

MUNICIPALITY OF CHATHAM-KENT
CHIEF ADMINISTRATIVE OFFICE
ECONOMIC DEVELOPMENT SERVICES

TO: Mayor and Members of Council
FROM: Joy A. Sim, C.R.M.
Tourism Development Coordinator
DATE: March 6, 2008
SUBJECT: RM Classic Car Exhibit and Visitor Information Centre

RECOMMENDATION

It is recommended that:

1. Administration contribute \$43,834 from strategic reserves and \$9,636 in a holding account from the former Kent County Tourism Bureau budgets toward the retrofitting of the RM Classic Car site to continue to offer exhibit tours and visitor information centre services for tourists.

BACKGROUND

The Municipality of Chatham-Kent conducted a return on investment analysis of the six seasonal visitor information centres dotted throughout the Municipality in 2007. Based on these findings, the increased use of the internet for travel information and the Ministry of Tourism proposed requirements for year-round visitor information operations, the Municipality elected to consolidate visitor information services at the visitor information centre located at the RM Classic Car Exhibit site. A copy of the Report to Council dated January 8, 2007 is attached.

The RM Classic Car Exhibit site provides a central location within the Municipality for visitors. The site is immediately adjacent to highway 401 at the most frequently used interchange within the Municipality. The RM Classic Car Exhibit is also one of the most popular tourism attractions within the Municipality. The summer of 2007 was the first year for the operation of the consolidated Visitor Information Centre services on the site.

The Economic Development & Tourism Strategy endorsed by Council in November 2007, recognized the significant potential of the exhibit and recommended that the Municipality "expand the RM Classic Car Exhibit into a major attraction."¹

¹ p. 95 of Economic Development and Tourism Strategy Update 2007

COMMENTS

In the fall of 2007, RM Classic Cars constructed a new building on the Classic Car Drive property to accommodate the company's tremendous growth and structural changes required by the company's insurers.

In order to continue to operate guided tours and a Visitor Information Centre in the new building, the Municipality of Chatham-Kent must make \$53,470 of site improvements to keep the tourist and RM business traffic separate with fencing and separate laneways.

The proposed site improvements are as follows:

Entry Driveway, asphalt paving, parking lines	\$27,668
Security Fencing – 444' chain link	\$22,919
Fencing for compound area	<u>\$ 2,882</u>
Total Cost	\$53,470

The Municipality of Chatham-Kent served 5,409 visitors at the RM Classic Car Exhibit Visitor Information Centre between March and December in 2007. The Municipality has one full-time and one part-time year-round employee for the exhibit and two seasonal employees for the Visitor Information Centre to serve the seasonal tourists.

The Economic Development & Tourism Strategy recommended that tourism fulfillment services be assigned to the visitor information staff beginning in 2008.

The proposed improvements will include fencing and the creation of a separate laneway that would separate visitor and trade traffic. These site enhancements will protect tourists from truck traffic and ensure tourists do not interfere with the workflow of the restoration business.

Economic Development Services recently learned of the existence of \$9,636 budgets transferred to the Municipality of Chatham-Kent from the former Kent County Tourism Bureau at amalgamation. We recommend that these funds be put towards the costs of the exhibit retrofit. This will reduce the contribution required from strategic reserves to \$43,834.

COMMUNITY STRATEGIC PLAN

The recommendation in this report supports the following objectives and strategic directions:

B: Economy – We are a prosperous community.

B2: Make Chatham-Kent a business-friendly community and a desirable leisure destination.

B3: Develop Chatham-Kent as a business and leisure destination of choice in Ontario.

D: Culture – We are a cultural community.

D1: Celebrate and support heritage, arts and cultural events and programs.

D2: Protect and promote heritage, arts and cultural areas and resources.

Expected Results

- Increase in tourist dollars and total time spent in Chatham-Kent

The recommendation will not adversely impact on the remainder of the Community Strategic Plan.

CONSULTATION

The Chief Building Official and Acting Chief Administrative Officer have reviewed the contractor's quotes and report and are in agreement with this recommendation.

