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### **CENTRAL COUNTIES - REGIONAL TOURISM ORGANIZATION 6 (RTO6) UPDATE**

**The Planning and Economic Development Committee recommends the adoption of the recommendation contained in the following report dated December 20, 2011, from the Executive Director, Office of the Chief Administrative Officer.**

#### **1. RECOMMENDATION**

It is recommended that this report be received for information.

#### **2. PURPOSE**

This report updates the status of Central Counties, Regional Tourism Organization 6 (RTO6) and the relationship to York Region's role in tourism development and marketing.

#### **3. BACKGROUND**

##### **The Province announced the formation of Regional Tourism Organizations (RTOs) in December, 2009**

As a result of the recommendations of the Sorbara Report released in February 2009 entitled 'Discovering Ontario: a report on the future of tourism', the Province established a new system for organizing and supporting tourism marketing and development. In December of 2009, 13 Regional Tourism Organizations (RTOs) were created by the Province. York Region falls within RTO6, now known as Central Counties, along with Durham Region, the Town of Caledon, and Dufferin County represented by The Hills of Headwaters Tourism Association (see Council Attachment 1)

These RTOs were created with a primary mandate to focus tourism growth initiatives and strengthen destination development. Specifically, the mandate covers four areas of marketing, product development, workforce development, and investment attraction. The RTOs marketing target is intended to be the attraction of visitors from outside the Central County Region, and the local consumer marketing role is to be retained by the pre-existing destination marketing organizations such as York Tourism, which is part of the Economic Strategy Branch of York Region.

### **York Region agreed to act as the Administrator of the RTO6 on behalf of the municipalities as the organization was formed**

The Regional Tourism Organizations were conceived as industry-driven non-profit corporations. Significant work was undertaken to create these entities, including creating an initial industry advisory group, setting up a non-profit corporation, establishing a new board of directors, securing staff resources, commencing initial marketing to help establish a brand, and undertaking early research to establish areas of focus and set the stage for more detailed marketing plans.

York Region agreed through Council resolution by way of a Memorandum dated May 5, 2010 to take on the role of RTO6 administrator and financial manager during the transition period until the corporation was formed and sufficient staff resources were in place to take on the management of the organization. This role was managed through the Economic Strategy Branch up until March 31, 2011, when Central Counties took over administration of their own affairs. An audit has been completed of all financial matters handled by the Region on behalf of Central Counties up until March 31, 2011, and the administration of Central Counties has now been successfully passed from the Region to the new organization.

### **Central Counties now operates as an active Regional Tourism Organization as it continues to grow and establish a full program for delivery**

Central Counties has established a Board of Directors made up of a maximum of 13 industry representatives from across the three regions it represents. York Region has three dedicated industry seats on the board, as do each of the other two Regions. In addition there are four Director's-At-Large industry seats drawing participants from across the entire Central Counties Region. The Acting Chairman position is held by Rob Kadlovski, of Nicholby's/Old Firehall Confectionary. There are currently two vacant York Region board seats which will be filled through the Board's Recruitment Committee.

The current Board members are:

York Region:

- Rob Kadlovski, Nicholby's/Old Firehall Confectionary
- Vacant
- Vacant

The Hills of Headwaters:

- Alan Boughton, Mosport International Raceway/CMV Ltd./Trailcon Leasing Inc.
- Kelly Myles, Caledon Country Club
- Annette Turturici, Inglewood Antique Market Caledon

Durham Region:

- Kumar Singam, Travelodge Oshawa
- Colleen Pingle, Pingle's Farm Market
- Shyam Ranganathan, School of Hospitality, Tourism & Culture And The Culture & Heritage Institute, Centennial College

Directors-At-Large:

- John Platz, Global Hospitality
- Derek Edwards, Toronto and Region Conservation Authority
- Patrick Regina, Hilton Suites Toronto/Markham
- Kristy Adams, Humber College, North Campus

Destination Marketing Organizations (DMOs) Advisors (non-voting):

- Michele Harris, The Hills of Headwaters Tourism Association
- Kerri King, The Regional Municipality of Durham
- Doug Lindeblom, The Regional Municipality of York

Central Counties has now hired two full-time staff and is in the process of adding two additional positions to deliver on its mandate. Central Counties has opened their office in the Markham Convergence Centre in Markham.

