



Report Background

Core Services Review – NEDC

In the spring of 2016, the Core Services Review (CSR) conducted a limited review of the NEDC. The consultants focused on levels of funding, staffing levels, scope of activities, municipal models and benchmarked NEDC to similar communities. They did not conduct a performance review of the economic development and tourism services and programming, or an audit of NEDC's corporate governance functions.

The CSR recommended two options:

- (1) continue City level of funding beyond 2017 contingent on a new five-year strategic plan, new accountability strategy, and the development of the overall Nanaimo economy (partnerships); and
- (2) reduce the City's grant to NEDC over three years, beginning in 2017 while encouraging greater external funding, including the above-noted conditions.

The consultants were not instructed to consider other options. The CSR determined that a key priority for NEDC is to regain trust and confidence of its shareholder through the following actions: clearly stated mandate and scope of activity that is clearly understood by all; strong partnerships with the community; acknowledgement of obstacles to be overcome; and, a plan to overcome them.

Core Services Review – VICC

The CSR reviewed the operations of the VICC and made a number of recommendations to reduce City subsidies and improve conference operations. The review concluded that a collaborative destination marketing plan did not exist and that the most critical element to the success of the VICC is for the City to (1) develop and implement a credible marketing destination strategy via a collaborative effort with all interested parties; and, (2) enhance and add to the main attractions of Nanaimo (tourism products).

CBRE Report – VICC and Hotel

The CBRE report determined that despite Tourism Nanaimo's mission to promote Nanaimo as a year-round leisure tourism destination and as an attractive location to hold meetings, conventions and sporting events, it has not strategically planned or implemented any marketing activities specifically directed towards conference and destination markets. As a result, no collaborative destination marketing plan exists between Tourism Nanaimo, VICC or the

Nanaimo Hotel Association. The CBRE report recommends, among other things, the City adopt a conference and destination sales strategy to bring conferences to Nanaimo.

Consultation

Over a four month period, consultations were held with NEDC, VICC, DNBIA, and key stakeholders on both economic development and tourism. Most recently the City hosted round tables on economic development and tourism. The economic development roundtable suggested that the economic development stakeholders would benefit from clarifying their roles and working relationships. Another theme that emerged was the need to work with existing industry leaders to ensure that Nanaimo puts its best efforts forward in the competitive economic development sector.

The tourism roundtable revealed overlap and duplication of tourism activities among the various stakeholders and the lack of a centralized body to coordinate and communicate their efforts. In addition, there are some challenges with the operation of the Tourism Leadership Committee and the delivery of programming associated with the agreement between the City and the Nanaimo Hospitality Association for the Municipal and Regional District Tax (MRDT) funds for targeted tourism activities.