FINANCIAL IMPLICATIONS

The total cost to retrofit the RM Classic Car site is \$53,470. Funding would come from the former Kent County Tourism Bureau holding account in the amount of \$9,636 and the balance of \$43,834 from strategic reserves.

Strategic and Development Reserve – Uncommitted Balance			\$252,840
Less Recommendations:			
RTC March, 08	Chatham Armory Building	\$ 55,000	
RTC March, 08	Communities in Transition	124,000	
RTC March, 08	RM Classic Tourist Office	<u>43,834</u>	<u>222,834</u>
Forecasted Remaining Balance			<u>\$ 30,006</u>


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Reviewed by:

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 Economic Development Services

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 Acting Director
 Economic Development Services

Reviewed by:



Gerry Wolting, B. Math, C.A.
Acting Chief Administrative Officer

c. Paul Lacina, Chief Building Official

Attachments: RTC Visitor Information Centre Strategy dated January 8, 2007
RM Classic Car Exhibit Site Plan

G: RTC/2008 Reports/ RM Classic Car Exhibit and Visitor Information Centres

COPY

**MUNICIPALITY OF CHATHAM-KENT
ECONOMIC DEVELOPMENT SERVICES**

CORPORATE SERVICES

BUDGET INFORMATION REPORT

TO: Mayor and Members of Council
FROM: Joy A. Sim, Tourism Development Coordinator
DATE: January 8, 2007
SUBJECT: Visitor Information Centre (VIC) Strategy

COPY

That the following recommendation be considered during the 2007 budget deliberations.

RECOMMENDATIONS

It is recommended that:

1. Chatham-Kent Visitor Services Program be enhanced in accordance with the Ontario Ministry of Tourism's Visitor Information Centre Policies draft, which will include expansion of the RM Visitor Information Centre & Exhibit to a 12-month operation, at a one-time cost of \$36,500.
2. Commencing in the summer of 2007, discussions take place with community organizations regarding existing Visitor Information Centres in Chatham, Wheatley, Wallaceburg and Ridgetown to identify community-based sponsors, where feasible, to take over operation of these seasonal locations.
3. Chatham-Kent Tourism continue its partnership with Library Services' branches and Municipal Service Centres to offer visitor information at these locations.

BACKGROUND

Six Visitor Information Centres are located throughout the Municipality. The Municipality operates four centres (Ridgetown, Wallaceburg, and Wheatley) and partially funds two (Blenheim, RM). The Blenheim site is owned and operated by the Blenheim BIA with support from the Tourism office. The RM site is operated under a partnership agreement with RM Classic Cars.

Prior to amalgamation, the Kent County Tourist Bureau did not operate visitor information centres. Each visitor centre was operated by either the Chamber of

Commerce (Chatham) or the various municipal administrations. Building maintenance costs were handled by the owners/groups or by a department in each municipality.

As a result of the outcomes of amalgamation it was decided that all the centres, except Blenheim, would be managed and funded by Economic Development and Tourism Services.

On-going building maintenance and upgrades were not addressed in base budget funding. In the 2005 budget process, Council approved \$4,000 to cover annual building maintenance costs for the four centres which are funded by the Municipality.

COMMENTS

The Internet has quickly become the number one source for visitors to research and pre-plan their travel requirements. Based on this current trend, visitors are utilizing the Internet for their travel information rather than visiting the Provincial Centres throughout Ontario. The latest statistics from the Ministry of Tourism shows a steady decline in visitation at all Provincial Visitor Centres. Visitor inquiries on toll-free telephone lines have decreased by 29% over the same time period in 2005, while uses of the Provincial website grew 28 % over last year. Chatham-Kent received more than 33,000 web hits in 2006 for tourism purposes.

As visitor trends and expectations continue to change, the Province is reviewing all its Visitor Services Programs. The Ministry of Tourism has adopted a "Visitor First Philosophy" in its approach to Tourism. Their intent with destination marketing organizations (DMOs), like Chatham-Kent, is to ensure that consistent standards and eligibility criteria for the recognition and type of signage for locally/regionally operated visitor centres are met. This will ensure consistent quality of service and knowledgeable staff equipped with the necessary tools and products within the Centres to enable them to promote and potentially influence travellers to Ontario. The Provincial standards and guidelines also include changes in the expectations for building structures and client accessibility.

