

Committee of the Whole (2) Report

DATE: Tuesday, September 19, 2023

WARD(S): ALL

TITLE: TOURISM VAUGHAN CORPORATION – 2022 YEAR IN REVIEW

FROM:

Nick Spensieri, City Manager

ACTION: DECISION

Purpose

This report provides an update on key accomplishments from the programs and initiatives undertaken this past year by the Tourism Vaughan Corporation.

Report Highlights

- The Tourism Vaughan Corporation continues to champion Vaughan as a premier overnight destination for leisure, sport and business travelers, undertaking initiatives to assist in rebuilding Vaughan's tourism industry.
- In 2022, the Tourism Vaughan Corporation progressed on key initiatives in each of the five strategic priorities, as outlined in the Vaughan Destination Master Plan: governance and city policy framework; product development; partnerships; marketing and communications; and research and data analysis.
- Vaughan's tourism sector continues in its recovery from the COVID-19 pandemic, with the labour market shortage being a top concern for future growth. However, the demand for tourism has been increasing: strong growth in Q2 and Q3 2022 led to an annual accommodations occupancy rate of 73.8 per cent, meeting 2019's pre-pandemic level. It is expected that 2023 will perform greater than 2022.
- The Tourism Vaughan Corporation Year in Review report provides a snapshot of upcoming projects that will contribute to the city's environmental and social vitality and its overall sustainability to advance Vaughan's position within the tourism landscape in 2023.

Recommendations

1. THAT physical/digital copies of the Tourism Vaughan Corporation – 2022 Year in Review be distributed to Members of Parliament, Members of Provincial Parliament, local and regional partners, including the Tourism Vaughan Corporation, the Tourism Vaughan Advisory Committee Members, and all other relevant organizations/individuals; and
2. THAT the Office of Communications and Economic Development and Tourism Vaughan Corporation be authorized to communicate the content of this report and its attachment across City channels where appropriate.

Background

Economic Development works to profile and support Vaughan’s transformative, ambitious and purpose-driven economy to make Vaughan a place where entrepreneurship, business, tourism, and art can prosper and grow.

Vaughan is **Transformative**. Our economy and business community continue to change the way business is done. The Economic Development department enables transformative projects.

Vaughan is **Ambitious**. The City of Vaughan undertakes world-class projects that elevate opportunities for our talent and businesses that strive to lead their industries.

Vaughan is **Purpose-Driven**. The City of Vaughan is proud to lead a community that is dedicated to doing business with purpose. Our community works to build Vaughan as a vibrant and inclusive community where all can prosper.

The Tourism Vaughan Corporation (TVC) is Vaughan’s destination marketing and development organization (DMO) with the mission to develop and promote Vaughan as a tourist destination for visitors and business travelers.

To achieve these goals, the TVC’s plan and budget utilize 50 per cent of the revenues generated by the Vaughan Municipal Accommodation Tax (MAT) pursuant to By-law 029-2019.

The TVC began operations in Q4 of 2019.

As a municipal services corporation, the TVC is operated by city staff within the City of Vaughan's Economic Development Department in the Office of Communications and Economic Development (City Manager's Office).

The TVC is guided by the following Council-approved initiatives:

- The City of Vaughan's Term of Council Strategic Plan
- The 2020-2023 Economic Development (ED) Strategic Business Plan
- The Vaughan Business Resilience Plan - an addendum to ED's existing business plan because of the COVID-19 pandemic to build readiness, resourcefulness, and resilience into Vaughan's business community, inclusive of the tourism sector.
- The Vaughan Destination Master Plan
- Advantage Vaughan – Phase 3 of the City's Economic Development response to the pandemic

The Council-approved Vaughan Destination Master Plan (VDMP) lays out a comprehensive plan for the development of Vaughan's tourism-related industry cluster and serves as the basis for the TVC Action Plan.

In October 2021, the VDMP was approved by Council. The VDMP sets out a strong organizational foundation to guide industry partners and municipal investment and to develop Vaughan as a premier destination over the next five years. It recommends specific action items to enhance visitor attraction, infrastructure, physical assets, and visitor experience programs and services.

The plan identifies five strategic priorities upon which the Tourism Vaughan Action Plan has been developed:

1. governance and city policy framework;
2. product development;
3. partnerships;
4. marketing and communications; and
5. research and data analysis.