**The Province changed the funding model for tourism when it created the RTOs**

As part of the province-wide reorganization, the Province has allocated HST funds to support the RTOs until December, 2013. At the same time, the Province eliminated the Destination Marketing Fund (DMF), collected through a special hotel tax, which served as the primary source of funding for existing organizations like York Tourism that delivered tourism marketing and development services. As a result, York Tourism and the other destination marketing organizations experienced a significant reduction in direct tourism funding.

**The creation of Central Counties and the new funding model demanded adjustments to York Region's role in tourism**

York Region maintained a robust and active tourism office since 2000. Activities delivered by York Tourism included an annual local and external visitor attraction marketing program in conjunction with industry partners, a tourism website, a 1-800 tourist inquiry line, various publications including the annual Discovery Guide, Keynote Conference Planning booklets, seasonal themed magazines/email campaigns, and product development and industry educational forums.

Central Counties was created with a mandate that closely matches that identified through York Region's Long Term Tourism Destination Development Strategy, released in

October 2009 just prior to the provincial announcement of the new RTOs. The change in funding also resulted in the loss of a minimum of \$300,000 per year in marketing funds that flowed to York Tourism through the previous arrangement with the Toronto Destination Marketing Fund. Previously funds collected from Toronto and York Region hotels were shared proportionately between Toronto and York Region. The significant shift in funding away from York Region and the creation of a new regional tourism organization with its similar mandate led to a re-evaluation of the role and capabilities of York Tourism with respect to delivering tourism marketing.

The new funding model is intended to generate the same value, with significantly less funding being generated directly through York Region activities.

#### **4. ANALYSIS AND OPTIONS**

##### **The Region has shifted much of its tourism marketing role to partner delivery organizations**

With respect to external marketing, the Region has stepped back to allow Central Counties to undertake the external visitor attraction marketing role utilizing the provincial funding provided through the HST allocation. Central Counties has identified its geographic target market as the area within 200 kilometres of the tourism region's boundaries. Central Counties has established a website, [www.centralcounties.ca](http://www.centralcounties.ca) geared to promoting major areas of activity common to the wider region, including Golf, the Great Outdoors, Unique Cuisine, and Arts and Heritage (see Council Attachment 2). The site offers several features including access to packaged tourism products, and a mapping function to help visitors plan their visit.

Central Counties has also launched an early test-market campaign using "Central Counties – Ontario's Best Kept Secret" in a variety of media including radio, television, and social media tools. The responses to this early campaign are being tracked to establish directions for future campaigns and product offerings. It is important to note that much of the major tourism product within the Central Counties boundaries is located in York Region, and will naturally continue to be highlighted and showcased in the higher level marketing Central Counties is undertaking.

While full campaign results and website use statistics are not available until early 2012, Central counties staff advises that web visits have spiked in line with the marketing campaign efforts and the in-market dates corresponding to the various media employed. The recent test marketing was designed to drive URL recognition and site visits. Above average site visitation and launch date peaks have been strong indicators that test marketing tactics around awareness building are working to position the Central Counties brand. Time spent on the site has been tracking very well so far at over 3 minutes per unique visit, with multiple pages visited by most visitors. These are very positive indicators based on industry standards and the Region's experience.

While still early in their marketing efforts, staff believes that Central Counties is on the right track with their direction, and will continue to monitor results to ensure that Regional tourism product continues to be actively and properly showcased. The results of the Central Counties early program will be reported in the first quarter of 2012.

