Date: October 22, 2019

To: Members of Council

From: Sharon Wilcox, Tourism & Culture Officer, Economic Development

Subject: Caledon Tourism Update

INTRODUCTION

The purpose of this memo is to provide Council with an update as it pertains to Caledon’s tourism environment.

The Town of Caledon has two regional tourism partners: Headwaters Tourism (the DMO – Destination Marketing Organization) and Central Counties Tourism (RTO 6 – Regional Tourism Organization). Headwaters Tourism’s area covers Dufferin County, Caledon and Erin and Central Counties Tourism’s area covers Headwaters Region, York Region and Durham Region.

Headwaters Tourism is funded by five municipalities through Municipal Service Agreements, with the Town of Caledon and Dufferin County contributing the majority of the Headwaters operating funds. The Town of Caledon’s latest agreement ran for the period of January 1, 2015 to December 31, 2019 with a 2019 contribution of $93,947.

Central Counties Tourism is funded in part by the Province of Ontario. Their funding was reduced by 22% (approx. $500,000) in 2019.

In May of 2019, the Town of Caledon informed Headwaters Tourism that the Town needed to terminate the Municipal Agreement in order to enter into a new agreement. This necessity was due to a clause in the existing agreement that required six months’ notice to prevent automatic renewal of the present agreement for a four-year term. A Letter of Intention was provided to Headwaters Tourism on June 14, 2019.

In June of 2019, Headwaters Tourism encountered administrative changes and challenges that resulted in a re-evaluation process to determine how it would move forward. Over the past few months, the 2019 Headwaters Visitor Guide was cancelled, and all full-time staff let go. The Chair and Vice-Chair of the board stepped down and a new Chair and Vice-Chair elected. Presently Headwaters Tourism’s Action Plan is on hold. One part-time staff person is in place to maintain their website and social media presence.

On September 12, 2019, Dufferin County Council approved a report recommending that Dufferin County not renew the Headwaters Tourism Agreement and that staff explore alternate options and delivery methods for tourism services.
Through the 2020 budget process, staff will redirect the funds previously allocated to Headwaters Tourism to ensure support of Caledon’s tourism businesses.

BACKGROUND

The diagram below shows the relationships and financial support between Caledon and the province and area tourism authorities.

Caledon has two regional destination partners: Headwaters Tourism and Central Counties Tourism (Regional Tourism Organization - RTO 6). These organizations provide products and services that the Town leverages for promotion and product development.

**Headwaters Tourism**

Headwaters Tourism promotes and works with tourism operators in the Headwaters Region, consisting of Dufferin, Caledon and Erin. They accomplish this through their:

- Visitor Website
- Business to Business (B2B) Website
- Annual Print magazine
- Social Media (Instagram, Facebook and YouTube channel)
- Other Partnership Opportunities
Caledon has been a partner with Headwaters Tourism for 25 years, dedicating $93,947 in 2019 towards the efforts of Headwaters Tourism to assist with promoting Caledon’s tourism assets. Headwaters Tourism also obtains funding from RTO 6 for special projects.

**Central Counties Tourism**

Central Counties Tourism (CCT) is Caledon’s Regional Tourism Organization (RTO). CCT promotes and supports key tourism ready operators within the regions of York, Durham and Headwaters. This is accomplished through their:

- Digital Assets (Consumer Website, Blog, Social Media)
- Business to Business (B2B) Website and Online Resources
- B2B Industry Events (Symposium and other networking events)
- Visitor research
- Environics Analysis Packages for Events
- Image Bank
- Sport Tourism and Conference Location Promotion
- Newspaper Supplements (eg. Ultimate Summer Road Trip)
- Developed Product (eg. Headwaters Cheers to Craft Trail)
- Project Funding
  - The organization has in the recent past financially supported Caledon by funding the acquisition of video footage of Caledon for the purposes of tourism promotion.

In June of 2019, the Province of Ontario reduced funding to most RTO’s and CCT found their funding reduced by 22% ($500,000). The organization is implementing cost saving measures and revenue generators, such as eliminating office space to reduce overhead costs, looking for marketing co-investments with photography and advertising, adding sponsorship opportunities to create cost neutral efforts (eg. March Tourism Symposium) and offering CCT services to other markets.

