting Burlington's Future' and 'Discover Burlington' proposals."

4.12 Location

The administrative office and visitor information centre ("Centre") for Tourism Burlington was located at 1340 Lakeshore Road in Spencer Smith Park for almost 30 years. Due to the waterfront development in the summer of 2003, this Centre moved to the new Team Burlington office/parking garage at 414 Locust Street. This move enabled Tourism to expand its brochure and souvenir display space, provide increased office and storage areas to improve efficiencies and present a very professional image to visitors and residents. This new office environment also provides opportunities for the sharing of synergies with the Team Burlington partners, Special Events office and City Hall. During the key stakeholder interviews, as well as ongoing feedback from both members and visitors, the matter of location has become a topic of discussion.

This change of venue has had an impact on the number of visitors and residents' inquiries. Numbers have declined significantly as the new location was not visible off the highway and parking was perceived to be less accessible. In 2004, total visitation was 5,629 compared with 11,515 in 2003 (moved in July 2003) and 20,528 in 2002. Admittedly, there were other compounding factors which impacted statistics, such as methodology of record-keeping and a decrease in summer weekend hours of operation.

To help increase awareness of the new location for area residents, additional advertising and promotion have been done since Fall 2004. Also, the Centre is now open on weekends from 9:00 A.M. – 5:00 P.M. and encouraging increases in visitation have steadily been realized. Many favourable comments about this extension in hours have been received. It is expected that visitation will continue to increase as we move into the busier tourist season. Included in the approved Capital Budget for Tourism is initial funding to replace some of the old tourism way-finding signage. A team of City, downtown, waterfront and tourism staff are working on an overall way-finding signage program for the City which includes tourism information signage and will assist visitation.

Having a visitor presence at the new Waterfront Centre is imperative to serve the needs of the thousands of visitors and residents who will be coming to the site for information, events and to enjoy the park. The Capital Budget includes display cases and an information kiosk to be located in the Waterfront Centre when it opens in 2005. The level of visitor services required at this site will continue to be reviewed as the waterfront programming evolves. Staff have also had discussions with Tourism Hamilton Inc. about the possibility of a joint brochure racking program at various visitors intercepts (eg. IKEA, Tansley Woods, Burlington Art Centre, Museums). Preliminary discussions have also taken place regarding joint information centres along the major highways and arterial roads.

As many initiatives related to Visitor Services are in the concept phase and plans are underway to increase awareness of the existing Centre, it is recommended that a strategy respecting the provision of Visitor Services including location(s) be reviewed as part of the 3 – 5 year Business Plan and Capital Forecast.

5.0 FINANCIAL MATTERS:

The proposed 2005 Current Budget is premised on the status quo, given that this is a rebuilding year. The base budget reflects an increase due to commitments to the City respecting souvenirs, the ability to provide part-time weekend staffing at the Visitor Centre year-round and the availability of benefits to all 3 staff positions. For 2004, the City contributed \$218,000 to Tourism Burlington and a base budget amount of \$234,875 is being requested in 2005.

Council will be asked to consider 1 Decision Unit of \$50,000 for Tourism Burlington to assist with the transition to the new model. It relates specifically to adequate compensation for the 3 staffing positions to better reflect City and industry comparators (\$15,000). \$10,000 represents contributions to pensions for all 3 positions, another key aspect to attracting and retaining qualified staff. The balance of \$25,000 is to be used for the organizational development process to be led by a consultant.

There is a related 2005 Current Budget matter which Council is requested to duly consider. As previously described in Section 4.11 and further detailed in Appendix G is the "Discover Burlington" initiative. Contained within the Current Budget of the Corporate Communications

Department is an allocation of \$50,000 (one-time funding) for a Program Change. Further the remaining \$100,000 is assigned as a Decision Unit to the Corporate Communications Department. This totals \$150,000 as being the estimated cost to support the "Discover Burlington" Initiative.

Appendix H outlines the 2004 Budget and year-end as well as the proposed 2005 Current Budget. It also includes an estimated Current Budget for 2006 and 2007, for discussion purposes only as these are contingent upon the development and approval of the 3 to 5 year Business Plan. This Business Plan will look beyond the immediate operational needs, incorporate feedback from the community consultation as well as the impacts of related initiatives such as the Festivals & Events Strategy and Downtown Waterfront Revitalization Project.

In keeping with the City's standard practice, Tourism Burlington Inc. will also prepare a Capital Forecast for 2006-2015. The approved Capital Budget for 2005 of \$23,300 addresses "now" needs which are generic and necessary to support any tourism operation.