**The Region continues to participate actively in local tourism consumer marketing with an emphasis on partnered program delivery**

With respect to local consumer marketing, the Region continues to play an active role in partnership with various local providers. This includes:

- Transfer of the annual Discovery Guide to the York Region Media Group for production, advertising sales and delivery. York Region Media Group now owns the product, and the Region is a major sponsor of the new guide, now entitled “York Scene – York Region’s Discovery Guide”. The new guide continues to include local municipal profiles, and continues to serve as a vehicle for municipal and local business advertisements. York Scene also continues to contain the York Farm Fresh guide and map, 120,000 copies of the guide are printed and distributed annually as before.
- Collaboration with the York Region Media Group on the [www.yorktourism.ca](http://www.yorktourism.ca) website. The Region has transferred the hosting and support for the website to the York Region Media Group to take advantage of their expertise and multi-faceted marketing capabilities. The Region continues to receive 1,481 hits on this site
- Collaboration with the York Arts Council on a revised Arts Council website that has received Ministry of Tourism and Culture funding to provide arts, culture and tourism business listings on a municipality by municipality basis.
- Consolidation of the York Region Media Group, York Arts Council, and York Tourism Calendar of Events into one calendar that appears on each organization’s website, with event posters being directed from all three sites to York Region Media Group’s central calendars. York Region Media Group’s is much more robust in the extent and range of activities listed, containing 201 event and activity listings.
- Continuation of the delivery of four quarterly seasonal tourism electronic newsletters from the Region to consumers, highlighting at least one major event or activity in each of the nine municipalities. This newsletter is generated in-house and distributed to the Region’s contact list, with event listings being identified with the support of the local economic development offices across the Region.

**The Region will continue to work with Central Counties on several levels in 2012**

York Region will continue to partner with Central Counties in 2012 in several key areas, including:

- Board and advisory group participation; Regional staff sits as an advisor to the Central Counties Board of Directors, and is involved in assisting with their strategy and program development.
- Marketing support: Regional staff works with Central Counties staff to ensure that York Region tourism product is showcased by supporting their image bank development, and through identification of key attractions and activities for promotion.
- Meetings and Conventions and Sport Tourism development: these areas of product development are of significant interest to both the Region and Central Counties. Staff will be partnering with Central Counties on research and new initiatives that support these areas.
- Workforce development: this is also a common mandate of Central Counties and the Region and areas being explored will include sharing the Hospitality First tool created by York Region in 2010.

Staff will continue to develop and monitor these initiatives and partnerships to ensure the Tourism Industry continues to receive the support it needs.

Staff will also prepare regular updates to Committee on the program of Central Counties marketing, on joint product development initiatives, and on local consumer marketing activities and results.

### **Link to Key Council-approved Plans**

A significant number of businesses in York Region are engaged in whole or in part in tourism product and service delivery. Tourism related initiatives support the Corporate Strategic Plan section “Increase the Economic Vitality of the Region”, and in particular the jobs growth and number of small business start-ups indicators of success.

## **5. FINANCIAL IMPLICATIONS**

### **The creation of the Central Counties represents a redistribution of the funding for tourism initiatives**

The province has allocated \$40M in 2012 and 2013 to support the 13 RTOs.

In 2010/2011, Central Counties which covers three regions, received in excess of \$2.2M in funding to undertake tourism marketing and development activities, and will receive \$2.2M in 2011/2012 and \$2.2M in 2012/2013 from the \$40M total. When compared on a per capita basis to the \$300,000 plus received annually by the Region through the former Destination Marketing Fund, York Region is benefitting from an increased level of overall tourism marketing funding under the new RTO system. Staff will be monitoring results from Central Counties activities to compare with results under the previous system

to establish whether the new system is more or less effective than the old. This analysis will be reflected back to Central Counties through the Region's participation as advisors to the Board.

## **6. LOCAL MUNICIPAL IMPACT**

Tourism is an important sector to the economies of the municipalities within York Region. Central Counties will continue to develop higher order marketing for tourism product from across the Region and examine areas of product development such as Sport Tourism and Meetings and Conventions which support local economic growth. The Region will continue through its partnerships to support local tourism marketing. The Region has also initiated coordinated dialogue between the Region, the local municipalities and Central Counties to ensure alignment of priorities. This dialogue will continue through regular economic development partner meetings.

