Resort Municipality Initiative
Annual Report 2015

Submitted by:

City of Rossland
in association with
Tourism Rossland

Prepared by:

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Acknowledgements

The City of Rossland would like to thank the Province of British Columbia for the continuation of this key program. The Resort Municipality Initiative has been absolutely critical to the continued success of the tourism industry. By partnering with Tourism Rossland and working in collaboration with our stakeholders we have created programs that have been real drivers for the tourism economy.

Photo credit: Tourism Rossland/Ollie Jones

1. Regional and Local Tourism Context

Understanding significant local and regional tourism influences provides context for both the local tourism economy and the overall progress of the RMI Resort Development Strategy.

LOCAL AND REGIONAL INFLUENCES

The following table provides a summary of the significant local and regional tourism influences for the report year that were **not** in municipal control, such as early snow, major highway construction, etc.   These influences are factors that supported and/or hindered the local tourism economy during the current reporting year.

Factors Supporting Tourism	Factors Hindering Tourism
- An investment of $3 million by Red Mountain Resort in the Grey Mountain chairlift - Launch of the Legacy training centre at Red Mountain Resort with an investment of $1.5 million in snowmaking - An additional $350,000 investment for snowmaking in 2016 - $40 million in investments for the construction of a 106 bed hotel at the base of Red Mountain Resort. - Opening of several new boutique shops in downtown - Increasing collaboration between business stakeholders - Increasing awareness of the importance of tourism as an industry, and in its role in economic development - Great snow year winter of 2015/2016	- Challenging snow year in winter of 2014/2015 which lead to the closure of Red Mountain earlier than anticipated and considerably lower accommodation revenues - Smoke filled summer with many local evacuations

2. Project Progress

2.1. Resort Municipality Initiative (RMI) Context

The Resort Municipality of Rossland has participated in the RMI program since 2007. The RMI program has spanned two terms: Term One: 2007 to 2011 and Term Two: 2012 to 2016. In 2015, the RMI program was extended by one year to December 31, 2017. As such, each RMI community revised their Resort Development Strategy (RDS), which identifies the community's vision, goals, and projects in support of RMI program objectives for the 2015-2017 term.

2.2. Resort Development Strategy Vision

The community's RDS Vision is: To increase overnight stays and encourage visitors to stay longer and spend more, by providing a warm welcoming environment with facilities that are competitive and attractive to our core market.

2.3. Resort Development Strategy (RDS) Goals

The table below lists Rossland's 2015-2017 RDS goals. The table gives a high level understanding of the progress of RDS goals.

2012-2016 Resort Development Strategy Goals	Progress of Resort Development Strategy Goals			
	No Change	Some indication of progress	Many indications of progress	Achieving Goal
1. To increase overnight stays by 1% per year as measured by the 2% Municipal and Regional District Hotel Room Tax (MRDT) using 2011 as a base year with a goal of 5% growth by 2016				X
2. To develop tourism projects that focus on expanding the tourism market to the spring/summer/fall seasons.				X
3. To make it easier for tourists to find amenities and information that will enhance their tourist experience in Rossland.			X	

2.4.   Project Details

The following section describes progress on the individual projects in greater detail. The financial breakdown for the projects can be found in Appendix 1.

Activity	Budgeted Amount - RDS	Jan. 1 - March 31 Expenditures	Q2 and Q3 Apr. 1 - Sept. 30 Expenditures	Oct. 1 - Dec. 31 Expenditures	Total Expenditures 2015
Visitor Centre		$0	$0	$0	
Internal shuttle	$42,000	$0	$0	$42,000	$42,000
Spokane shuttle	$8,000	$1,951	$4,925		$6,876
Signage	$16,700		$8,673		$8,673
Arts project		$0	$0	$0	
Evaluation (*non-RDS)		$458	$0	$0	$458
TOTAL	**$66,700**	**$2,409**	**$13,598**	**$42,000**	**$58,007**