Other matters with financial implications will be explored and/or prioritized during the pending Business Plan discussions. Examples would include revenue generation initiatives (eg. hotel levy), partnership opportunities and establishment of a reserve fund(s). Any opportunity for contractual arrangements with others, including the City, for the reciprocal provision of services on a cost-effective basis will be pursued. Currently, payroll services are provided by the City; other potential examples may be information technology, human resource support and/or accounting functions. Correspondingly, Tourism Burlington Inc. may be able to provide some services to the City such as marketing for Festivals & Events and possibly taking the lead on way-finding signage. Other timely issues include the discussion around the appropriate location for Tourism Burlington Inc., its headquarters and satellite visitor intercept sites.

6.0 ENVIRONMENTAL MATTERS:

N/A

7.0 COMMUNICATION MATTERS:

A copy of this report highlighting the recommendations will be added to the "Visiting Burlington" page on the City website and also provided under the Members' section on the Tourism Burlington website. A summary of this report with a letter from the Chair of the Tourism Burlington Board will be sent to Tourism members directing them to the full report on the website. An article will be submitted for the Summer issue of City Talk discussing the new tourism direction. Also, at the Tourism Burlington AGM to be held in April, a presentation will be made by the Board highlighting this report and answering questions about future service delivery.

Consultation with the community-at-large was not a component of this part of the tourism service delivery review. The governance issues as described in this report are internal organizational matters and consultation was most appropriately undertaken only with those most immediately affected. However, the preparation of the Business Plan will provide an excellent opportunity to appropriately engage the public in a discussion of tourism services. Community consultation will be a required component of the Board's Business Planning process. Given the commitment in Council's Vision to further the concept of "being a tourist in your own town too", this public input is integral.

8.0 CONCLUSION:

There is a wide variety of service delivery models available for the delivery of tourism services. The Task Force has carefully considered a number of these models against their ability to:

- achieve Council's Tourism Vision,
- satisfy principles emanating from the Vision, and
- meet a number of relevant criteria.

It was concluded that, to be successful, tourism needs its own mandate, profile, jurisdiction, organizational structure and resources, and that the model best suited for this purpose is an incorporated, arms-length, partner-focused organization which is not-for-profit. It is the opinion of the Task Force that implementation of this model will provide an effective vehicle for the attainment of Council's Vision and the delivery of Council's identified core services of tourism. Given the need for transition, 2005 will be a rebuilding year. The newly incorporated and reconstituted Board will undertake a business planning and budgeting process and report to Council prior to the 2006 budget deliberations. Following its inaugural year of operation, Tourism Burlington Inc. will also be required to provide an assessment to Council in Fall 2006 respecting its governance structure.

This timing coincides with the many exciting initiatives underway or pending within our community which will only increase tourism activity by both residents and visitors. From the municipality's perspective, our collaborative efforts with Tourism Burlington Inc. are a worthwhile investment in ensuring many successes in the area of tourism. In addition, the business of tourism can be fortified through collaborative efforts between all Team Burlington Partners and also with the possible inclusion of other tourism-oriented organizations.

Finally, with the submission of this report on a proposed model for the delivery of tourism services in Burlington, it is appropriate for Council to dissolve the Tourism Service Delivery Task Force. In particular, the contributions of Gord Langford and Bill Leslie, on behalf of the Tourism Burlington Board of Directors are to be commended.

Respectfully submitted,

Janet Lunn
Director of Parks & Recreation

Mike Hall
Senior Corporate Policy Advisor

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Appendices:

Appendix A – Staff and Consultants' Reports
Appendix B - Pertinent Council Resolutions
Appendix C – Tourism Service Delivery – Comparative Information
Appendix D – Tourism Burlington Functional Areas
Appendix E – Tourism Burlington Membership Review 2004
Appendix F – Tourism Burlington Staff Organizational Chart
Appendix G – Discover Burlington Initiative
Appendix H – Tourism Burlington Current Budget 2004-2007

Staff / Others Consulted:

Name	Telephone
Tourism Task Force	
Tourism Board of Directors	
Team Burlington	
Nancy Shea Nicol, Legal	7616
Deb Stalker - HR	7704
Steve Zorbas – Finance	7652
Fred Galloway, Fred Galloway & Associates	
David Adames, Executive Director, Tourism Hamilton Inc.	
Ministry of Tourism & Recreation, Area Representative, Tracy Desjardins	
Southern Ontario Tourism Organization, Marjorie Wood	

Notifications:

Name	Mailing or E-mail Address
Tourism Burlington Board of Directors	
Team Burlington	
Fred Galloway	

Special Instructions:

APPENDIX A – SECTION 3.0**Staff and Consultants' Reports****Staff Reports**

COMSERV 3/03. *City of Burlington Proposed Tourism Vision*. (Tim Commisso/Pam Belgrade) February 21, 2003.