It is anticipated there will be less funding opportunities available from CCT for project-based initiatives. Future opportunities will be within cooperative promotion and online training programs (eg. social media webinars, tourism ambassador training).

On September 24th, Sharon Wilcox, Tourism and Culture Officer, joined the Board of Directors as the Town of Caledon’s representative and one of the three Headwaters Region representatives on the CCT Board.

**Tourism Operators and Stakeholders**

The Town of Caledon connects with local operators and stakeholders to promote Caledon’s tourism assets and support their respective activities.

The Town of Caledon’s Tourism and Culture Officer is dedicated to working with Caledon’s tourism businesses and stakeholders to promote their tourism offering, connect them to each other to encourage collaboration and enhanced product development, connect them with other levels of government, available funding programs and other levels of government.

**Ontario Ministry of Tourism, Culture & Sport (MTCS)**

The Ontario Ministry of Tourism, Culture and Sport is the provincial ministry “working to improve quality of life and promoting economic growth by supporting and delivering tourism and cultural experiences,
supporting the arts and cultural industries and championing participation in sport and recreation activities across Ontario.”

The Ministry:
- undertakes vital market research in the areas of marketing, product development, and investment to aid business decisions by both governments and industry
- encourages private sector investment and new product development to expand Ontario's tourism sector and promote regional tourism economic development
- supports and facilitates the development of new experiences and destinations
- markets Ontario as a tourist destination
- invests in Ontario's tourism agencies
- works with industry and organizations to support the maintenance and growth of the tourism’s economic contribution

HEADWATERS TOURISM PARTNERSHIP STATUS

Headwaters Tourism completed a restructuring from October 2018 to May 2019. In June of 2019 they encountered further administrative changes and challenges that resulted in a re-evaluation process to determine how it would move forward.

Presently Headwaters Tourism’s operations are on hold while the organization regroups. One part-time staff person is in place to maintain their website and social media presence and the Board of Directors continues to meet.

On September 12th, Dufferin County’s Council approved a report that recommended Dufferin County not renew their membership with Headwaters Tourism and that staff explore alternative options for delivery of tourism services.

Without funding from Dufferin County, Headwaters Tourism will need to determine how, and if, they can move forward.

CALEDON TOURISM PROGRAM

The Town of Caledon completed the development of a Tourism Strategy in 2014 and since that time has implemented many of the recommendations identified in the strategy including, but not limited to:

- Tourism asset database, development and maintenance
- Promotion of tourism assets, activities and events
- Developed and maintained a Caledon tourism website – www.visitcaledon.ca
- Promoted tourism operators, assets and activities through Town of Caledon social media
- Produced a visitor map, identifying what to see and do in Caledon
- Implements targeted advertising within the Economic Development marketing budget
- Developed strong communication with Caledon tourism stakeholders and collaboration encouragement
- Town Representation on tourism related town and regional committees
- Work with arts and cultural groups/organizations to encourage development of this sector
- Collaborate with heritage groups to promote Caledon’s heritage assets

Since the establishment of Headwaters Tourism in 1994, significant growth has occurred in Caledon’s tourism offerings. Council’s investment in support for Caledon’s tourism operators, including the
appointment of a full-time Tourism & Culture Officer, has greatly increased our ability to promote Caledon as a tourism destination for multiple segments of the tourist demographic.

While Caledon will always seek new opportunities to partner with neighbouring communities, staff believe capacity exists to move forward as a stand-alone tourism entity.

Through the reallocation of a portion of the 2020 financial resources budget previously provided to Headwater Tourism, the Town can enhance its overall tourism service offerings. Some of these enhancements include:

- Build a new photo library to support Visit Caledon Instagram and production of a new Caledon visitor guide.
- Develop a Caledon tourism blog.
- Expand the advertising/promotional plan to include targeted advertising on Facebook, Instagram and other online visitor sources.
- Expand Caledon’s tourism print offering including a cycling-specific map.

Overall Economic Development realized 2020 operational savings of $19,000 from the initial budget allocated to Headwater Tourism while the remaining budget was allocated 65% to marketing and events and 35% to contracted services to complete the work outlined above.