
NEWS RELEASE

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Office of the Premier
Ministry of Community Services

NEW FUNDING STRATEGY TO HELP RESORT COMMUNITIES

INVERMERE – The provincial government will provide more funding for resort communities through a revenue-sharing agreement with local governments that will see a portion of the provincial hotel tax go towards local tourism development, Premier Gordon Campbell announced today.

“Tourism is one of our most important industries and the continued growth and development of resort experiences is opening up a range of new economic opportunities in large and small communities across B.C.,” said Campbell, speaking at the B.C. Chamber of Commerce’s annual general meeting in Invermere. “This new revenue-sharing strategy is a direct result of the work done by the B.C. Resort Task Force in consulting with resort communities and operators. It’s one more tool we can give resort communities to unleash their vision for becoming world-class tourism destinations.”

Under a new revenue-sharing agreement, an estimated \$10 million in provincial hotel room tax will be returned to participating municipalities for development of their tourism economies. Projects will be based on local needs and could include such things as street or park improvements, festivals or amenities to increase all-season resort opportunities.

“Local governments are important as economic drivers and facilitators of tourism and resort opportunities,” said Community Services Minister Ida Chong. “Resort communities are unique in that they may have limited financing options. With these additional funds, municipalities can provide better amenities for visitors and the community.”

The 13 municipalities currently eligible to enter into agreements are: Fernie, Golden, Harrison Hot Springs, Invermere, Kimberley, Osoyoos, Radium Hot Springs, Revelstoke, Rossland, Tofino, Ucluelet, Valemout and Whistler.

To be eligible, municipalities must have economies that are strongly oriented to tourism, which means that the per capita amount of tourist-based accommodation must be 2.5 times the provincial average and the total amount should be at least two-thirds of the average. A community is also eligible if they are defined as a “mountain resort municipality” under the Mountain Resort Associations Act. Communities must take advantage of their current authority to impose an additional two per cent hotel room tax and enter into a five-year results-based tourism development agreement that sets out what will be achieved through revenue sharing.

B.C.’s 700 resorts and lodges employ 26,000 people. Direct and indirect spending in this sector brings in \$2.1 billion annually. Across B.C., 44 alpine ski resorts are projecting new capital investments of more than \$1 billion over the next two to five years. Expansion plans include everything from new lifts and runs to development of hotels, residential developments and golf courses.

In 2003, the Premier's B.C. Resort Task Force was formed to enhance resort development in British Columbia through the identification and elimination of the barriers to resort development and expansion. The task force included representatives from local government, First Nations, the resort industry, and 11 provincial agencies and ministries. The Province is implementing the initiatives outlined in the B.C. Resort Strategy and Action Plan that resulted from the task force's work to provide a more favourable environment for resort development and expansion in B.C.

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