COMSERV 9-03. *City of Burlington Tourism Vision*. (Pam Belgrade) May 12, 2003.

CM-11/04. *Review of Relationships between the City of Burlington and its Community Boards*. (Tim Dobbie) May 10, 2004.

Consultants' Reports

Growing Tourism in Burlington: An Action Plan – Final Report. The Economic Planning Group of Canada, September, 1998

City of Burlington Tourism Vision Report. Economic Growth Solutions Inc., February, 2003.

A Community Perspective on Tourism in Burlington: The Survey Results. Full Report.

Supplementary Report A. Economic Growth Solutions Inc., February 7, 2003.

Burlington Tourism Vision. Supplementary Report B (Tourism Research Analysis; Comparative Information; Focus Group Summary; Stakeholder Interviews). Economic Growth Solutions Inc., February 2003

Tourism Services Delivery Model Discussion Paper. Fred Galloway and Associates, May, 2003.

Burlington Tourism Services Delivery Draft Final Report. KPMG, March 12, 2004.

A Review of the City of Burlington's Relationships with its Community Board. Pinetree Management Consulting, April 2004.

Other Reference Documents

- "Making Choices – A Guide to Service Delivery review for Municipal Councillors and Senior Staff," Province of Ontario, August 2004
- Draft Downtown Core Commitment, August 2003
- Draft Festivals & Events Strategy, Winter 2005
- Downtown Waterfront Implementation Plan, July 2003
- Making Tourism Work in Your Municipality, Randy Olling, RDO Consulting, AMCTO 2004
- Ontario Tourism Strategy, Ministry of Tourism and Recreation, 2004

APPENDIX B – SECTIONS 3.0, 3.3 AND 4.8.2**Pertinent Council Resolutions**

March 17, 2003

CC-36-03-1 CITY OF BURLINGTON PROPOSED TOURISM VISION

THAT the report titled *Proposed Burlington Tourism Vision* distributed under separate cover and dated February, 2003, as prepared by the firm of Economic Growth Solutions, be received and tabled for purposes of seeking final community input on the proposed tourism vision; and

THAT the Director of Parks and Recreation report back in May 2003 on the results of the community input process and any recommended revisions to the proposed tourism vision, vision elements and strategic directions and actions; and

THAT a review of the municipally supported tourism service delivery model be completed for June 2003 giving particular attention to the following:

- Identification of options and synergies as it relates to the respective roles of the City of Burlington, Tourism Burlington and other Team Burlington members in the delivery of tourism services
- Development of a phased implementation strategy, encompassing various funding level options, to ensure both strategic and operational effectiveness is achieved by 2006 within the five (5) core tourism service areas namely:
 - Visitor Services
 - Meetings, Conventions and Hospitality Services
 - Festivals & Events
 - Sport Tourism
 - Ongoing Community Consultation

File: 125-01T (COMSERV-3/03)

RECOMMENDATION CARRIED

June 9, 2003

CC-129-03 APPROVAL OF BURLINGTON TOURISM VISION

THAT the City of Burlington Tourism Vision previously distributed under separate cover and dated February 2003, as prepared by the firm of Economic Growth Solutions, be approved as a final report.

File: 125-01T (COMSERV-9/03)

RECOMMENDATION CARRIED

APPENDIX B CONTINUED – SECTIONS 3.0, 3.3 AND 4.8.2

June 14, 2004

CC-114-04-1 **RECEIPT OF REVIEW OF RELATIONSHIPS BETWEEN THE CITY OF BURLINGTON AND ITS COMMUNITY BOARDS AND APPROVAL OF THE ACCOUNTABILITY/RELATIONSHIP FRAMEWORK**

THAT the Executive Report on City – Board Relationships prepared by Consultant David Martin, Pinetree Management Consultants, attached as Appendix “A” to City Manager Report CM-11/04, dated May 10, 2004, be received; and

THAT the proposed “Accountability and Relationship Framework” for the City of Burlington’s relationships with its Community Boards be approved as a tool to guide senior staff and board representatives in updating documentation and improving communications; and

THAT the City Manager and General Managers be aligned as follows with the Executive Director of their assigned Board to implement the outstanding recommendations identified in the Executive Report:

- Burlington Economic Development Corporation - City Manager
- Burlington Art Centre and Burlington Public Library - General Manager of Community Services
- Burlington Museums Board - General Manager of Corporate Services
- Tourism Burlington - General Manager of Development and Infrastructure.