Financial Snapshot	
Reserve as of Jan. 1, 2015	$13,700
Funding provided in 2015	$71,443
Total available for 2015	**$85,143**
Total currently available (total less expenditures)	$27,136

2.4.1. Term 2 Projects

Project Title	**Tourism Oriented Signage, Kiosks and Banners**	
Project description	Completion of installation of Tourism signage in downtown Rossland	
Project rationale		
Milestones	**Actual Start Date**	June 2012
	Completion Date	October 2016
	Operational Date	
Project Goals	**RDS Goal 1:** To make it easier to find amenities and information	
	Project Goal: Improve tourism signage and infrastructure to allow easier navigation to tourism information and places of interest.	
	RDS Goal 2:	
	Project Goal:	
	RDS Goal 3:	
	Project Goal:	
Project activities for the reporting year	Completed an events sign as part of the overall plan, the cost of which was cost shared with the CBT and the City of Rossland.	
Stakeholder Involvement:	Worked with local businesses to determine content of the signs. We have partnered with the Kootenay Columbia Trails Society to create the kiosks for the trails.	
Project outcomes to date:	Have had amazing feedback on the consistency of the overall look and feel of the project. Other communities have contacted us requesting information on the project and how it could be applied in their community.	

Project Title	**Shuttle Service**
Project description	Shuttle Service – Internal Rossland to Red Mountain.
Project rationale	Limited transportation within the community, and an inability to get ski groups without transportation, also require shuttle service to reduce impaired driving, attract workers

Milestones	**Actual Start Date**	December 1, 2012
	Completion Date	March 31, 2017
	Operational Date	Shuttle service from Rossland to Red Mtn. begins the first day of the ski season (Dec 6), and finishes on the last day of the ski season (April 6).

Project Goals	**RDS Goal 1:** Increase of Accommodation revenue by 1% per year
	RDS Goal 2: Increase and improve transportation to and from the Red Mountain neighbourhood to downtown Rossland.
	Project Goal: To provide safe, reliable transportation to the ski hill from Rossland. This enables visitors without a vehicle easy and reliable access to transportation to the ski area/downtown core. Also allows us to sell packages to wholesalers who insist on having this service available.
	Project Goal: Visitors staying in Rossland will be able to travel easily to the ski hill and visitors staying at the mountain will be able to travel easily to the downtown core retail shopping and restaurant area.
	This project has been overwhelmingly successful. - During the 2014/2015 season we transported 14,518 passengers. Due to snow conditions the ski hill closed early and the shuttle also finished earlier than anticipated. - Our intercept survey asked "Is the availability of a shuttle service critical to your decision on which ski resort to visit?" and 59% of the guests answered yes! - 92% of those interviewed indicated that the service was excellent - 97% of the users thought that it is a critical service and should be a priority in future years.

Project activities for the reporting year	All stakeholders including Red Mountain Resort were extremely pleased with this project

Stakeholder Involvement:	- We partnered with over 30 different businesses and organisations who each contributed leveraged funding towards this project.
	
	- We conducted a survey of over 300 stakeholders, both for profit and non-profit and below are some of their comments:
	
	    o The Prestige Hotel stated that "This service is critical, our hotel sees many groups travelling for skiing that would not come to Rossland/Red Mountain otherwise"
	
	    o A leading downtown retailer commented that "I definitely support this initiative. I expect the service to become a critical factor."

	o A real estate agent commented that "It is an awesome service! A lot of people do not want to drive or are staying at the hill so it allows then to travel more freely to town back and forth." o Another business owner commented that "I have used this service as have my clients! Love the drivers and the convenience of the pickup/drop off stops. I love the fact that it is also marketed as a late night shuttle after events at the hill and/or the RockCut. The more done to help stop drinking and driving the better!!" o The shuttle ranked 2.6 out of 3 in terms of overall service
Project outcomes to date:	- This project has had the single biggest impact on the economy of the community and provides a much needed service for both residents and visitors. We are working hard to partner with BC Transit for the provision of this service in the future.

