

## Committee of the Whole (2) Report

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**DATE:** Tuesday, June 18, 2024

**WARD(S):** ALL

**TITLE:** TOURISM VAUGHAN CORPORATION – 2023 YEAR IN REVIEW

**FROM:**

Nick Spensieri, City Manager

**ACTION:** FOR INFORMATION

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**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 2023, 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 experienced substantial growth in 2023, reflected in the 2023 annual accommodation occupancy rate of 80.0 per cent when compared to 73.8 per cent in 2022.
- The Tourism Vaughan Corporation Year in Review report provides a snapshot of upcoming projects that will prepare Vaughan’s tourism industry for continued growth throughout 2024 in a sustainable, collaborative way.

**Recommendations**

1. THAT the Tourism Vaughan Corporation – 2023 Year in Review is received for information.

## **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 2023 Business Plan and Budget \(March 8, 2023\)](#)

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

[City of Vaughan By-Law 029-2019 - Municipal Accommodation Tax](#)

[Committee of the Whole \(2\) Report Extract – Strategic Business Plan for Economic and Cultural Development, 2020-2023 \(September 24, 2019\)](#)

[Committee of the Whole \(2\) Report Extract – Tourism Vaughan Corporation – 2022 Year in Review \(September 19, 2023\)](#)

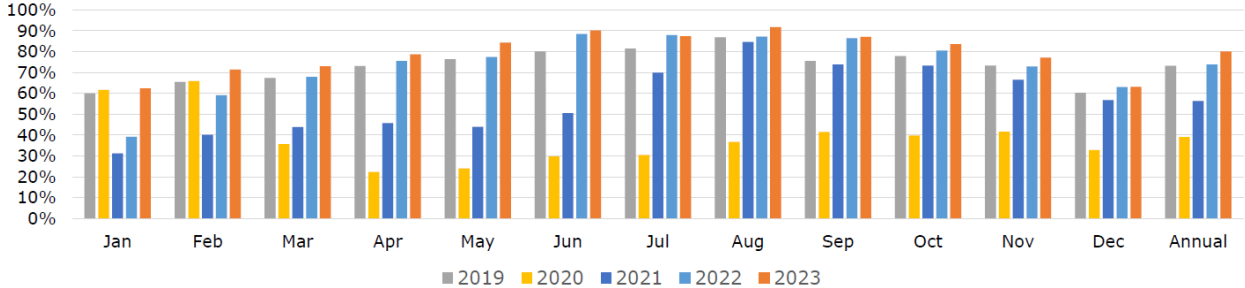
### **Analysis and Options**

***Vaughan’s tourism outlook shows steady year-over-year growth, succeeding pre-pandemic (2019) levels. Many industries within the tourism sector have seen full visitation recovery, and even exceeded their previous visitation history; however, other industries such as food and beverage and retail continue to struggle to return to pre-pandemic levels.***

The growing demand for tourism and travel has brought back much-needed visitation, as seen by the record-breaking 2023 accommodations occupancy rate in Vaughan since the implementation of the Municipal Accommodations Tax. This increased demand has put pressure on tourism businesses and organizations to operate with the expectation of high service quality while facing staff shortages, a skills gap, pandemic-related debt and higher operational costs<sup>1</sup>. With inflation increasing, these challenges become an increasing concern for 2024. Despite such challenges, the vitality and resiliency of Vaughan’s tourism industry remains positive and shows signs for continued growth in 2024.

In 2023, the annual accommodations occupancy rate was 80.0 per cent, 6.2 percentage points higher than the 2022 occupancy rate<sup>2</sup>. The substantial increase reinforces the understanding that people wish to travel and participate in tourism activities more now than even before the pandemic. This growth, however, must still be considered alongside the increased challenges tourism businesses and organizations face in meeting these demands<sup>3</sup>. While tourism is still expected to be a growth driver for Vaughan in 2024, the growth rate will not be as significant as the one seen between 2022-2023.

Figure 1: Monthly and Annual Hotel Occupancy in Vaughan



***In 2023, 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 2023 include:

- Supported 157 events, activations and festivals, 10 business conferences, 4 sports tournaments and hosted 4 familiarization tours, including the Sugarbush

<sup>1</sup> Tourism SkillsNet Ontario, *Workforce Issues, Opportunities and Impact, 3<sup>rd</sup> Edition, January 2024*

<sup>2</sup> Central Counties Tourism, *Hotel Data Report December 2023*

<sup>3</sup> Tourism SkillsNet Ontario, *Workforce Issues, Opportunities and Impact, 3<sup>rd</sup> Edition, January 2024*

Maple Syrup Festival, the Vaughan International Film Festival, Road Hockey to Conquer Cancer, and the Vaughan Latin Festival