File: 125-01-B (CM-11/04)

RECOMMENDATION CARRIED

APPENDIX C – SECTION 4.2**TOURISM SERVICE DELIVERY – COMPARATIVE INFORMATION****A COMPARISON OF TOURISM ORGANIZATIONS**

Most cities and major towns undertake specific tourism marketing and development initiatives, with many operating formal destination marketing agencies (DMOs). We have examined a range of these with a view to understanding what approaches are effective and what ideas would be helpful for Burlington in implementing its new tourism vision.

Tourism marketing objectives and activities vary widely between organizations, mainly based on budget, existing tourism infrastructure and the importance of tourism in the community. A range of cities, towns, and regions were evaluated based on research and interviews. The following tourism organizations were interviewed and marketing and promotional information was obtained:

- Barrie, Greater Barrie Visitor and Convention Bureau
- Brockville, Economic Development and Tourism/Chamber of Commerce
- Durham Region, Durham Region DMO
- Gananoque, Chamber of Commerce
- Tourism Hamilton
- Kingston, Kingston Economic Development Corporation
- London, London Tourism
- Niagara Falls, Economic Development & Tourism/Tourism Niagara
- Peterborough, Peterborough and the Kawarthas Tourism
- Waterloo, Waterloo Visitors & Convention Bureau
- Windsor, Windsor, Essex, County & Pelee Island Convention Visitors Bureau.

Organization Structure

The City/Town or County funds the majority of the tourism organizations researched. The tourism function can operate as designated marketing organization (DMO) or be under the umbrella of the Economic Development Corporation or the Chamber of Commerce.

- 80% of the tourism organizations are non-profit and continue to apply for non-profit status each year.
- Some organizations operated with a volunteer Board of Directors, which represent an amalgamation of tourism stakeholders for the region.
- Private sector involvement is based on their roles as development corporations or retail groups. Their focus is drawn to the success of retail/commercial activity and the marketing/promotion of the downtown core.

Comparative Information for Other Municipalities

Tourism	Burlington	Peterborough	Barrie	Gananoque	Brockville	Hamilton
Population 2001	150,836	71,446	103,710	5,167	21,375	503,000
Population 1996	132,772	69,742	79,191	5,217	21,752	480,530
Population change (96-01)	13.6%	2.4%	31.0%	-1.0%	-1.7%	4.8%
Proximity to lake, river	Lake Ontario	Otonabee River	L. Simcoe	St. Lawrence	St. Lawrence	Lake Ontario
Tourism organization	Tourism Burlington	Peterborough and the Kawarthas Tourism	Greater Barrie Visitor & Convention Bureau	Chamber of Commerce	City of Brockville Economic Dev & Tourism/Chamber of Commerce	Hamilton Tourism – incorporated non-profit
Tourism Organization Structure	Non-profit - combination of member contributions, grants and City funding	city and county funded, individually operated - DMO	non-profit, volunteer Board of Directors	previously non-profit; have applied for non-profit status again	city funded, chamber operates	City funded, staffed by City employees
Tourism Organization Role	To promote events, develop partnerships and facilitate projects	To promote events, facilitate partnerships and develop new tourism tools	Their role is to promote new events; do not organize or facilitate projects	To promote events, develop new tools and facilitate partnerships.	Board of Directors for chamber; Econ Dev Office oversees	Board of Directors – appointed reps
Number of visitors annually	No stats	2.2 million	no stats kept	no stats kept - estimates of 600 visitors/day	600,000	3.4 million - 2002
Tourist \$	\$1 per capita	\$3 million			\$28 million	\$233 million
Visitor Information Centre	Temporary site – eventually to Locust Street	Peterborough & the Kawarthas Tourism	Southshore Community Centre located on waterfront		2 full service visitor info centres, 1 kiosk, Tourism Times Seasonal Newspaper	3 visitor centres – 2 seasonal

