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Discover our Spirit!

March 31, 2014

IEPC Committee

Re: Event Development Fund Status Report

In the fall of 2013 Tourism London forwarded a proposal to the London Hotel Association to consider endorsing the creation of a voluntary Event Development Fund. Unlike a standard destination marketing fund program that is merely used as a promotional vehicle, this proposed fund would be applied to leverage financial support to attract major sporting and entertainment events to London that have the potential of enhancing overnight visitations.

Additionally it was proposed that the fund could be used to financially support the development of new and/or existing festivals and/or events that also have the potential to significantly enhance a "heads in beds" return on investment.

In December 2013, Tourism London met with the London Hotel Association to state the case for the event development fund noting that said fund could significantly provide London with the ability to "buy the business" and sustain London's reputation as a premier event destination city in Canada.

Subsequent to this meeting, the President of the Ontario Restaurant Hotel Motel Association (ORHMA) met with all of the hoteliers in London in an attempt to facilitate an agreement in principle to go forward with a voluntary levy. Today, although there appears to be a consensus among the majority of hoteliers to proceed, there are a few key property owners who are resisting the said Levy as proposed but are willing to look at a hybrid application that would not only provide funding for event attraction and development but as well allocate certain funds toward the building of facilities and/or improving infrastructure to attract more overnight stays in London.

We are currently examining various options for consideration and will be presenting those options to the hotel association in due course.

In summary, the imposition of a voluntary hotel levy must be able to show a return on investment and satisfy the interests of the private sector participants. It should be noted that the hoteliers are on record that no consideration will be given to this program if Council should intend to offset the city's investment in Tourism London with this funding.

Endorsing a Council resolution to encourage the hotel association to consummate a voluntary hotel levy will hopefully bring closure to a long running issue that Tourism London has advocated since 2007.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Winston', with a long, sweeping flourish extending upwards and to the right.

John Winston
General Manager