

Appendix 2.2 Annual Performance Report

Under the *Provincial Sales Tax Act*, all designated recipients, including designated recipients not subject to the renewal application requirement, must report back to the Province annually. As such, all designated recipients (or the designated recipient's service provider), are required to complete the following Annual Performance Report as well as a Financial Report (refer to Appendix 2.1) **by May 31 of each year**.

All designated recipients are required to fill in the sections below.

Only those designated recipients that receive the three percent tax rate will be required to report out on additional metrics (as indicated below).

A description/instructions pertaining to each performance metric is provided in grey text as a guide only. Please delete the grey text and provide your response accordingly.

Designated Recipient: **Kermodei Tourism DBA Tourism Terrace**

Report Completed: 07-13-23

Designated Accommodation Area: **City of Terrace (and Area E)**

Reporting period: **January 1, 2022, to Dec 31, 2022**

1. Effective tourism marketing, programs and projects

MRDT-funded tourism marketing, programs and projects maximize the potential for increased visitation and growth in tourism business activity, employment and incremental tourism revenue.

MRDT Revenue

The total amount of MRDT revenue received for 2022:

MRDT: \$365,524.44

OAP: \$ 9,810.42

Total: \$ 375,334.86

This is a **23.1% increase** from 2021 (\$304,782). To date, Kermodei tourism is far exceeding its objective of 2% growth in MRDT per year.

MRDT Activities, Tactics, Investment Efforts and Outcomes

The vision of Kermodei Tourism is to establish Terrace and the surrounding region as the premier eco-tourism destination in Northwestern British Columbia.

Kermodei Tourism aims to expand tourism in the Terrace area and generate incremental revenues by developing, coordinating, and delivering collaborative destination products and services.

The mission of Kermodei Tourism is to promote tourism growth and development of the Terrace area as the premier four-season, eco-tourism destination in North-Western BC through innovative marketing, product development and advocacy on behalf of the stakeholders of the Society.

Key Strategic Areas included in this report:

1. Destination Marketing
2. Visitor Experience
3. Destination Management
4. Governance and Finance

Destination Marketing

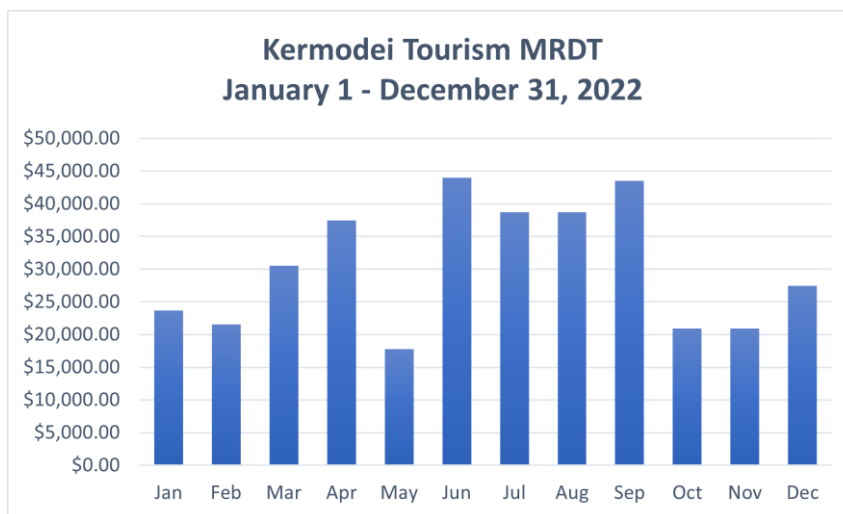
Marketing is traditionally a large component of Kermodei Tourism’s annual activities in support of its mandate to increase visitation to the area through marketing and collaboration with local and regional partners.

Kermodei Tourism’s marketing focus includes promoting year-round leisure visitation with targeted growth in non-peak seasons to BC & Alberta visitor markets, focusing on arts, culture, and recreation in wild places.