Tourism	Burlington	Peterborough	Barrie	Gananoque	Brockville	Hamilton
Defining Tourism Features	One Great Lake Place to Be	culture & heritage - "Cultural Heart of Ontario"	"Gateway to Cottage Country" & "Beautiful Anytime of Year"	Gateway to 1000 Islands	City of the 1000 Islands	Undiscovered Lake Ontario, escarpment
Premier Attractions and Features	RBG, waterfront, trails, festivals, events	Riverview Park, Cdn Canoe Museum, Petroglyphs Prov Park, Warsaw Cave Conservation Area,	Georgian Downs, Barrie Molson Centre, Boat cruises	Island tours, casino. Bike rentals and biking on pathways	festivals; architectural heritage - mansion tours; Brockville Museum, 1000 Island Seaway cruises	Museums, Flamboro Downs, African Lion Safari, RBG, waterfront, trails, festivals, events
Principal Tourism Promotional Tools	Part of SOTO, Seasonal packaging, web page, co-promotion with festivals	Summer Festival of Lights; aggressive marketing; community newsletter		Festival of Lights (run by a separate non-profit); Shore Breakfast; Poker Run	two full service Visitor Centres + 1 kiosk; Tourism Times - seasonal tourism paper	Visitor Guide, Convention and Sport Event Planner, Marketing Partnership Program
Recent and Future development	See this report.	Niche market (carp fishing); Develop their motorcoach market e.g. package: cruise + theatre matinee		new Casino; hovercraft tours in the wintertime to expand tourism season; new packages to include art classes	develop cruise boat business; perhaps build downtown hotel; nurture diving industry, expand heritage	Revitalization Program – promotion of Hamilton airport as gateway to Niagara and area
Importance of Tourism to Community	Very important as part of their quality of life.	Depends who you talk to; county views it as very important; City, less important b/c industry is the major focus	Depends who you ask. It has grown in importance over past 10 years	Very important		New tourism strategy in 2002. Wants Hamilton to be a premier Ontario tourism destination by 2007.
Monitoring - Surveys/tourism studies	None in place	developing a benchmarking/monitoring system e.g. of indicators user sessions on net, # inquiries			on-line survey; surveys of drop ins at Visitor Centres	Premier Ranked Tourism Initiative Community portal – myhamilton.ca

Tourism	Burlington	Peterborough	Barrie	Gananoque	Brockville	Hamilton
Official Plan Integration	None			OP vaguely addresses tourism	implied; e.g.- through building setbacks, relationship between downtown and waterfront	Plan done in 2002
Cross-marketing	Preliminary	Get Away Country marketing partnership; Ontario Tourism Marketing	no cross-marketing; little budget	1000 Island International Council; St. Lawrence/1000 Islands Marketing Partnership; Eastern Ontario Travel Association	1000 Islands International Council, Kingston to Cornwall corridor partnership	SOTO member, Revitalization Program in 2005
Result of cross-marketing	Better awareness within the Burlington , Oakville, Hamilton core				two different brochures targeting different markets - Int. council - longer haul Corridor partnership p - short haul	
TOTAL BUDGET	\$337,600	Information not released	Information not released	5.5 million	Information not released	\$1.9 million
MUNICIPAL CONTRIBUTION	\$218,000	Information not released	Information not released	Information not released	\$90,000	\$1.2 million
MUNICIPAL CONTRIBUTION PER CAPITA	\$1.42	Information not released	Information not released	\$6.50	\$4.09	\$2.38

Source: Interviews with municipalities – Tourism Vision Report Supplementary B Economic Growth Solutions – February 2003-
Burlington and Hamilton information updated with 2004 stats

APPENDIX D- SECTIONS 4.5 AND 4.10.1**Tourism Burlington Functional Areas**

	Current	Future	
		1-2 years	3-5 years
Visitor Centre Operations			
<i>Coordination of information - ordering, distribution, placement</i>	x		
<i>Referrals and directions to attractions, etc.</i>	x		
<i>Compilation of visitor packages, kits, information - leisure, sports, conventions, travel trade</i>	x		
<i>Enquiry fulfillment - phone, email, mail, counter</i>	x		
<i>Reservations Service - accommodation, theatre etc</i>			x
<i>Main site - 414 Locust</i>	x		
<i>Satellites- Waterfront Centre/RBG</i>		x	
<i>Joint Satellites - Hamilton/Burlington</i>			x
<i>Intercepts/kiosks- IKEA, Tansley, BAC, Museums etc.</i>			x
<i>Tourism Burlington Collateral material distribution - maps, guides, meeting planners etc.</i>	x		
<i>Signage and wayfinding - Visitor Centre</i>	x	x	x
<i>Marketing visitor centre</i>	x	x	x
<i>Facilitation of local customer service/FAM tour training</i>		x	x
<i>Volunteer Program development - ambassadors</i>		x	x
<i>Tourism Office Management</i>	x	x	x
Tourism Development & Marketing			
<i>Marketing Strategy Development</i>	x 1 year	x 1-3 yr	x 3-5 yr
<i>Partnership package development</i>		x	
<i>Brand development- Tourism</i>		x	
<i>Marketing & Advertising</i>			
<i>Leisure Travel - residents and vacation travellers</i>	x	x	
<i>Convention & Meetings - advertising, trade shows</i>	x	x	x
<i>Events - partnered initiatives</i>	City	x	
<i>Sport Tourism - research, development, promotion</i>		x	x
<i>Travel Trade domestic - research, devmt, promotion</i>		x	x
<i>Eco-Tourism - research, development, promotion</i>		x	x
<i>Website</i>	x		
<i>Enhancements - itineraries, packages, advertising</i>		x	x
<i>Public Relations - Tourism Awareness Week</i>	x		
<i>Photo Library - with tourism partners</i>		x	
<i>Presentations, displays</i>	x	x	