Project Title	**Spokane Shuttle**	
Project description	Shuttle Service- Rossland/Nelson to Spokane Airport	
Project rationale	Limited transportation solutions to our gateway airport	
Milestones	**Actual Start Date**	December 1, 2012
	Completion Date	March 2017
	Operational Date	Winter, during ski season from December 6th to April 6th.
Project Goals	**RDS Goal 1: Increase of Accommodation revenue by 1% per year**	
	Project Goal: Increase frequency of buses from 2 per week to 7 days per week to enable visitors to more easily transfer from Spokane Airport and Nelson/Rossland	
	RDS Goal 2: To eventually have this service as a fully sustainable business	
	Project Goal:	
	RDS Goal 3: Reduce number of vehicles which are driven to Rossland	
	Project Goal:	
Project activities for the reporting year	We increased the frequency of the shuttle to 7 days a week and decreased the price from $135 to $125	
Stakeholder Involvement:	By working in association with Nelson Kootenay Lake Tourism, and Whitewater Ski Resort we were able to leverage the funding and provide a service which was key for the entire region. This has been a great partnership, now going into its 4th year that has been really well received.	
Project outcomes to date:	We had an increase in passengers of 122 people even though it was a less than favourable snow year. We continue to work towards sustainability for this service and are seeing real improvements in terms of ridership, availability and awareness of service.	

2.5.   RMI Projects Completed – Success and Lessons Learned

As projects are planned, implemented/constructed, and completed/operational, various successes and lessons learned emerge. Reviewing these success and lessons learned from projects that have been complete for at least two years provides an opportunity to profile the continued success of RDS projects and allows knowledge to be shared amongst stakeholders to add value to future projects.

Project Name	Successes	Lessons Learned
Signage	• Our signage project has been so successful that we have used the key design elements in the signs to re-brand several organisations to create an overall consistent look and feel to our community. These included: Tourism Rossland,	• Consistency is key to looking professional and being attractive to our visitors. .

|	Rossland Library, City of Rossland, Rossland Chamber of Commerce, Rossland Events, Rossland Farmers Market.	
Internal Shuttle Service	- Again consistency is key to the provision of this service.	-In addition it is just as important from a marketing perspective to say that we have the service as it is to have it.
Spokane Shuttle Service	- We really have improved the ability for our guests to reach us	- We need to continue to work with local suppliers to provide a consistent and quality service.

3. Economic Outcomes

The data in this section is collected by both the resort communities and the Whistler Centre for Sustainability (WCS) and are included in the Annual Program Report developed by WCS. While specific projects can impact these results, the results in this area only show trends over time and should be considered as a long-term impacts of investments in infrastructure, projects and programs.

Accommodation Sector Performance

Accommodation sector performance provides an indication of the size and health of overall tourism economy (more specifically the accommodation sector), by tracking changes in room revenue or room nights sold. Overnight visitors to the communities tend to participate in more experiences than day visitors, and the additional hours spent in the resort result in increased spending patterns and greater contributions per visitor to the local economy. Considering the variation in this indicator throughout the year provides a window into the community's success at growing tourism throughout the four seasons.

The MRDT was considerably down in 2015 due to two factors- we had one of worst ski years on record because of snow and had to close early, and then because of forest fires in the area the community was completely smoked out in the summer. 2016 is trending in a much better direction and we are looking forward to increases this year.