Previous Reports/Authority

[Committee of the Whole \(2\) Report Extract – Tourism Vaughan 2022 Business Plan and Budget \(March 8, 2022\)](#)

[Committee of the Whole \(2\) Report Extract - Vaughan Destination Master Plan \(October 13, 2021\)](#)

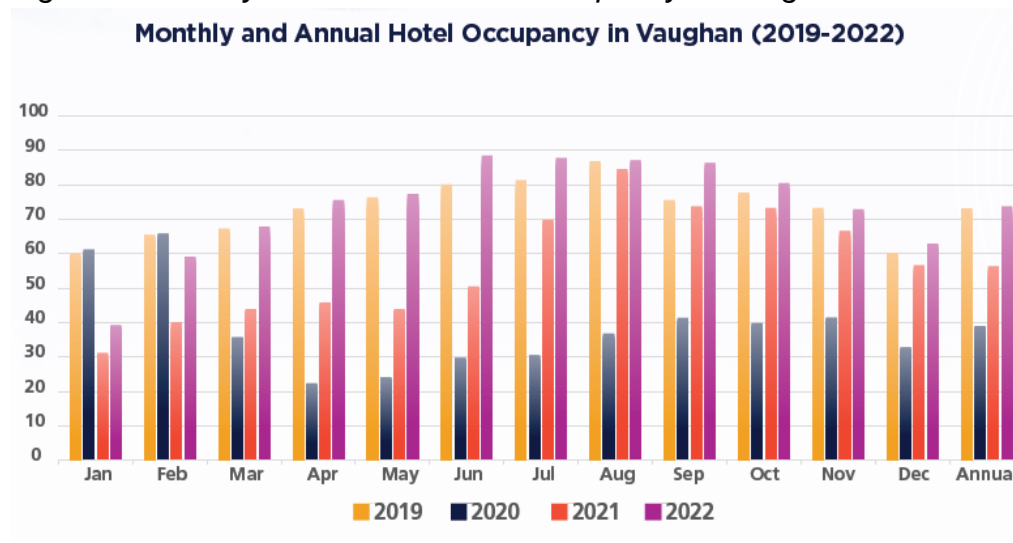
Analysis and Options

Vaughan’s tourism outlook shows solid growth since the COVID-19 pandemic. While growth trajectories vary by industry within the tourism sector, overall health is increasing.

Labour shortages and pandemic-related debt hamper the growth of new tourism attractions and offerings¹. However, with demand continuing to rise – specifically seen in Q2 and Q3 of 2022 – it is projected that Vaughan’s tourism sector will further grow in 2023.

In 2022, the annual accommodations occupancy rate was 73.8 per cent, meeting 2019’s pre-pandemic level of 73.2 per cent. For comparative purposes, this same rate was 56.4 per cent in 2021 and at 39.0 per cent in 2020 when the pandemic first hit. The equalizing of this rate from pre-pandemic to now showcases the resiliency of Vaughan’s tourism economy and shows promise for its continued growth.

Figure 1: Monthly and Annual Hotel Occupancy in Vaughan



¹ Tourism Vaughan conducted over 20 corporate calls in 2022; see labour shortage reports from Tourism HR Canada [1](#), [2](#), [3](#), and [4](#).

In 2022, the Tourism Vaughan Corporation has made progress in each of the five strategic priorities: governance and city policy framework; product development; partnerships; marketing and communications; and research and data analysis.

Some highlights from 2022 include:

- Launched the Tourism Innovation Lab in Vaughan, the first time this unique program has been offered anywhere in the Greater Toronto Area to encourage new and innovative tourism concepts through a pitch competition
- Successfully awarded \$100,000 grant from Central Counties Tourism under FedDev Ontario’s Tourism Relief Fund to deliver on the Better Your Business Tourism Diversity program
- Supported more than 70 events, activations and festivals to drive visitation, including Luminato, Road Hockey to Conquer Cancer, the Vaughan Latin Festival and the Toyota National Canada Soccer Tournament
- Supported the Vaughan opening of Canada’s first avid hotel with 119 guest rooms (IHG brand) (6800 Hwy 7), increasing Vaughan’s accommodation count to 16 and accommodation rooms to 1,955
- Hosted Canada Soccer National Championships 2022, which generated over \$430,000 in GDP for Ontario
- The 2022 year-end actual MAT collections were \$2,834,266 compared to a budgeted projection of \$2,336,000