APPENDIX D CONTINUED - SECTIONS 4.5 AND 4.10.1**Tourism Burlington Functional Areas**

	Current	Future	
		1-2 years	3-5 years
Packaging/Joint marketing			
<i>Local members/partners</i>	x		
<i>Golden Horseshoe</i>		x	
<i>GTA/Prov./ Fed. Efforts</i>		x	x
<i>Golf Courses</i>			x
<i>Restaurants</i>		x	
<i>Performing Arts</i>			x
<i>Special Events/Festivals</i>		x	x
<i>Cycling</i>		x	
<i>Boating/Fishing</i>		x	
<i>Scenic Drives - with regional partners</i>		x	
<i>Travel Itineraries- with partners</i>			x
City and Burlington Souvenirs			
<i>Strategy Development</i>		x	
<i>Marketing</i>	x	x	x
<i>Distribution</i>	x	x	
<i>Software POS partnered with BAC, Museums</i>		x	
<i>Satellite locations</i>		x	
Partnership Development			
<i>City</i>			
<i>Payroll agreement</i>	x		
<i>IT maintenance agreement</i>		x	
<i>Financial controls SAP</i>		x	
<i>Communications- website?</i>		x	
<i>Purchasing</i>		x	
<i>Events promotion</i>		x	
<i>Team Burlington</i>			
<i>Branding - City</i>		x	
<i>Media events</i>		x	x
<i>Bid package development - sports, conferences etc.</i>			x
<i>Photo Library development</i>		x	x
<i>Wayfinding signage</i>	x	x	x

APPENDIX D CONTINUED - SECTIONS 4.5 AND 4.10.1**Tourism Burlington Functional Areas**

	Current	Future	
		1-2 years	3-5 years
Partnership Development Continued			
<i>Tourism Organizations</i>			
<i>Hamilton - visitor centres, racking, wayfinding, bids</i>	x	x	
<i>Region - marketing, racking, intercepts</i>	x	x	
<i>Southern Ontario Travel Organization- marketing</i>	x		
<i>Ontario Tourism Marketing Partnership- marketing</i>	x	x	x
<i>Festivals & Events Ontario - Burlington chapter</i>		x	x
<i>Business Sectors</i>	x	x	
<i>Community sectors ie: RBG</i>		x	x
Tourism Advocacy/Community Development			
<i>City, Provincial & Federal Initiatives</i>	x		
<i>Development Opportunities- events, programs</i>		x	
<i>Attractions - RBG, Museum, PAC</i>	x	x	
<i>Volunteer development - tourism ambassadors</i>			x
<i>Tourism Summit - training, resources</i>		x	x
<i>Tourism Awards</i>	x	x	x
Tourism Product Development			
<i>Attractions</i>		x	x
<i>Hotels</i>			x
<i>Other tourist facilities</i>		x	x
Revenue Generation			
<i>Grant applications - staffing, projects</i>	x	x	x
<i>Research alternate sources of revenue</i>		x	x
<i>Destination marketing fee</i>		x	x
Tourism Research			
<i>Premier Ranked Destination Inventory- Region</i>	x	x	
<i>Market Share inventory</i>	x	x	
<i>Economic Impact Study- waterfront</i>			x
<i>Visitor Centre statistics</i>	x		
<i>Partner visitor statistics</i>		x	
<i>Tourism Performance measures</i>		x	x
<i>Trends and tourism market research</i>		x	x

APPENDIX E - SECTION 4.8.1**Tourism Burlington Membership Review – December 2004****Membership Breakdown**