## **7. CONCLUSION**

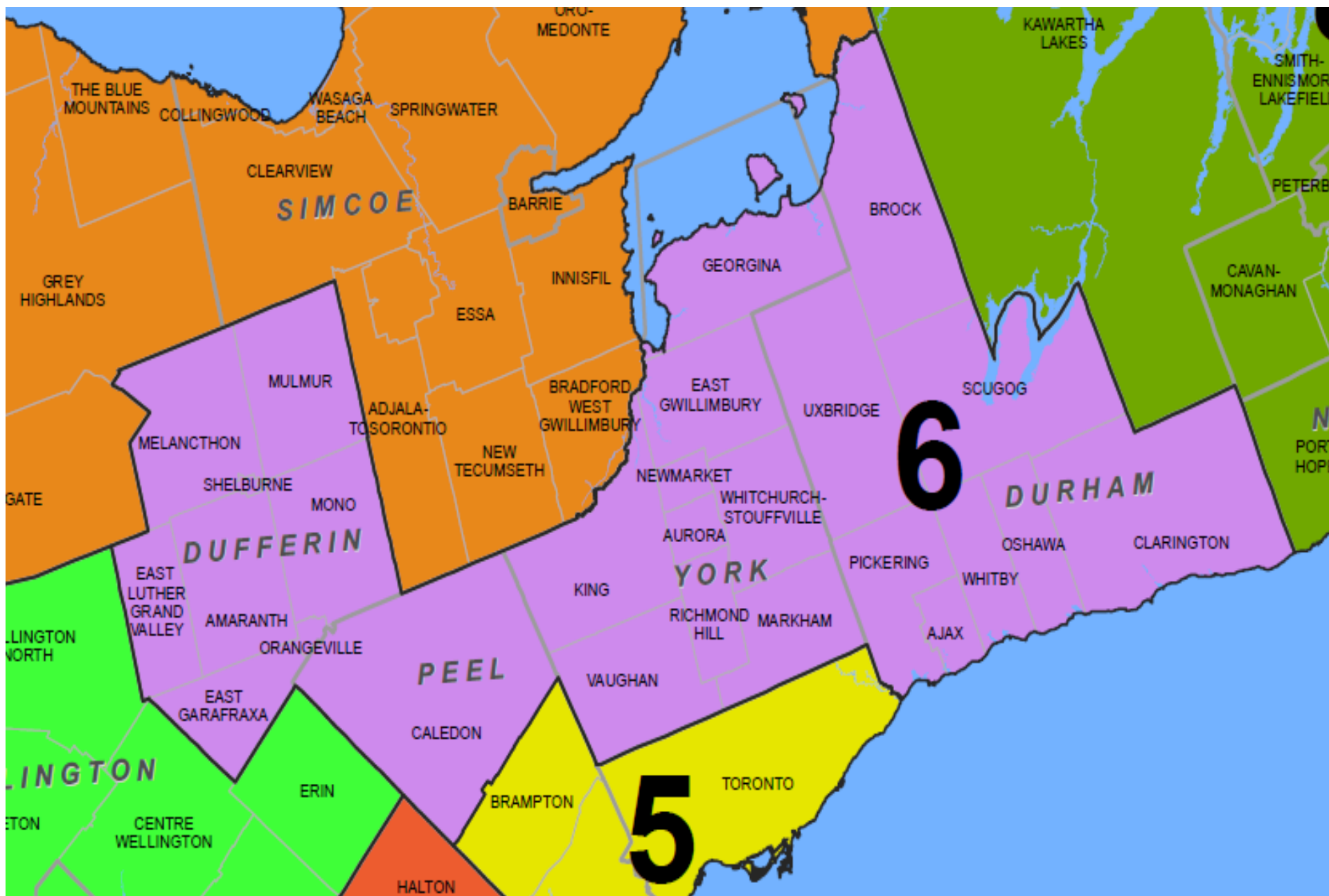
The creation of the Regional Tourism Organizations by the province in December of 2009 directly impacted on the funding, structure, and program development delivery of tourism activities in York Region. Central Counties, the Regional Tourism Organization representing York Region along with other jurisdictions, is now established as an organization and is beginning to make its mark on visitor attraction marketing efforts and research on tourism product development. York Region is represented on the Central Counties Board of Directors, and York Region tourism product is prominently showcased in Central Counties marketing activities.