2022 Key Accomplishments	
Governance and City Policy Framework	<ul style="list-style-type: none"> • Established a Tourism Vaughan Advisory Committee (TVAC) consisting of tourism operators and key stakeholders to use as a regular feedback loop for TVC, the TVC Board, and to deepen local industry connections • As directed by Council, appointed two industry representatives from the TVAC to the TVC Board • Worked with Economic Development to identify MAT opportunities • Published VDMP to guide the sector’s development
Product Development	<ul style="list-style-type: none"> • Launched the Tourism Innovation Lab in Vaughan, the first time this unique program has been offered anywhere in the GTA to encourage new and innovative tourism concepts through a pitch competition • Successfully awarded \$100,000 grant from Central Counties Tourism under FedDev Ontario’s Tourism Relief Fund to

	<p>deliver on the Better Your Business Tourism Diversity program</p> <ul style="list-style-type: none"> • Supported more than 70 events, activations and festivals to drive visitation, including Luminato, Road Hockey to Conquer Cancer, the Vaughan Latin Festival and the Toyota National Canada Soccer Tournament • Supported applications to FedDev Ontario's Tourism Relief Fund from the Vaughan Chamber of Commerce and the City's Cultural Heritage department • Supported the Vaughan opening of Canada's first avid hotel with 119 guest rooms (IHG brand) (6800 Hwy 7), increasing Vaughan's accommodation count to 16 and accommodation rooms to 1,955. Two additional hotels are in the planning pipeline, with more to come as development finalizes • Launched Phase 2 of the Cultural Arts Centre Project • Continuation of Safe Travels and P.O.S.T. Promise in Vaughan with 200+ businesses to date (combined) • Hosted Canada Soccer National Championships 2022, which generated over \$430,000 in GDP for Ontario
Partnerships	<ul style="list-style-type: none"> • Conducted accommodation site visits to refresh content on HostInVaughan.ca and deepen stakeholder partnerships • Partnered on key tourism-driving campaigns, showcasing the Staycation Tax Credit program in 2022 • Hosted in partnership with the Vaughan Film Festival a Familiarization Tour for film industry representatives • Supported Vaughan Chamber of Commerce's #SupportVaughanLocal campaign, which achieved over 10 million impressions from its strategic marketing plan • Secured \$100,000 Tourism Relief Fund grant from FedDev Ontario through Central Counties Tourism
Marketing and Communications	<ul style="list-style-type: none"> • Launched a new Economic Development Communications Business Unit to increase marketing and communications • Advertised with sport and meeting professionals industry associations to attract business and sports activities • Executed on seasonal visitor campaigns for Summer, Fall and Winter/shoulder season • Represented the City and TVC on the Kleinburg Business Improvement Area • VDMP identified value propositions and target markets

Research and Data Analysis	<ul style="list-style-type: none"> • Renewed data agreement with Central Counties Tourism to understand visitation, with reports detailing 2019 and 2021 visitor profiles to leverage for greater ROI in future marketing campaigns • Assigned Economic Development Research and Intelligence Staff to support • Ongoing monitoring of occupancy data for accommodations, in which the annual occupancy percentage rose to 73.8 per cent compared to 56.4 per cent in 2021 and 39.0 per cent in 2020² • The 2022 year-end actual MAT collections were \$2,834,266 compared to a budgeted projection of \$2,336,000 • Shared and leveraged online databases like SupportVaughanLocal and yorkdurhamheadwaters.ca
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2023 Progress Update

In 2023, the Tourism Vaughan Corporation is dedicated to contributing towards Vaughan’s environmental and social vitality, and its overall sustainability through key initiatives under the outlined five strategic priorities.

