



MEMBER RELEASE

UBCM Response to DMO/AHRT Green Paper

To: Administrators of local governments currently receiving AHRT
From: Gary MacIsaac, Executive Director
Date: January 6, 2010

On January 4, 2010, UBCM staff reviewed the *Green Paper on BC's Destination Marketing Network: Funding & Structure* prepared by the Ministry of Tourism, Culture & the Arts. In general, we felt the Additional Hotel Room Tax (AHRT) mechanism described in the Green Paper demonstrates a commitment to retaining the voice of local government in local tourism marketing delivery.

The paper provides clear direction that the intent is to continue the AHRT as a tax that is, at least in the immediate future, collected locally through eligible accommodations, remitted from the Ministry of Finance to local governments and available to support local destination marketing organizations (DMOs) to effectively market their area or specific tourism product. As outlined in our previous submission to the Ministry of Finance, we believe the continued involvement of local government helps to ensure the AHRT is an accountable process and we were pleased to see this echoed in the Green Paper.

However, we do have concerns about the level of local government involvement in the consultation process to date as well as concerns about a number of the enhancements that have been proposed in the Green Paper. These include:

- Inclusion of guiding principles that appear to have been brainstormed for the overall structure and funding of the DMO Network in BC – and not specifically for the application of the AHRT or community DMOs;
- The apparent desire to encourage local governments to designate an eligible entity and to move towards more regionalized tourism marketing;
- Removal of grandfathered status for communities that are not currently required to renew their AHRT application, and;
- Creation of thresholds for administrative costs.

As you may know, a forum has been planned for January 6, 2010. Due to the late notice of this meeting, UBCM staff are not able to attend. We have however requested a subsequent meeting with the Ministry of Tourism, Culture & the Arts.

The Ministry has stated that they are required to submit their recommendations to the Minister of Finance by January 15, 2010. If you have not done so already, we would encourage you to review the Green Paper and submit comments directly to the Minister of Finance and the Minister of Tourism, Culture & the Arts.

Please copy your comments to UBCM to help staff continue to work with the Ministry of Finance to develop a solution that recognizes and values the important role local governments play in local tourism marketing.

For more information or to submit comments or feedback, please contact:

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