Annual Room Revenue

Millions $

| $1.9 | $2.5 | $2.7 | $2.2 | $2.6 | $2.5 | $2.9 | $3.5 | $4.5 | $3.3 |

2006 Base Year | 2007 Start Year | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015

Annual — 3 Year Average   Source: BC Stats, MRDT
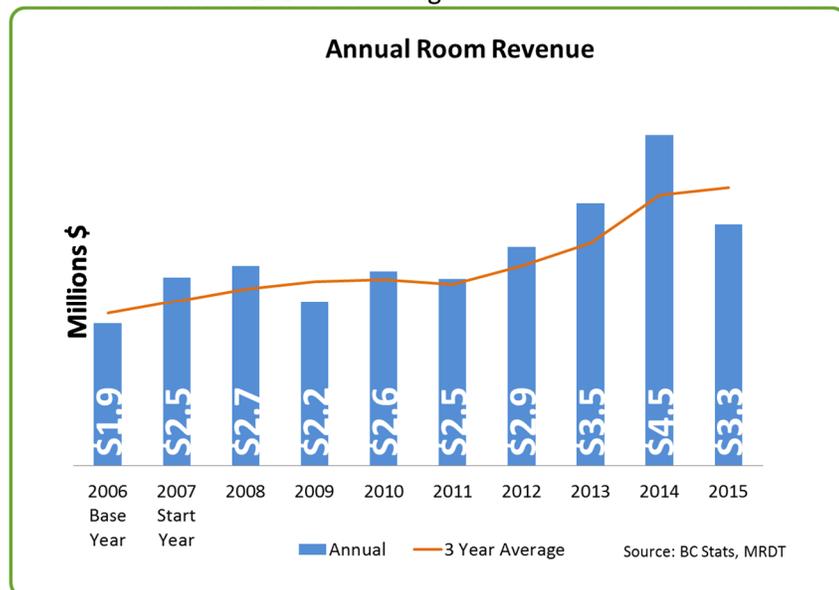
Annual room revenue was $3.3 million in the recent reporting year, $1.2 million less than the previous year This results in a:

- 27% decrease from the previous year.
- 74% increase compared to the base year.

Comparisons

- 38% points greater increase compared to the 36% total RM increase from the base year.

Visitor Numbers

A resort communities' tourism economy is dependent on visitation. Visitor numbers provide an understanding of the health of the tourism economy, as well as the popularity the community as a tourism destination, quality of the service levels, and the perceived value of tourism offerings. Depending on the employed methodology, visitor numbers includes day visitors and overnight visitors differing from accommodation sector performance. Considering the variation in this indicator throughout the year provides a window into the community's success at growing tourism throughout four seasons.

Visitor Centre ALS

Number of Days

2006 Base Year	2007 Start Year	2008	2009	2010	2011	2012	2013	2014	2015
2.8	3.0	4.3		3.2	2.8	2.5	2.7	3.2	3.6

Annual — 3 Year Average   Source: Tourism BC
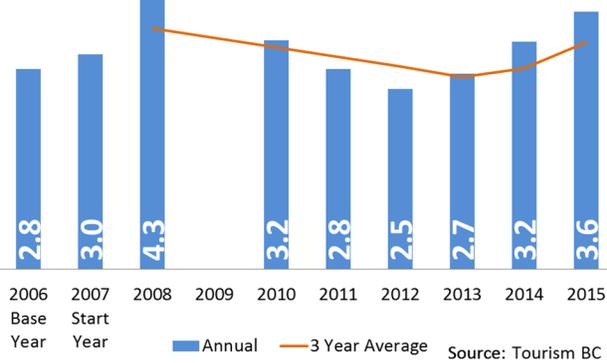
Visitor Centre visits resulted in an average of 3.6 visitors per hour in 2015 and 4,800 total visits. This results in a:

- 13% increase from the previous year.
- 29% increase compared to the base year.

Comparisons

- 39% points greater increase when compared to the RM average decrease of 10% from the base year.
- 64% points greater increase when compared to the Provincial decrease of 25% from the base year.

Non-Market Change in Business and Recreation Tax Assessments

One of the desired outcomes of the RMI is to diversify the municipal tax base towards a better mix of residential and commercial taxes as well as increased investment in the community. This indicator measures progress in this area by reporting on the change in non-residential assessments.