These new policies will directly affect the way we operate and fund our Visitor Program in Chatham-Kent. A proactive approach to the situation is the optimum choice.

Chatham-Kent Visitor Information Centres (open July and August) served 3,364 clients in 2006. Of that number 984 were local residents with only 2,380 non-resident tourist clients. Of all six Centres, the RM Visitor Centre served the highest number of tourists, followed by Blenheim VIC. Of the total visitors served at the other Centres, over 31% were local residents that could access information from other locations such as Service Centres, Libraries and/or on the CK web portal.

Statistic Comparison 2004 to 2005 to 2006

Year	July	August	Total
2004	2042	1584	3626
2005	1696	1398	3094
2006	1775	1589	3364

**These statistics include information from all the Chatham-Kent Visitor Centres.*

**2006 Total Visitors are up 9% from 2005.*

**2005 Total Visitors are down 15% from 2004.*

Provincial and Federal summer student wage subsidy programs have all but disappeared over the past five years.

In February 2006, the Tourism office applied for wage subsidy for 10 positions for all municipally operated Visitor Centres. Blenheim and Wheatley organizations apply for their own seasonal wage subsidies for their Visitor Centre staff. Chatham-Kent received two Federal subsidies and one partial Provincial subsidy, plus two additional subsidies from the Ministry of Tourism. VIC annual seasonal operations require nine students, plus one each for Blenheim and Wheatley. Without the subsidization received in the past, covering the cost of staff wages has led to a budget shortfall for the past three years, in both the municipally-operated and community-sponsored VICs.

The Visitor Centre in Ridgetown is housed in a railway car which was donated to the Town of Ridgetown and is currently located on private property. This Centre has many building-related issues that cannot be resolved without a substantial investment of capital. The visitation numbers have declined to an all-time low of 360 visitors in 2006. The ongoing viability of this location is not sustainable at its present location.

Statistic Comparison for Ridgetown Visitor Info Centre

Year	July	August	Total
2004	320	253	573
2005	232	235	467
2006	214	146	360

**2006 Total Visitors are down 29% from 2005.*

**2005 Total Visitors are down 23% from 2004*

Of all visitors in 2006, 168 or 47% were local residents.

The current Wallaceburg Visitor Centre shares space in the Municipal Boat Dock Building. The inquiries have steadily declined to just 279 visitors in 2006. The Tourism office will continue to provide literature to the boat dock staff. The viability of this Centre is questionable at its present location due to its declining visitor inquiries.

Statistic Comparison for Wallaceburg Visitor Info Centre

Year	July	August	Total
2004	151	227	378
2005	170	160	330
2006	139	140	279

**2006 Total Visitors are down 18% from 2005.*

**2005 Total Visitors are down 15% from 2004.*

Of the total visitors in 2006, 101 or 36% were local residents.

The Bloomfield VIC is located in the community of Chatham. The hours of operation have been reduced over the last few years due to reduced wage subsidies and sharing of staff with the RM Classic Car VIC. This reduction has had a negative effect on the visitation numbers. The building has been updated through the generous support of donations from the business community, but suffers numerous break-ins and vandalism that we have insufficient budget dollars to repair.

Statistic Comparison for Bloomfield Visitor Info Centre

Year	July	August	Total
2004	817	506	1323
2005	266	292	558
2006	605	477	1082

**2006 Total Visitors are up 93% from 2005.*

**2005 Total Visitors are down 137% from 2004.*

Of the total visitor in 2006, 352 or 33% were local residents.

The Wheatley Centre is located on private property in downtown Wheatley and is cared for by the Wheatley Romney Area Concerned Citizens Group. There are no washroom facilities or running water at the site. The WRACCA Group applies for staff subsidies. Visitation numbers in Wheatley continue to steadily decline.

Statistic Comparison for Wheatley Visitor Info Centre

Year	July	August	Total
2004	267	132	399
2005	208	117	325
2006	142	115	257

**2006 Total Visitors are down 26% from 2005.*

**2005 Total Visitors are down 23% from 2004.*

Of the total visitors in 2006, 78 or 31% are local residents.