- Launched the second iteration of the Vaughan “Spark” Mentorships and Grants program, in partnerships with the Tourism Innovation Lab, to encourage new and innovative tourism concepts with mentorships, \$3,000 of grant funding and business support
- Executed three seasonal marketing campaigns to drive leisure visitation using owned channels, social, digital, television, out-of-home and print ads for a total of 9.6M+ impressions
- Hosted the first ever Tourism Vaughan industry networking event, in partnership with Central Counties Tourism, with over 55 participants
- Relunched Tourism Vaughan’s Instagram channel, @visitvaughan with 236 social posts, creating over 115,000 organic impressions and reaching over 80,000 users
- Won Gold for the Internet & New Media Award at the IEDC Excellence in Economic Development Awards with the HostinVaughan.ca Microsite
- Won for Best Recovery Project/Plan at the EDAC Marketing Canada Awards for the Better Your Business: Tourism Diversity Program
- The 2023 year-end actual MAT collections were \$3,729,360 compared to a budgeted projection of \$2,668,904

<b>2023 Key Accomplishments</b>	
Governance and City Policy Framework	<ul style="list-style-type: none"> <li>• Actively worked with and received feedback and insights from the Tourism Vaughan Advisory Committee (TVAC) consisting of tourism operators and key stakeholders to deepen local industry connections and to review key strategic priorities, such as the Host in Vaughan Grant</li> <li>• Provided the TVC Board with presentations from industry associations and key partners to educate staff, the Board and the TVAC</li> <li>• Participated in the City-wide Events Strategy, including Bylaw and policy review</li> <li>• Worked with Economic Development to identify MAT opportunities</li> <li>• Hired a Tourism Development Coordinator position</li> </ul>
Product Development	<ul style="list-style-type: none"> <li>• Launched the second iteration of the Tourism Innovation Lab’s Vaughan “Spark” Mentorships and Grants program</li> </ul>

	<p>to encourage new and innovative tourism concepts through a pitch competition</p> <ul style="list-style-type: none"> <li>• Completed delivery of the Better Your Business: Tourism Diversity program to expand and enhance tourism products, services and experiences (Winner: 2023 EDAC Marketing Excellence Award)</li> <li>• Provided a Vaughan-specific module on Central Counties Tourism’s tourism ambassador program through The Learning Lab</li> <li>• Supported 157 events, activations and festivals, 10 business conferences, 4 sports tournaments and successfully serviced 4 familiarization tours to drive tourist activity to the city</li> <li>• Progressed on the development of the Host in Vaughan Grant in preparation for the 2024 Summer events season with input from TVAC and the Bylaw, Legal, Diversity and Inclusion, and Recreation departments</li> <li>• Provided seminars to local businesses to position them to better compete and draw tourist visitation</li> </ul>
Partnerships	<ul style="list-style-type: none"> <li>• Conducted accommodations site visits, as well as sport venue site visits, to refresh content on HostInVaughan.ca and deepen stakeholder partnerships</li> <li>• Attended 16 tradeshow and conferences to drive lead generation and strengthen Vaughan’s brand awareness within industry</li> <li>• Hosted and participated, in partnership with the Vaughan Film Festival, two familiarization tours for film industry representatives</li> <li>• Engaged in local, regional and provincial industry meetings to further advance tourism</li> <li>• Actively shared 96 news items through the Tourism B2B newsletter from industry stakeholders</li> <li>• Participated in a familiarization tour with Central Counties Tourism to bring travel writers to Vaughan and other areas of York, Durham and Headwaters</li> <li>• Hosted the first-ever Tourism Vaughan industry networking event, in partnership with Central Counties Tourism, to connect industry stakeholders with over 55+ individuals in attendance</li> </ul>

<p>Marketing and Communications</p>	<ul style="list-style-type: none"> <li>• Executed three seasonal marketing campaigns to drive leisure visitation using owned channels, social, digital, television, out-of-home and print ads for a total of 9.6M+ impressions</li> <li>• Launched year-long advertising targeted towards meeting planners, business event planners and sporting tournament organizers to enhance <a href="http://hostinvaughan.ca">hostinvaughan.ca</a> (Winner: 2023 IEDC Gold Award for Special Purpose Website)</li> <li>• Established the Vaughan Events at a Glance document for local accommodations, shared with the TVC Board and the TVAC</li> <li>• Relaunched Tourism Vaughan’s Instagram channel, @visitvaughan with 236 social posts, creating over 115,000 organic impressions and reaching over 80,000 users</li> <li>• Represented the City and TVC on the Kleinburg Business Improvement Area</li> </ul>
<p>Research and Data Analysis</p>	<ul style="list-style-type: none"> <li>• Renewed data agreement with Central Counties to understand visitation</li> <li>• Assigned Economic Development Research and Intelligence Staff to support</li> <li>• Ongoing monitoring of occupancy data for accommodations, in which the annual occupancy rate rose to 80.0 per cent in 2023 compared to 73.8 per cent in 2022<sup>4</sup></li> <li>• Shared and leveraged the <a href="http://yorkdurhamheadwaters.ca">yorkdurhamheadwaters.ca</a> online database with Central Counties Tourism</li> <li>• MAT collection at year-end in 2023 was \$3,729,360, with the Tourism Vaughan portion of this revenue at 50 per cent or \$1,864,680</li> </ul>

**2024 Progress Update**

In 2024, the Tourism Vaughan Corporation is focused on preparing Vaughan’s tourism industry for continued growth in a sustainable, collaborative way through key initiatives under the outlined five strategic priorities.