Occupancy

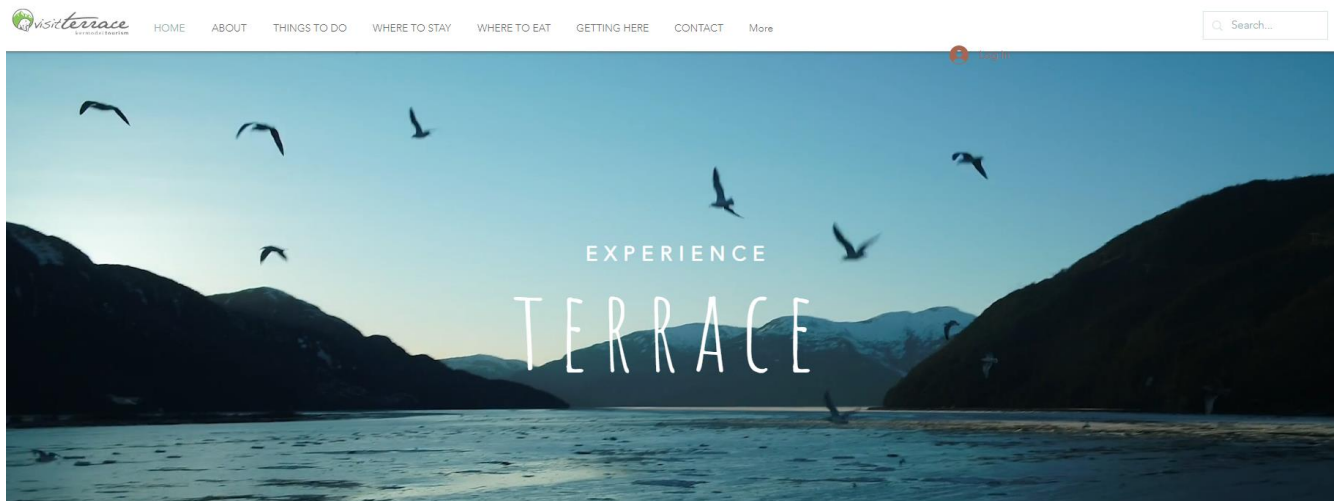
Hotel and short-term rental occupancy rates are not available for Terrace; however, below is a chart of the MRDT disbursements from January 1, 2022, to December 31, 2022. This chart shows the busiest vs quietest months and provides a sense of the occupancy levels in Terrace. 2022 disbursements were up comparatively to 2021 and the strongest performance and gains were in June and September 2022.

Generally, Terrace followed the typical seasonal occupancy patterns with highest total of stays in Q3; however, this fluctuates due to ongoing nearby industrial projects (i.e., LNG Canada, Coastal Gaslink, new hospital, etc.), which results in resource industry workers staying in local accommodations at different times during the year.



Source: Kermodei Tourism MRDT disbursements

Website



In 2022, Kermodei Tourism continued to update its consumer [website](#) with seasonal content. We continued to drive consumers to our 1, 3, 5, and 7-day [itineraries](#) to help visitors plan their trip.

The Visit Terrace website had **24,351 site sessions** (236% increase vs. 7,239 site sessions in 2021) and 20,406 unique visitors.

The top five visitterrace.com webpages were:

- [Homepage](#): 8,963 sessions
- [Itineraries](#): 4,380 sessions
- [Winter Stay and Play](#): 2,152 sessions
- [Things To Do](#): 2,080 sessions
- [Outdoor Recreation](#): 1,085 sessions

Our primary markets of interest were:

- Terrace -3,344 sessions
- Vancouver – 3,651 sessions
- Surrey – 1,923 sessions
- Prince George – 1,306 sessions
- Calgary – 1,341 sessions

Social Media

Kermodei Tourism maintained an active presence on social media in 2022 sharing recreational opportunities, events, arts, culture, winter stay and play and encouraging the use of our hashtag #visitterrace. Further, in late 2022 Kermodei Tourism developed a new robust social media strategy that will be implemented in 2023.

Reporting period January 1st to December 31st, 2022

Facebook

- 3,917 number of Followers (+27.3% vs 2021)
- 4,175 Page visits
- 397,183 Total reach

Instagram

- 3,332 Followers (+26.7% vs 2021)
- 4,085 Instagram profile views
- 36,534 Total reach

Ad trends for both Instagram and Facebook

- 369,088 Paid reach
- 1,151,475 Paid impressions

Kermodei Tourism Campaigns

2022 Summer Campaign



In summer 2022, Kermodei Tourism hired Partner and Hawes to aid in the implementation of a digital summer campaign. The overall objective of the campaign was to raise awareness of Terrace as a vacation destination in spring and summer season by **promoting our 3-, 5- and 7-day itinerary ideas**. The campaign utilized programmatic digital display, paid social media, and google search to reach and engage the desired audiences in select BC communities and Alberta.

Programmatic Campaign Summary Results

- The campaign indicated that Terrace is **more heavily influenced by proximity**. Likely attributed to these being early days in building awareness for Terrace as a tourism destination.
- Northern communities, followed by the central interior and southern BC had the best click-thru-rates, with Alberta possessing the lowest CTR.
- Audiences targeted in the Southern and Central part of BC, were the most difficult to attract for a measurable physical visit.
- Northern communities closer to Terrace did best when measuring those that visited after clicking an ad.
- Alberta attracted the most measurable visitors to Terrace during the campaign.
- Overall, Terrace **performed comparable to other DMO campaigns in 2022**.