The successful model of the Blenheim Visitor Centre will be used in exploring options with interested community groups for continued local operations of VICs.

Local operations by community organizations can continue if interested groups can be identified. If there is no interest, we would close the sites and investigate other options.

We could not continue to operate these sites with the very limited building maintenance budget.

The Blenheim Visitor Information Centre has seen a substantial increase in visitation numbers since the investment and renovations made by the local BIA and its partners. They meet the Province's accessibility and parking requirements and have ample washrooms available next door courtesy of a local restaurant. The Tourism office will continue to support the Blenheim BIA by hiring and training staff, providing brochures and visitor data throughout the summer as in past years. Staff subsidies for this location could in fact be more readily available without competing with the other centres.

Statistic Comparison for Blenheim Visitor Info Centre

Year	July	August	Total
2004	82	61	143
2005	270	127	397
2006	471	344	815

**2006 Total Visitor are up 105% from 2005.*

**2005 Total Visitors are up 177% from 2004.*

Of the total visitors in 2006, 226 or 28% were local residents.

Visitor Services Strategy

Due to a number of advantages including the proximity to the 401, the building accessibility, ample public washrooms, parking, well-maintained building and property and the largest true-visitor numbers, the best option is to continue offering a Visitor Services Program at the RM site.

Statistic Comparison for RM Visitor Info Centre

Year	July	August	Total
2004	405	405	810
2005	550	467	1017
2006	204	367	**571

**2006 Total Visitors are down 78% from 2005.*

**2005 Total Visitors are up 26% from 2004.*

***2006 Total Visitors are recorded low due to data collection issues. Of all the visitors in 2006, only 50 or 10% were local citizens.*

It is proposed that the following upgrades and changes would need to take place at RM utilizing the current Visitor Information Centre base budget to cover these costs.

- Extend the contract of the Exhibit Coordinator to 12 months
- Additional hours for the part time person
- Proper signage on the east bound lane of the 401 before the Bloomfield exit ramp
- Replace and redesign the sign on the front lawn of the building promoting the visitor centre and the guided tours

- Additional fixtures and wall mounted brochure racks
- One additional computer, printer with internet
- Summer student staff (3) to assist during busy tourist season.
- Yearly Staff Training and Fam Tours for RM, Blenheim and any other community location
- Additional postage and mileage to cover staff requirements
- Proper storage for extra literature stock

The Tourism office would also utilize the current budget to supply "Chatham-Kent Tourism" brochure racks at the Main Library Branch and the nine other Library and Information Centres throughout Chatham-Kent with a phased-in approach. The Tourism Development Coordinator would attend the Library Services Professional Development Day a minimum of once a year for a training session on delivering a visitor services program. Tourism would work with Library Services to grow this relationship, where mutually beneficial.

COMMUNITY STRATEGIC PLAN

The recommendations in this report support the following objectives and strategic directions:

Economy:

B3 Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities.

Expected Results

- Develop Chatham-Kent as the business and leisure destination of choice in Ontario

The recommendations will not adversely impact o the remainder of the Community Strategic Plan.

CONSULTATION

The Building Maintenance Coordinator was contacted to discuss the new strategy and the Director of Library Services was contacted to discuss the partnership opportunities.

FINANCIAL IMPLICATIONS

Base budget transfers of the existing VIC funding to the RM Classic Car Exhibit and a one-time supplementary budget request of \$36,500 is required to implement the new Chatham-Kent Visitor Information Centre Strategy.

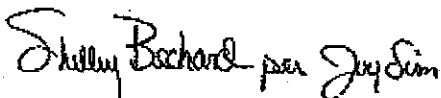
Should Council wish to maintain the status quo for operating the Visitor Information Centres, information regarding budget implications is provided below.