The Region continues to support the Central Counties as they progress, as well as continue to support local tourism consumer marketing efforts through the development of new partnerships. The Region will also play a role in facilitating dialogue between Central Counties and local municipal economic development offices to facilitate alignment between all the parties in tourism marketing and product development.

For more information on this report, please contact Doug Lindeblom, Director, Economic Strategy at 905-830-4444, Ext. 1503.

The Senior Management Group has reviewed this report.

*(The two attachments referred to in this clause are attached to this report.)*



## Council Attachment 2: Central Counties Website Screen Shots



[HOME](#) [EVENTS](#) [SPECIAL OFFERS](#) [ABOUT US](#) [GOLF](#) [GREAT OUTDOORS](#) [UNIQUE CUISINE](#) [ARTS & HERITAGE](#)



**Taste inspired food created by chefs so intimately connected to this soil that they grow their own produce.**



### GOLF

Your passion for the game is reflected in our amazing selection of courses – over 300 – and world-class designs. With so many unforgettable fairways and greens, you'll always have lots to discuss in the clubhouse, late into the evening.

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### GREAT OUTDOORS

Push yourself to the limit in truly challenging terrain. Or just go for a walk through some of the most beautiful hills and forests in the province. With the most bike paths and trails in central Ontario, Central Counties has the outdoor experience you're seeking.

[LEARN MORE](#)



### UNIQUE CUISINE

Discover why some of Ontario's finest chefs work their magic here, as close as possible to this rich, fertile soil. When the ingredients are this delicious and fresh, the dining possibilities here are unlike those you'll find anywhere else.

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### ARTS & HERITAGE

With so many communities teeming with creativity, you're sure to unlock some of your own passion. Our working artists, craftspeople and writers are eager to share their work, their vision and their skills – surrounded by the beauty and history of countless heritage sites.

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### WHEN THE INGREDIENTS ARE THIS FRESH, THE MEALS ARE UNFORGETTABLE

The moment any fruit or vegetable is harvested – when a beet is pulled from the ground or an elderberry is picked – is when it offers the fullest flavour. That's why chefs (and smart diners) want to be as close as possible to where their ingredients come from.

Our growers and farmers are incredibly passionate about their produce, as you'll see at our many farmers' markets. And they've forged close bonds with our growing community of chefs – some of whom are even taking advantage of the rich soils and open spaces to plant their own produce. It's this amazing combination of culinary innovators, savvy growers and stunningly fresh ingredients that's making the Central Counties one of the best-kept dining secrets in the province.

### BOOK YOUR UNIQUE CUISINE EXPERIENCE

#### A Fall Culinary Getaway

Hockley Valley Resort  
Orangeville

From **\$148**  
per person  
per night

Introduce your taste buds to the Hockley Valley Resort's Garden-To-Table philosophy. Impeccably fresh and organic flavours await. After your meal, end your evening in one of the resort's deliciously warm beds and wake up to the delectable scents of a freshly made breakfast. Stay the night and you'll get \$25 off your next (dare we say it?) inevitable visit.

[SEE DETAILS](#)

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#### B For Culinary Connoisseurs Only

Millcroft Inn  
Caledon

From **\$180**  
per person  
per night

Delight your refined palate with the award-winning cuisine of chef Jill St. Amour. This package includes an overnight stay in a pleasant