Market	Target Impressions	Impressions	Clicks	CTR	Cost Per Click	Verified Visits*	Cost per Click Visit	Visits by those exposed to ads**	Cost per visit
Northern BC	175,000	177,436	1,056	0.6	\$1.98	152	13.77	454	4.62
Central and Southern BC	204,167	205,738	1,067	0.52	\$2.29	128	19.14	388	6.31
Alberta	204,167	205,851	924	0.45	\$2.65	161	15.21	531	4.61

Paid Social Results – Facebook and Instagram

- The summer campaign performed well considering the market saturation during this season and current climate of Meta ads.
- Both Alberta and Central and Southern BC markets performed throughout the campaign with very similar results, while Regional North markets fell behind.
- Video creative was the top performer.
- Removing detailed targeting helped ramp up results early in the campaign.
- As seen in most tourism campaigns, **Facebook was responsible for most of the traffic.**

Terrace - Summer 2022					
Market		Impressions	Reach	Clicks	CPC
Alberta		235,405	120,431	3,539	\$0.68
Central and Southern BC		248,759	126,432	3,524	\$0.69
Regional North		216, 253	39,820	1,630	\$1.36
TOTAL		700,417	286,683	8,693	Average \$0.91

Google Search Ads

- Google Ads generated 189,293 impressions and 1472 clicks at a CTR of 4.69.
- The cost-per-click was \$.79 cents.
- **Most of the interest in Terrace surrounded camping** and related search terms.
- British Columbia generated 66% of the search traffic, while Alberta generated 21%.
- Top performing cities were Vancouver, Calgary, Prince George, Edmonton, and Surrey

Winter Stay and Play



In November 2022, Kermodei Tourism launched its first Winter Stay and Play campaign. The primary objective of the campaign was to highlight all the amazing winter outdoor activities Terrace has to offer, including snowmobiling, cross country skiing, snowshoeing, ice fishing, backcountry skiing, CAT and heli-skiing, and ice skating on one of the many frozen lakes. The campaign utilized a mix of paid social media and google ads to

reach and engage the desired audiences in select BC communities and Alberta. Overall, the campaign effectively reached our target audience across the multiple platforms. Platform metrics clearly demonstrate that the ads generated substantial engagement and interest, leading to a significant boost in website traffic. By featuring captivating visuals of Terrace's scenic snowy landscapes and exciting winter activities, our ad creatives successfully promoted winter tourism in Terrace BC.

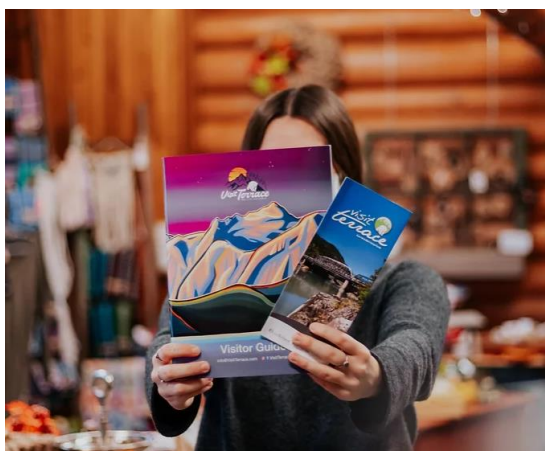
Winter Stay and Play paid campaign results

Lifetime of campaign: November 23, 2022 – February 12, 2023

Facebook/Instagram Impressions: 76, 346 Reach: 42,156 Clicks: 281	Google/YouTube Impressions: 37, 706 Clicks: 594 Click through rate: 1.58%	YouTube Advertising 28, 435 views (99.1% of all views) in February came from YouTube advertising.	Google/YouTube Example ad review review here
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Shop Local Campaign

Kermodei Tourism partnered with the Terrace & District Chamber of Commerce and local businesses on the Shop Local campaign from December 1 to 15, 2022. The primary objective of the campaign was to encourage holiday shoppers to actively support local businesses in Terrace. The campaign included paid social media advertising on Facebook and a contest element. The contest urged locals to obtain a passport from a participating business or partner organizations. By making purchases at these businesses and getting their passport stamped, participants had the opportunity to win exciting prizes while exploring and supporting the local community. Overall, the campaign was a success and resulted in a **reach of 19,068 and 86,582 impressions.**


Collateral

Visitor Guide

Kermodei Tourism printed and successfully distributed 18,000 copies of our visitor guide in 2022. An online version of the Visitor Guide can be viewed at the following [link](#). Note: with the creation of our new website (noted in the Destination Management section below), we will be able to better track online guide downloads in future years.



Newcomer's Guide

In 2022, Kermodai Tourism continued to update our online Newcomer's Guide that includes a thorough listing of services, retailers, accommodations, emergency services, organizations, and services available in the Terrace area. This continues to be a fantastic resource for visitors or people who have just moved to Terrace. The online version of the Newcomer's Guide can be viewed on the Visit Terrace consumer [website](#).