Hotels	20	16%
Bed & Breakfasts	10	8%
Attractions	26	21%
Restaurants	20	16%
Affiliated	8	7%
Sports/Entertainment	6	5%
Associate/Support	32	26%
Total Members 2004	122	

Renewals as of Dec 31, 2004	102
New Members	2
Total Members Dec 31, 2004	104
Unpaid renewals	12

Total Potential Members – in tourism industry 300+

Membership Fees

\$5/room Hotel with Restaurant

\$4/room Hotel without Restaurant (minimum of \$125)

\$225 Restaurants, Retail, Attractions, Events, Campgrounds, Associations, Corporate

\$125 Volunteer associations, non-profit attractions or events, Bed and Breakfasts

Membership Revenue

Budget 2004	\$32,000
Actual 2004	\$27,671
Budget 2005	\$30,000
Actual 2005	\$19,429 * as of December 31st

Member Benefits

- Free 40 word business listing in the visitor guide – 35,000 copies distributed across Ontario – Benefit Value to member- **\$150/listing**
- Free website listing including description - **\$100/listing**
- Brochure distribution and referral service from visitor information centre - **\$100**
- Participation in co-op marketing programs - conferences, meetings, and leisure travel - **\$100 + ****
- Networking opportunities at Annual general meeting and Tourism sponsored events - **priceless**
- Inclusion of selected print material in delegate and visitor kits (over 5,000 kits prepared in 2004) – varies depending on target audience ie: hotels, attractions most frequent inclusion**
- Representation of print material at trade shows and presentations **\$200**
- Free member newsletter/enewsletter- **\$50**
- Access to SOTO marketing programs through Tourism Burlington membership \$4250 estimated SOTO membership value - **\$50**

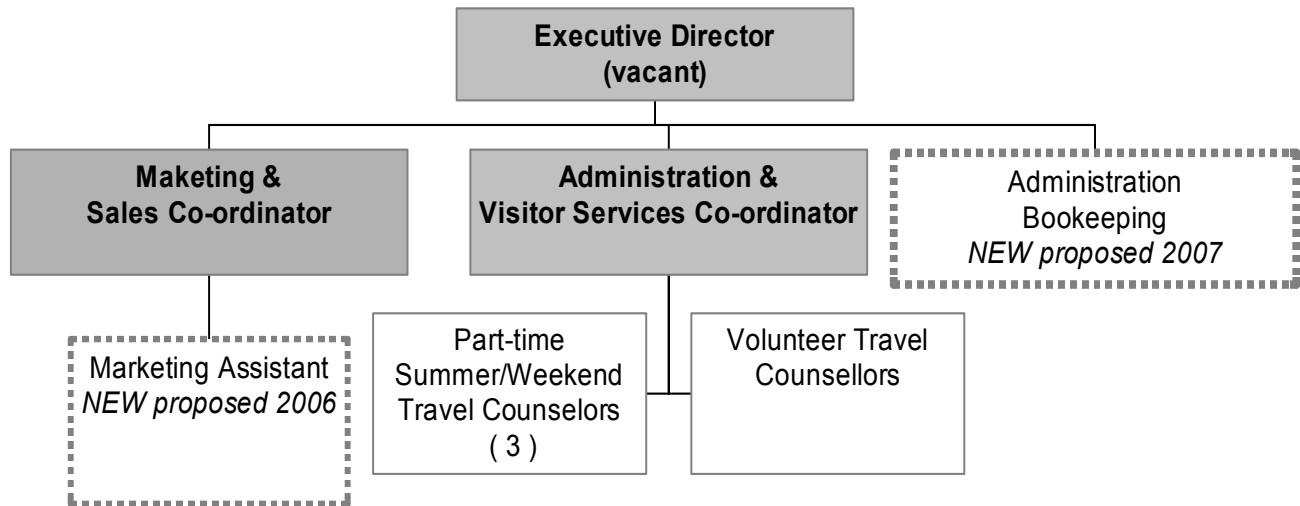
Total estimated value \$750 plus ** Increased value for key attractions, accommodations depending on participation etc.

Membership Expenses

Administrative Staff – mailing, invoicing, website, data management	\$10,000
Bookkeeping Staff – posting invoices, AR, deposits	\$1,750
Marketing/Sales staff – recruitment sales calls, newsletter	\$5,000
Mailing/printing costs – membership renewals, newsletters etc.	\$ 500
Website - management member information	\$1,000
Visitor Guide – 40 word listing updating	\$ 500
Total Costs	\$18,750

APPENDIX F – SECTION 4.8.3

**Tourism Burlington
Staff Organizational Chart
2005 to 2007**



Note: Any recruitment process as determined by the Hiring Committee, would include disclosure about the service delivery review, transitional circumstances and employee status at hiring (eg. contract).