Non-Market Change in Business and Recreation Classes

$23.0 $25.9 $26.2 $27.1 $27.6 $28.1 $27.4 $27.9 $28.7 $27.3

$2.9 $0.3 $0.9 $0.6 $0.4 -$0.7 $0.5 $0.8 -$1.4

Annual Change — Total   Source: BC Assessments
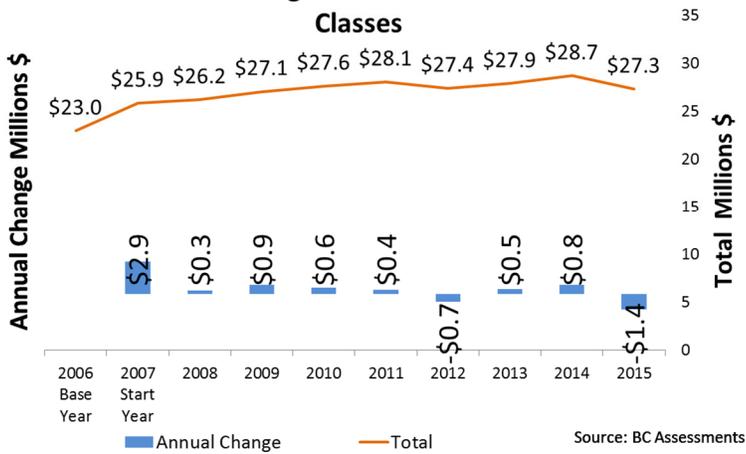
Non-market assessment in business and recreation classes totaled $27.3 million in the most recent reporting year. This results in a:

- 5% or $1.3 million decrease from the previous year.
- 2% or $1.8 million increase compared to the base year.

Number of Business Licenses

The number of businesses in a community reflects economic success and potentially diversity of tourism offerings. Breaking the results out by tourism business can provide a more direct measure of tourism growth.

Total number of local business licenses

Year	Value
2012	190
2013	214
2014	238
2015	228
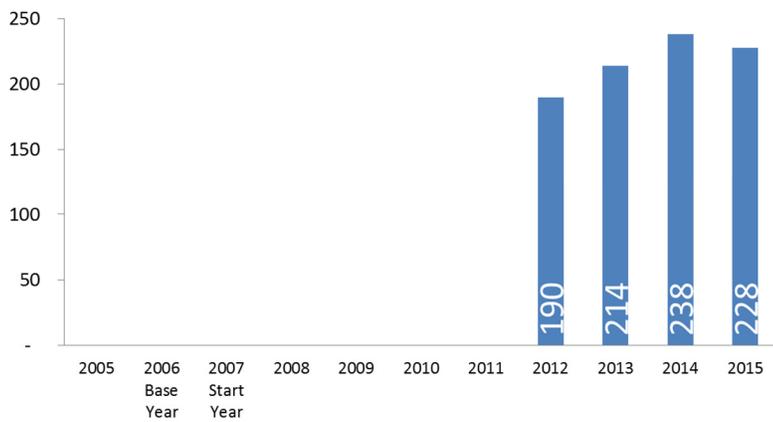
Business licenses totaled 228 in 2015, with 90 likely having a relationship to tourism. This results in a:

- 4% decrease from the previous year and is a 20% increase from the earliest year that data is available in 2012..

4. Conclusion and Outlook

Rossland continues to grow as a resort destination. By strategically partnering with both neighbouring communities and our business and non-profit stakeholders we are working together. We are simultaneously aligning our tourism marketing and our tourism infrastructure projects which means that we provide projects that are well promoted and assist in overall growth in the economy.

For 2016 we are installing historical signs on Red Mountain, in association with the Rossland Museum which explain the history of both Red Mountain Resort and the community of Rossland.

This year our biggest project is the Rossland Museum renovation which includes the Visitor Centre. This gateway project will have a large impact on not only the overall look of our community, but give visitors another reason to stay. In addition we are going into our 5th year of partnership for our Spokane and Internal shuttles and continue to grow our group business because of it.

These strategic projects will continue to add to the appeal of Rossland from a visitors, investors and locals perspective and we look forward to continuing to work with the Province of British Columbia as part of this program.