Cost Centre	2006 Budget	2006 Actuals	Projected Budget for 2007 *
Visitor Info. Centre - General & Admin.	\$6,204	\$10,432	\$11,632
Hwy. 401 @ RM Classic Car Exhibit	\$5,515	\$ 4,138	\$ 4,138
Chatham	\$7,565	\$10,797	\$13,712
Ridgetown	\$8,454	\$ 5,701	\$ 8,081
Wallaceburg	\$2,678	\$ 1,904	\$ 2,864
Wheatley	\$2,252	\$ 985	\$ 3,505
Blenheim	\$ 0	\$ 775	\$ 775
Total	<u>\$32,668</u>	<u>\$34,733</u>	<u>\$44,707 **</u>

* - The projected budget for 2007 is based on 2006 actuals and includes the loss of the student subsidies, where applicable, but does not factor in the increase in the minimum wage that will impact 2007's budget.

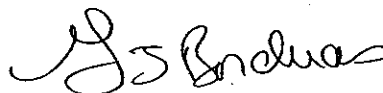
** - This figure does include costs to retrofit the existing Visitor Information Centres to bring them up to health & safety and industry standards.

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 Joe G. Pavelka, P. Eng.
 Chief Administrative Officer

New 100 x 200 Building

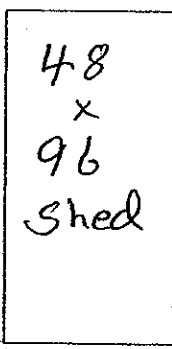


Existing Body Shop
OFFICES, Restoration Shop
For R.M. Auto

Existing
Asphalt
Paving

Brick Pillars
w/ wood fencing
between

Tie In To
Existing ASPH



Existing East Entrance

150'

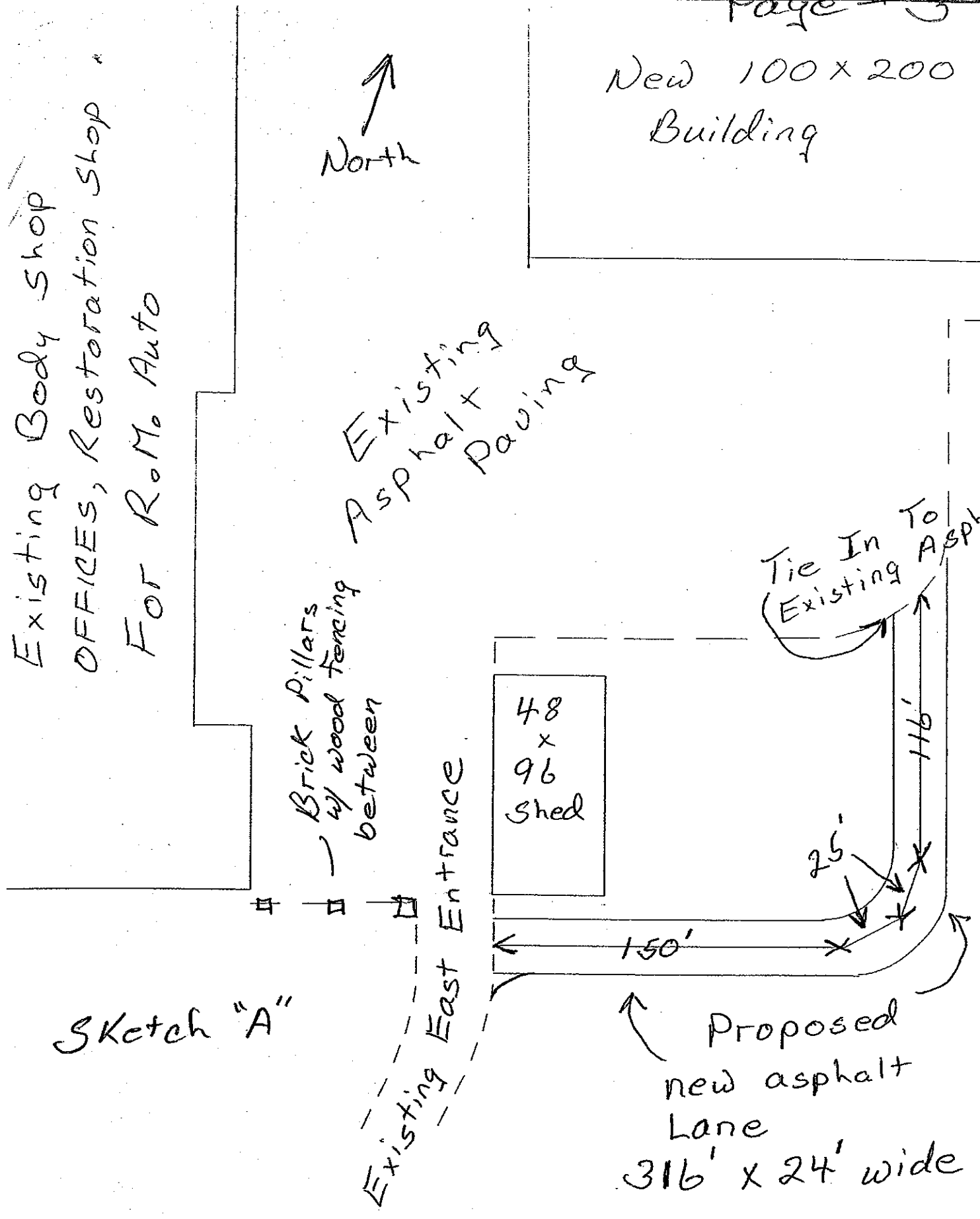
116'