Highlights include:

- Introducing a Tourism Festival and Sports Events hosting grant and partnership funding program in preparation for the 2024 Summer events season
- Supporting events, activations and festivals being hosted in Vaughan, with an expected record number of more than 80 events assisted
- Relaunching the social media channel @visitvaughan for Instagram

2023 Key Activities	
Governance and City Policy Framework	<ul style="list-style-type: none"> • Board presentations starting in March from Industry Associations to educate staff, Board, and TVAC • City-Wide Events Strategy participation from TVC President and Staff including By-law and policy review
Product Development	<ul style="list-style-type: none"> • Continue to provide seminars to local businesses to position them better to compete • Support marquee amateur sports events with local clubs (soccer, curling), such as the Islamic Games and the Umbro

² Central Counties Tourism, *Vaughan Monthly Hotel Data Report 2019 - 2022*

	<p>Showcase, whom Tourism Vaughan has had initial conversations with</p> <ul style="list-style-type: none"> • Support events, activations and festivals being hosted in Vaughan, with an expected record number of more than 80 events assisted • Introduce a Tourism Festival and Sports Events hosting grant and partnership funding program in preparation for the 2024 Summer events season • Support tourism operators creating new or enhanced inclusive (DEI-focused) product and service offerings with the Better Your Business: Tourism Diversity program • Continue to work with the Tourism Innovation Lab to create opportunity for new or startup tourism activations within the city
Partnerships	<ul style="list-style-type: none"> • Work with Central Counties Tourism (CCT) as a Platinum Sponsor for the Annual Industry Symposium • Invite key partners including Central Counties Tourism, York Region Arts Council and the Vaughan Attractions Council to Board meetings • Support marquee amateur sports events with local clubs (soccer, curling) • Launch a Vaughan module of the CCT Ambassador Program • Attend key tourism and tourism-adjacent conferences, seminars and summits to increase Tourism Vaughan's visibility locally and nationally
Marketing and Communications	<ul style="list-style-type: none"> • Develop business communications toolkits for operators, accommodations, and small businesses • Refresh HostInVaughan.ca and work to relaunch visitvaughan.ca • Relaunch the social media channel @visitvaughan for Instagram • Invite key partners including Central Counties Tourism, York Region Arts Council and the Vaughan Attractions Council to Board meetings • Explore opportunities to customize Vaughan landing pages on platforms like Expedia, TripAdvisor, etc. • Work with key regional and provincial tourism organizations to promote Vaughan as an overnight destination

<p>Research and Data Analysis</p>	<ul style="list-style-type: none"> • Use 2021 Census to drive insight • Secure York Region Employment Survey for 2024 • Utilize 2019 to 2022 Environics research provided through Central Counties Tourism (pre-pandemic and pandemic recovery stages) • Develop and deliver ongoing insight on the industry • Continue to monitor occupancy data for accommodations, in which as of June 2023, Vaughan’s YTD occupancy rate is 76.7 per cent, compared to 68 per cent in 2022 and 43.6 per cent in 2021³ • Deliver an annual Year in Review in Q3 2023
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Financial Impact

None

Operational Impact

None

Broader Regional Impacts/Considerations

The Tourism Vaughan Corporation - 2022 Year in Review complements communications and outreach strategies to help raise the profile of Vaughan’s economy. A copy of the publication will be uploaded on vaughanbusiness.ca and distributed to critical local/regional partners and stakeholders, such as Central Counties Tourism (Regional Tourism Organization 6), York Region Arts Council, Destination Ontario, Destination Canada, ministries, local and regional stakeholders, and prospective tourism activation opportunities. Sharing this publication with key stakeholders will help raise Tourism Vaughan’s and the City’s profile, attract new partners and investments, and support the expansion of the local tourism community.

Conclusion

The Tourism Vaughan Corporation continues to champion Vaughan as a premier overnight destination for leisure, sport and business travelers. In 2022, TVC worked directly on initiatives to assist in rebuilding Vaughan’s tourism industry, with a focus on generating overnight visitors and collaborating with operators to enhance product and

³ Central Counties Tourism, *Vaughan Monthly Hotel Data Report June 2023*

service offerings. Staff recommend that Committee receive this TVC report outlining the achievement to date as information.

For more information, please contact Don De Los Santos, Manager, Economic Services, ext. 8874.

Attachments

1. Tourism Vaughan Corporation – 2022 Year in Review, Economic Development, Sept. 19, 2023

Prepared by

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Approved by

A handwritten signature in black ink, appearing to read 'Nick Spensieri', with a long horizontal line extending to the right.

Nick Spensieri, City Manager