Consumer Shows

Kermodai Tourism participated in several in-person trade shows in Spring 2022. It was an exciting opportunity to connect with industry stakeholders, partners, and travellers in-person for the first time since COVID began. Kermodai Tourism attended the **Abbotsford RV Show (Feb 17-20, 2022)** and the **Vancouver Outdoor Adventure Show (March 5-6, 2022)**, which both broke attendance records from pre-COVID events. As well, there was an excitement in the air about increased travel and tourism opportunities in 2022. Kermodai Tourism also attended the **Calgary Outdoor Show (March 19-20, 2022)**. Kermodai Tourism representatives shared information about the area and connected with travellers planning their trips in BC. Each of these trade shows were attended in collaboration with other destination marketing organizations along Highway 16 and the Alaska Highway (Great Northern Circle).

Marketing Asset Development

In 2022 Kermodai Tourism continued to work with Skeena Valley Media and Partner and Hawes to curate new video and photography assets. Content themes included: fall, summer and asset gathering (i.e., hotels, venues, etc.) to support the 2022 summer campaign.

Travel Trade Relations

Kermodai Tourism continued to pause our travel trade activities in 2022 as international visitors were still deterred by the requirement to submit ArriveCAN proof of vaccinations. These requirements remained in effect until October 1, 2022.

Kermodai Tourism did provide Northern BC Tourism Association (NBCTA) with updates regarding market and export-ready products around the Terrace area as NBCTA prepared for Rendez-Vous Canada, the Explore BC presentation, etc.

Travel Media Relations

After mostly pausing Travel Media activities in 2020 and 2021 due to COVID19, Kermodai Tourism slowly began to resume media attraction support activities in 2022 with FAM support and itinerary planning – see BC Ale

Trail section below for more information on the Northwest BC Ale Trail Media FAM tour from June 1-6, 2022.

Further, local Terrace businesses received the following coverage:

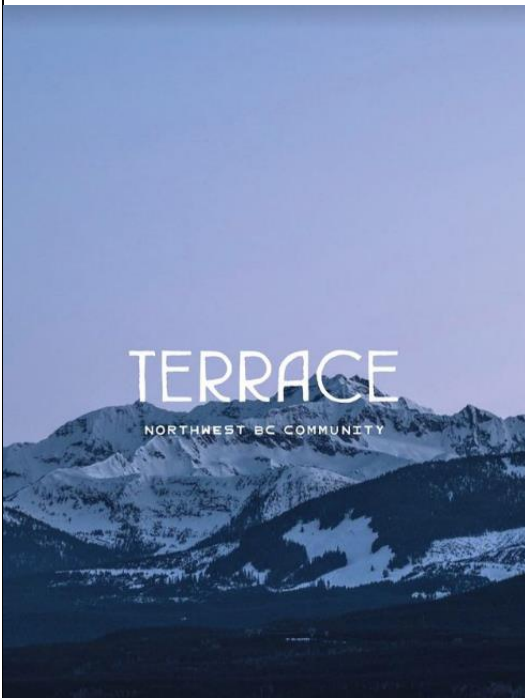
- [Northern Escape Heli Skiing](#) based in Terrace was named the “[World’s Best Heli-Ski Operator](#)” by the World Ski Awards.
- Adventure writer and backcountry skier Feet Banks visited Shames Mountain in 2021 and he couldn’t believe his luck when the skies dumped 157 cm of fresh snow and gave him the experience of a lifetime. His articles “[Deepest Day of My Life](#)” and “[Communist Powder](#)” were published in the Winter 2021-22 edition of Mountain Life – Coast Magazine.

Key Learnings: Destination Marketing – owned channels

- Kermodai Tourism recognized the need for marketing creative and campaign support/expertise in 2022. As such, the full-service communications agency, Partner and Hawes was hired to support the summer destination marketing campaign. Overall, the campaign was successful; however, we struggled to track and get timely results.
- To ensure greater control over our Winter Stay and Play campaign, we took steps to enhance our campaign management. Building on the experience gained from our previous summer campaign, we focused on developing local capacity and experience and secured a local Terrace consultant to assist with campaign execution. This approach proved highly effective, enabling us to closely monitor real-time results in house and be more agile. Going forward, we intend to continue this approach, leveraging local resources for future campaigns.
- Investing in the development of the Terrace brand is a key priority moving forward in 2023. A well-defined, differentiated brand positioning, and platform would ensure all future content development is communicating the right messaging with a consistent look, feel, tone, and encourage demand amongst target audiences.
- Awareness of Terrace is still limited, and we will continue to work with DBC, NBCTA and other partners to broaden our appeal.

Co-operative Marketing

In addition to conducting our own unique marketing activities, Kermodai Tourism participates in several Co-operative Marketing Programs endorsed by Destination BC each year to leverage our funds and work collaboratively with neighbouring communities and specific sector groups.