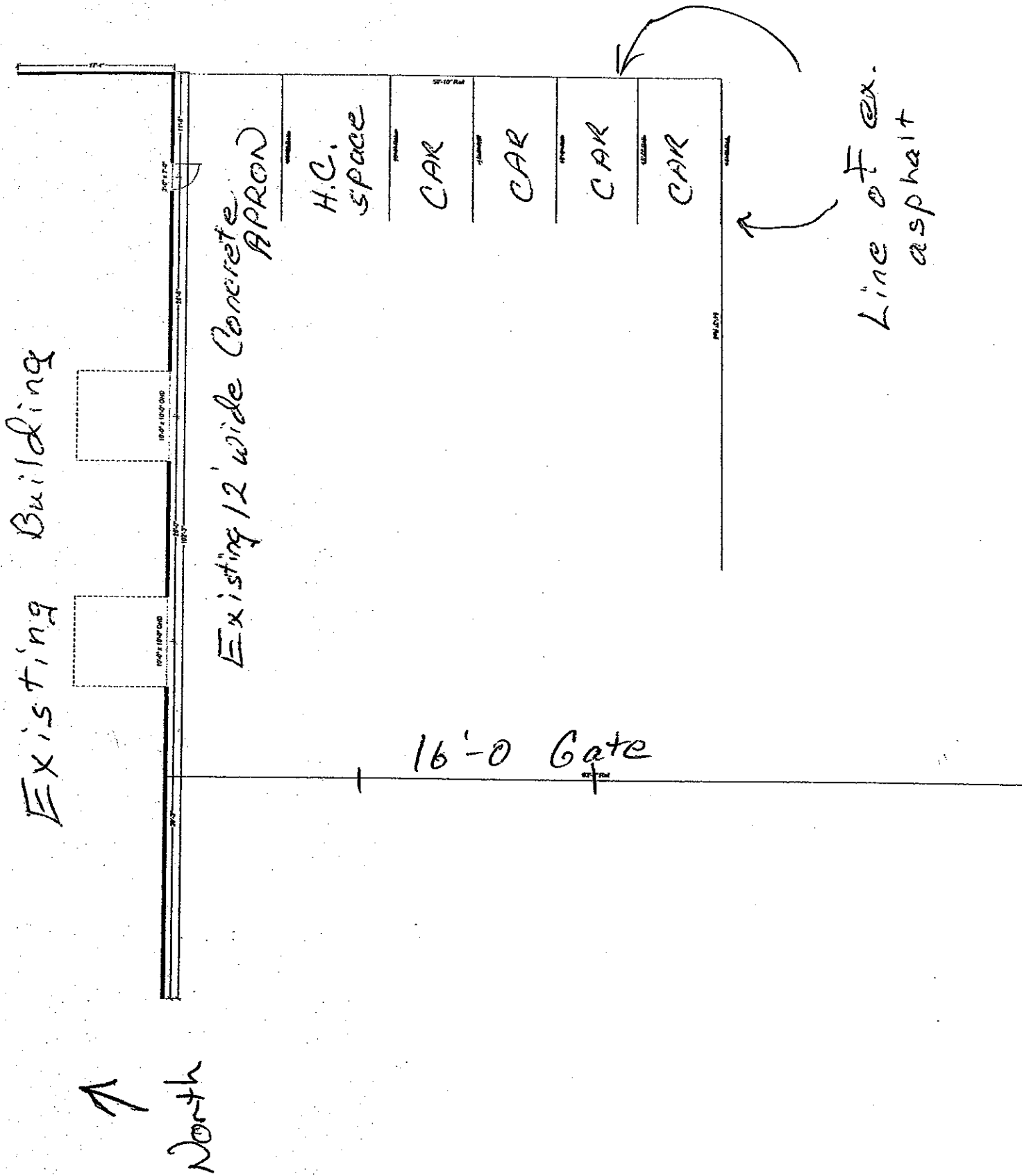
25'

