

## NEWS RELEASE

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### **City and Tourism Nanaimo sign Municipal Regional District Tax agreement**

#### **Summary**

The City of Nanaimo is reinforcing its commitment to destination marketing and tourism development by transitioning administration of the Municipal Regional District Tax (MRDT) program to Tourism Nanaimo. This change is part of the City's new five-year strategic business plan and was approved by Destination BC earlier this year. MRDT revenues, administered by Tourism Nanaimo, will focus on consistent branding, transparency and aligning MRDT best practices with the majority of regions across B.C.

Introduced in 1987, the MRDT program was created to help communities fund destination marketing initiatives aimed at boosting tourism. MRDT revenues are collected from overnight guests by accommodation providers and remitted to the Ministry of Finance. The City of Nanaimo is the designated recipient of these funds in our community, which is three percent of the cost of short-term accommodation. Most recently, the Nanaimo Hospitality Association (NHA) received this funding.

Tourism Nanaimo is a not-for-profit organization that collaborates with industry partners to promote Nanaimo as a premier travel destination. Under its expanded role, Tourism Nanaimo will manage MRDT revenues alongside other tourism funding sources, including the City's annual fee-for-service payment and cooperative marketing grants, to implement strategic marketing campaigns and destination development projects.

The City of Nanaimo will continue to support Tourism Nanaimo through Board representation, with two voting Council members and one non-voting senior manager helping guide tourism initiatives. This partnership is designed to enhance coordination, improve resource efficiency and ensure a unified approach to destination marketing.

Tourism Nanaimo has established itself as a multi-partner, not-for-profit society and is recognized by the City, Destination BC, Destination Canada, tourism operators and stakeholders as the community's destination management organization (DMO).

**Strategic Link:** Governance and corporate excellence: By centralizing these funds, the City aligns with provincial best practices and anticipates a reduction in administrative redundancies, clearer messaging and enhanced collaboration with partners.

## Key Points

- The City of Nanaimo is reinforcing its commitment to destination marketing and tourism development by transitioning administration of the Municipal Regional District Tax (MRDT) program to Tourism Nanaimo.
- Tourism Nanaimo will administer MRDT revenues and oversee marketing and development efforts that attract overnight visitors and strengthen the local economy.
- The MRDT program generates funding to support tourism initiatives through a three percent tax on short-term accommodations.
- Tourism Nanaimo is a not-for-profit organization that collaborates with industry partners to promote Nanaimo as a premier travel destination.

## Quotes

"This strategic realignment underscores our unwavering commitment to maximizing the impact of provincial dollars while ensuring Nanaimo remains a destination of choice for travelers near and far. By entrusting Tourism Nanaimo with the administration of MRDT revenues, we are poised to unlock new opportunities for growth, collaboration and prosperity in our already vibrant community."

Leonard Krog  
Mayor  
City of Nanaimo

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