Visit Northwest BC

Kermodai Tourism partners with Tourism Smithers, Tourism Prince Rupert, Tourism Kitimat, the Regional District of Kitimat-Stikine, Nisga'a Tourism, and Northern BC Tourism Association (NBCTA) on the Visit Northwest BC Coop program.

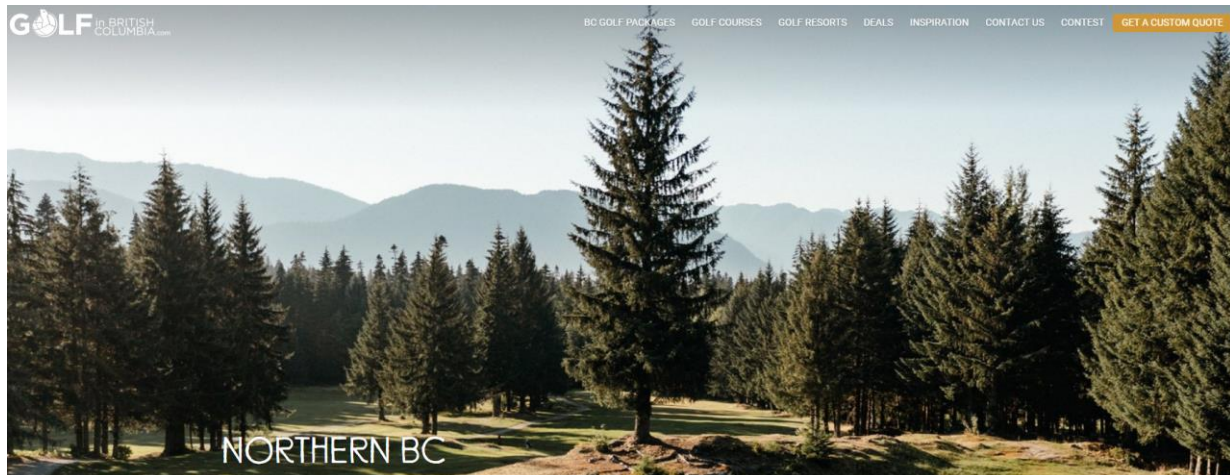
In 2022 Kermodai Tourism invested \$8,700 in Visit Northwest BC, which was partnered with the participating communities, Destination BC, and Northern BC contributions for a total project amount of \$42,303.

As part of Kermodai Tourism's investment, we were included in all the Northwest BC tactics, including a summer campaign that successfully used targeted digital marketing strategies to promote various activities and engage with 10 different community partners. The campaign utilized programmatic digital display and paid social media to reach and engage the desired audiences.

Campaign results:

- The campaign generated **253,778 impressions** and **1703 clicks**, with a strong **click-thru rate of 0.67%**, surpassing industry benchmarks.
- The use of cell phone identification tracking provided the consortium with a benchmark of attribution and efficacy of marketing efforts.
- **Social media** also played a significant role, with **1,067,987 impressions**, **4,724 link clicks**, and **810 post reactions**.
- Longer run times, single assets, and directing people to blogs proved effective strategies for engaging the audience.
- Despite some challenges in Edmonton, the **campaign successfully engaged the target audience** and drove interest in the Northwest part of the province.

BC Golf Marketing Alliance

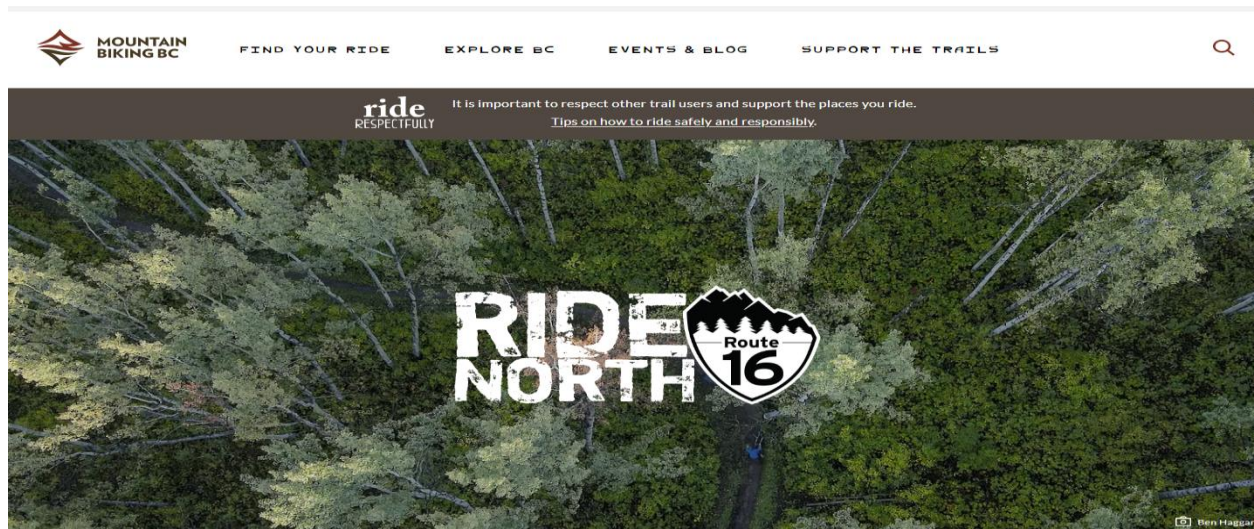


The Northern BC Golf Corridor is a coop program supported by Destination BC as part of the Golf in British Columbia program.