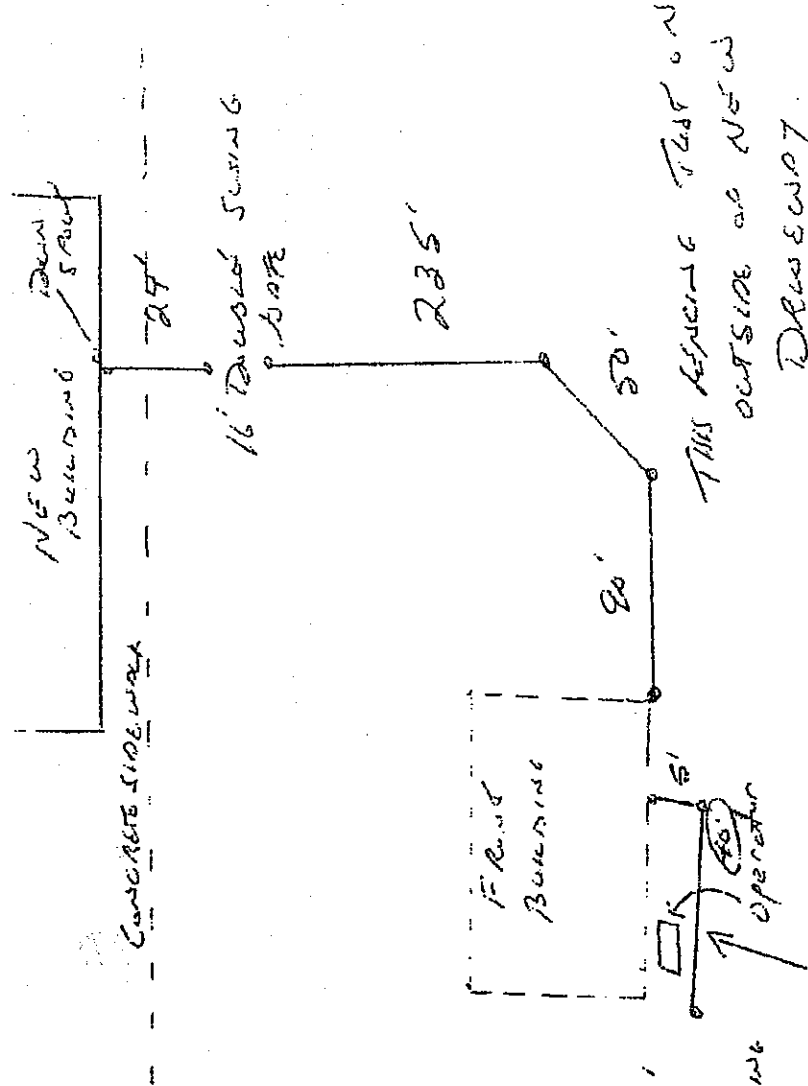
Sketch "A"

Existing East Entrance

Proposed
new asphalt
Lane
316' x 24' wide







DRIVEWAY 24' GATE 16' OPERATOR DRIVEWAY

North ↑

Sketch "C"