APPENDIX G – SECTIONS 4.10.1 AND 5.0**DISCOVER BURLINGTON**

A multi-year Team Burlington initiative focused on:

- Putting Burlington on the map through focused marketing as proposed by BEDC, Tourism Burlington and others
- Addressing signage and promotional needs for the downtown/waterfront/MTO
- Providing additional tourism resources for proposed development of sports tourism and eco-tourism
- Pursuing partnerships with Tourism partners (Hamilton/SOTO/Province/Halton/etc) including possible joint tourism information facilities and creation of scenic drives to draw people to Downtown Burlington, the Waterfront and along Eastport Drive's bird sanctuaries and the pier through to Confederation Park as an alternative to the Skyway, or alternatively out and along Plains Road past RBG and approaching Hamilton from their west end
- Pursuing additional Special Events and Festivals to be used to promote Burlington
- Addressing the wayfinding and TODS needs of the City
- Researching the possibility of pursuing some national level sporting or other event in future, for promotion of Burlington in the media
- Pursuing additional partners (and their money) to share in the program
- Other components to be identified

A 3 year program, clearly assigned to Team Burlington and headed by one of the agencies (likely Tourism or BEDC). The City would be a key player through Parks & Recreation and Corporate Communications and others as needed. A co-ordinator would lead the initiative. This structure would allow our Team Burlington partners to apply for Trillium funding over a multi-year period. Over the next 3 years if the City contributed \$150/100/50K and Trillium matched this, and we co-ordinated some of the other program funding already in the budget of the Team Burlington partners as well as pursued some partnership money from the benefiting business of Burlington, it is quite possible we could have close to \$750,000 to a million dollars to realize the dream that many have in this regard. Team Burlington needs this type of initiative to realize its' potential and in keeping with its' mandate and it is the type of initiative that will benefit all of the partners including the new Aldershot BIA. For it to work as a Team Burlington initiative, it will need strong support and leadership from the Mayor, Council and senior staff at the City and Team Burlington.

	Approved 2004 Budget	2004 Year end Forecast	* 2005 Base Budget	** Estimated 2006 Budget	** Estimated 2007 Budget
REVENUES					
Total City contribution	\$ 218,000	\$ 218,000	\$ 234,875	\$ 322,950	\$ 353,300
Membership Revenues	\$ 32,000	\$ 27,500	\$ 30,000	\$ -	\$ -
Partner Revenues - Co-ops	\$ 74,500	\$ 41,660	\$ 45,400	\$ 70,000	\$ 90,000
Grants	\$ 8,000	\$ 1,700	\$ 6,000	\$ 16,500	\$ 27,000
Other Revenue	\$ 5,100	\$ 12,320	\$ 10,325	\$ 13,000	\$ 15,500
Total Revenue	\$ 337,600	\$ 301,180	\$ 326,600	\$ 422,450	\$ 485,800
PROGRAM/EXPENDITURES					
Marketing Plan	\$ 119,600	\$ 78,840	\$ 72,150	\$ 108,500	\$ 132,500
Customer Service/Visitor Centre	\$ 21,000	\$ 17,800	\$ 35,400	\$ 45,000	\$ 50,000
Member Services	6,900	\$ 4,400	\$ 6,800	\$ 3,000	\$ 4,000
Administration	\$ 190,100	\$ 187,827	\$ 212,250	\$ 265,950	\$ 299,300
Total Expenses	\$ 337,600	\$ 288,867	\$ 326,600	\$ 422,450	\$ 485,800

* 2005 Base Budget does not include a Decision Unit of \$50,000 to assist with transition (governance, staffing etc)

** 2006 and 2007 Budget are subject to the outcomes of the pending multi-year Business Plan process.

Related Current Budget Matters:

A Program Change in the amount of \$50,000 has been assigned to the Corporate Communications Department for the "Discover Burlington" campaign – to pursue a partnership between the City and its Team Burlington partners to develop and implement a collaborative marketing campaign. This is to be paid for from one-time funding and is included within the 4% Budget.

A Decision Unit in the amount of \$100,000, has been assigned to the Corporate Communications Department for the "Discover Burlington" campaign, and represents the balance of the funding estimated to mount this initiative.