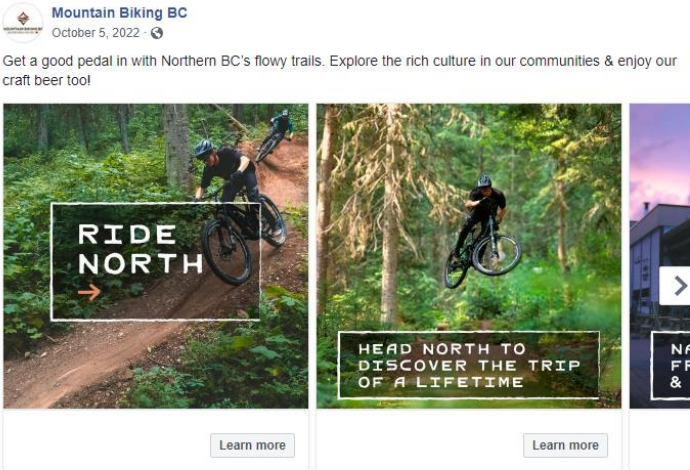
Kermelei Tourism contributed \$2,000 to the program and received the following benefits:

- Inclusion as a featured golf course on GolfInBritishColumbia.com and inclusion in the “[Road Trip The Northern BC Golf Corridor](#)” stories post.
- Inclusion on the BC Golf Map.
- Inclusion in BCGMA's \$250,000+ provincial golf marketing program for British Columbia.
- Content additions to the BC Content Hub for images/b-roll supplied with a third-party usage agreement.

Mountain Biking BC



Kermelei Tourism contributed \$7,000 for the 2022/2023 BC Mountain Biking/Bike Parks BC co-op marketing program. Terrace's \$7,000 was partnered with other communities and Destination BC's contribution for a total provincial and sub-regional budget of over \$500,000.



Mountain Biking BC
October 5, 2022 · 🌐

Get a good pedal in with Northern BC's flowy trails. Explore the rich culture in our communities & enjoy our craft beer too!

RIDE NORTH

HEAD NORTH TO DISCOVER THE TRIP OF A LIFETIME

Learn more

Learn more

Share

As part of Terrace's investment, we participated in the *Ride North* digital campaign, which ran from May 20 to September 30, 2022. The campaign included paid social media advertising on platforms such as Facebook, Instagram, and social display. The results of the campaign are as follows: conversions: 308, conversion rate: 1.85%, impressions: 1,966,986, ad clicks: 16,669, and click-through rate (CTR): 0.85%. For a detailed report of the results, please refer to the following [link](#).

In terms of content, Terrace collaborated with Smithers and Prince George in the Ale Trails episode during the 2021/22 period. The resulting story and video were published on Mountain Bike BC and the Ale Trail websites, as well as Pinkbike and Mountain Life. The current video views stand at 1K on [YouTube](#) / 5K on [Vimeo](#).

Ride North [Landing Page](#) - Traffic April 1, 2022-March 31, 2023:

Page views: 18,426

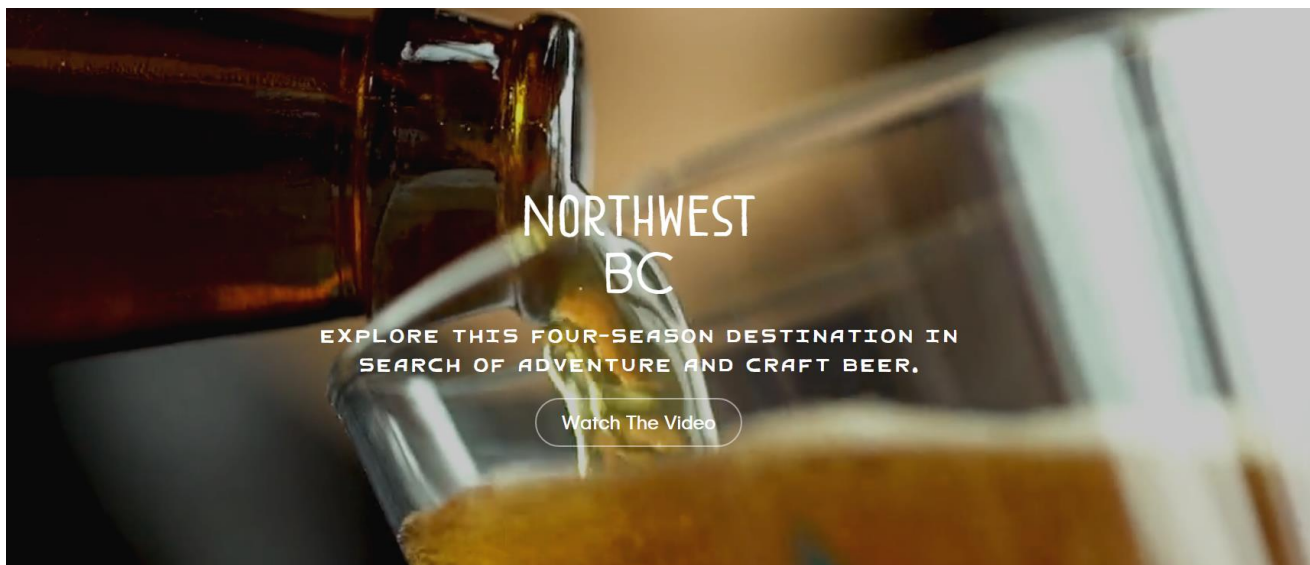
Average time on site: 00:03:20

Terrace [webpage](#) - Traffic April 1, 2022-March 31, 2023:

Pageviews: 1,014

Average time on site: 00:02:46

BC Ale Trail



Kermodei Tourism contributed \$2,415 for the 2022/23 BC Ale Trail co-op marketing program. Terrace's \$2,415 was partnered with other communities and Destination BC's contribution for a total project budget of \$432,000.

As part of Kermoder's investment, we are included as part of the Northwest BC Ale Trail. The Northwest BC Ale Trail showcases craft breweries and tourism products from Terrace, Prince Rupert, Smithers, Burns Lake, and Prince George. In Terrace, Sherwood Mountain Brewery is showcased through the BC Ale Trail [website](#) and through the digital marketing campaigns promoting the Northwest BC Ale Trail.

Group Tactics:

As part of Kermoder's baseline investment, we were included in all of BC Ale Trails global tactics including, digital marketing campaigns, mobile app, blogs, social media, PR, YouTube and more.

- The Northwest Ale Trail [webpage](#) that includes Terrace received 1343 unique pageview and 2:47 avg time on page.
- Collaboration [video](#) with Mountain Bike BC as noted in the above Mountain Bike section of the report with 1K on [YouTube](#) / 5K on [Vimeo](#)
- Inclusion on the Ale Trails [app](#), with the Northwest BC Ale Trail receiving 2269 locations views, 1496 points collected (tracked visits), and 28 rewards claimed.
- Dedicated Sherwood Mountain Brewing landing [page](#) that received 206 page views and 1:20 avg time on site.

Add-on Tactics:

Kermoder Tourism participated in a Northwest BC Ale Trail Media FAM tour. A group of four media travelled to the region from around North America from June 1-6, 2022. The Media guests included:

- Hans Tammemagi, freelance writer – pitching stories to BC Magazine, Ensemble Magazine, Canadian History Magazine and others
- Nancy Mueller, freelance writer – on assignment for an article for Northwest Travel and Life
- Max Morin, staff writer – on assignment for The Growler Toronto
- Wayne Newton, contributor – on assignment for Brews News for Postmedia outlets including Vancouver Sun/Province, Calgary Herald, London Free Press and many others

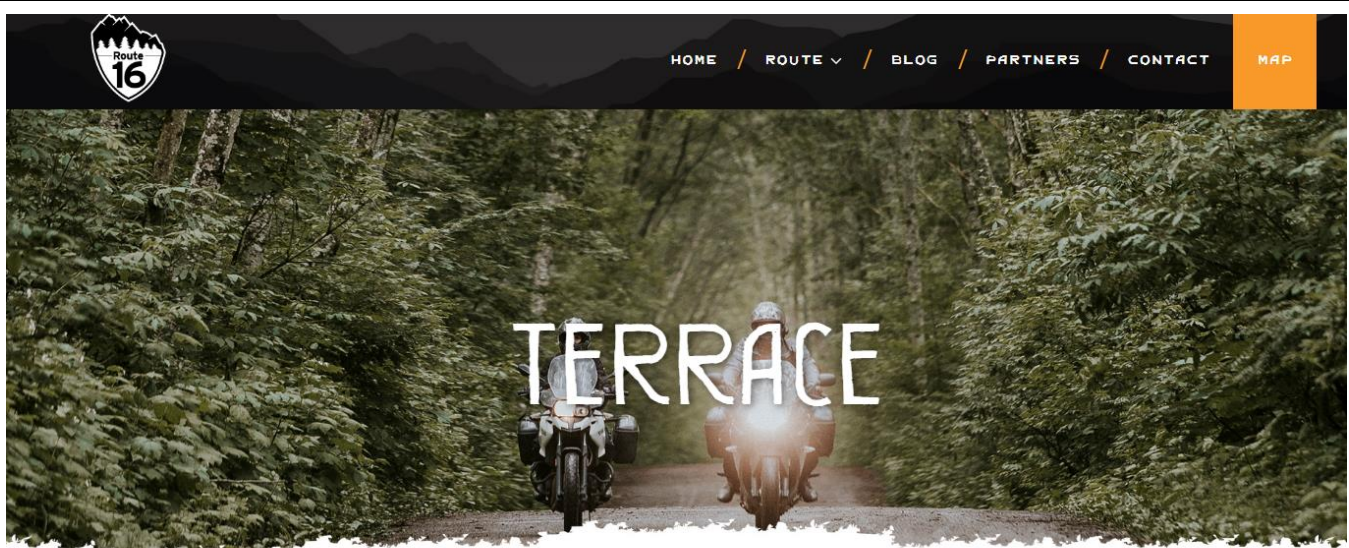
As part of the itinerary, the group visited Terrace's and visited local sites including Sherwood Mountain Brewing, Thornhill Pub, the Terrace Art Gallery, and Heritage Park Museum. A full itinerary can be found [here](#)