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<sup>4</sup> Central Counties Tourism, *Hotel Data Report December 2023*

Highlights include:

- Introducing the Host in Vaughan grant – a hosting grant and partnership funding program for sports tournaments, business conferences, partnerships, major festivals and events and community activations – in preparation for the 2024 Summer events season
- Supporting events, business conferences, sports tournaments and familiarization tours being hosted in Vaughan, with an expected record number of more than 180 events assisted
- Developing and providing accommodations, attractions and information travel offices with a consumer-facing map with key tourism elements in Vaughan
- Working with Central Counties Tourism as a Platinum Sponsor for the Annual Industry Symposium and securing Vaughan as the 2025 Symposium location
- Exhibiting and participating in Provincial and National trade shows and events through collaboration with industry stakeholders, such as OMCA, CSE Live, GBTA and CMEE

<b>2024 Key Activities</b>	
Governance and City Policy Framework	<ul style="list-style-type: none"> <li>• Board presentations continuing in 2024 through 2026 from industry associations to educate staff, Board, and TVAC</li> <li>• Continue to receive feedback and insights from the TVAC for key strategic priorities, such as the Host in Vaughan Grant, and a tourism servicing portal</li> <li>• Engage with Bylaw and Permits as necessary for tourism-related items</li> </ul>
Product Development	<ul style="list-style-type: none"> <li>• Support festivals, events, conferences, marquee amateur sports events with local clubs, and submit bids to host future tourism-driving activations</li> <li>• Launch the Host in Vaughan Grant in preparation for the 2024 Summer events season (\$230,000 initial year funding envelope)</li> <li>• Deliver the second iterations of both the Tourism Innovation Lab’s Vaughan “Spark” Mentorships and Grants Program and the Better Your Business: Tourism Diversity Program</li> <li>• Develop and launch a Tourism Servicing Portal to enhance the benefit of selecting Vaughan as a host destination for festivals, events, conferences and sporting tournaments</li> </ul>



	<ul style="list-style-type: none"> <li>• Develop and provide accommodations, attractions and information travel offices with a consumer-facing map with key tourism elements in Vaughan</li> <li>• Explore a Vaughan City Pass option for leisure, conferences, sports, and special events</li> </ul>
Partnerships	<ul style="list-style-type: none"> <li>• Create a dedicated landing page on visitvaughan.ca for Stay and Play packages with local accommodations, attractions and event partners</li> <li>• Establish regular meetings with local attractions and family entertainment centres to broaden in-market offerings</li> <li>• Continue networking series of events to connect industry stakeholders</li> <li>• Participate in local, sector-specific meetings within tourism and hospitality to further advance Vaughan’s positioning as a premier destination and align strategic planning</li> <li>• Continue to conduct accommodation and sporting venue site visits to deepen stakeholder partnerships</li> <li>• Work with Central Counties Tourism as a Platinum Sponsor for the Annual Industry Symposium and secure Vaughan as the 2025 Symposium location</li> </ul>
Marketing and Communications	<ul style="list-style-type: none"> <li>• Relaunch visitvaughan.ca and explore the opportunity to expand the hostinvaughan.ca website</li> <li>• Launch custom Vaughan landing pages and targeted marketing campaigns with platforms like Expedia, TripAdvisor, etc.</li> <li>• Relaunch the Taste in Vaughan culinary campaign, and execute seasonal marketing campaigns to promote leisure travel</li> <li>• Execute marketing campaigns that focus on increasing business events and conferences and sports tournaments</li> <li>• Explore opportunity for a ‘visit your neighbour’ program with transit/subway-adjacent accommodations in Toronto</li> <li>• Exhibit and participate in Provincial and National trade shows and events through collaboration with industry stakeholders, such as OMCA, CSE Live, GBTA and CMEE</li> </ul>

<p>Research and Data Analysis</p>	<ul style="list-style-type: none"> <li>• Use 2021 Census and the 2024 York Region Employment Survey to drive insight</li> <li>• Utilize 2022 and 2023 Environics research provided through Central Counties Tourism to assess the drivers of tourism post-pandemic</li> <li>• Develop and deliver ongoing insight on the industry</li> <li>• Continue to monitor occupancy data for accommodations, in which as of April 2024, Vaughan’s YTD occupancy rate is 74.7 per cent, compared to 71.4 per cent in 2023<sup>5</sup></li> <li>• Deliver an annual Year in Review in Q2 2024</li> <li>• Hire a Tourism Development Coordinator to support Research and Analytics functions</li> </ul>
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**Financial Impact**

None.

**Operational Impact**

None.

**Broader Regional Impacts/Considerations**

The Tourism Vaughan Corporation - 2023 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 2023, TVC significantly increased its event servicing, marketing campaigns and destination development programs to prepare Vaughan’s tourism industry for continued, sustainable growth in

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<sup>5</sup> Central Counties Tourism, *Hotel Data Report April 2024*

2024 and beyond. 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 – 2023 Year in Review, Economic Development, June 18, 2024

### **Prepared by**

Ashley Angeloni, Tourism Development Officer, ext. 8367