As a result of the FAM, the following is the earn media highlights (to date)

- Total articles published to date: 101
- Total reach: 2,893,714

Sample articles:

- [Brews News: Craft brewers play a part saving historic sites across Canada | Canada.Com](#)
- [Another world: Reflections of a trip through B.C.'s Northwest Ale Trail - The Growler B.C. | B.C.'s Craft Beer Guide](#)



In 2022, Kermodei Tourism invested \$5,000 in the Route 16 consortium project. In partnership with Tourism Prince George, Regional District Fraser Fort George, Tourism Smithers and Prince Rupert, and Tourism Kitimat, the Highway 16 corridor is promoted as a destination and motorcycle touring route.

The Route 16 consortium deployed a 2022 summer campaign and built content for a 2023 winter campaign as follows:



Summer Campaign

Route 16 highlighted the Ride16 Guided Tours and Father and Son's two-wheeled journey, made in partnership with Vahna, publications focused on inspiring stories about motorcycles, the places they take us, and the people who ride them. Route 16 focused the majority of its marketing initiatives on organic social media posts, paid social media advertisements, and programmatic display. Overall, the campaign performed well with the following results:

	Cost-per-mile (CPM)	Click-thru-rate (CTR)	Cost-per-click (CPC)
Social Media	\$2-4	1.2%-2.5%	0.30-\$4.00
Programmatic	\$3-6	0.08%-0.20%	\$5-\$7
YouTube Ads	\$4-\$10	.65%	\$7-\$10

Note: paid search ads tended to generate a variable CPM and CPC as it depends on the keyword, however, the CTR is much higher due to the relevance to the user, with a CTR between 3%-4%.

Winter Campaign - content development

In preparation for the winter campaign, Route 16 created '[Unpaved](#),' a story of Golnoosh Namazi. This content was launched as part of the winter campaign in January 2023, with results to follow in next years annual report.

Key Learnings: Cooperative Marketing

- Cooperative marketing is an important activity as Kermodei Tourism can leverage its marketing funds; however, as a small community in the north there are challenges in participating in coop programs. Often our community and/or product experience (i.e., golf) can get lost compared to other larger centres within a provincial campaign. Further, other coop programs such as ski are hard to tap into as our local ski mountain is not considered a resort.
- Perhaps there is an opportunity for Destination BC to consider incentivizing the provincial sectors groups to do more to promote northern sector groups (i.e., Northern BC Golf Corridor or Ski North) to support geographic distribution and more equitably share the benefits of tourism around the province.

Visitor Experiences

In 2022, Kermodei Tourism submitted the annual renewal of the Visitor Services Agreement with Destination BC with a request for \$16,500 – was received. Further, Kermodei Tourism received the Canada Summer Jobs Grant for summer Visitor Centre positions in 2022.

Kermodei Tourism participates in quarterly check-ins with the Visitor Centre Network and completed the annual Visitor Centre Survey and Reporting requirement for the Visitor Centre Network. Kermodei Tourism attended the Visitor Centre Network Conference in 2022.



Visitor Stats

Annual 2022 visitor numbers at the Visitor Centre saw a positive **71.7% increase** in total visitors (vs 2021).

2022: 7,756 visitors at the Visitor Centre

2021: 4,517 visitors at the Visitor Centre

2020: 2,930 visitors at the Visitor Centre

2019: 6,143 visitors at the Visitor Centre

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**Mobile Visitor Centre**

In the second summer of operation our tricycle-based mobile visitor centre was out in the community serving visitors and selling cold ice cream treat. We did not unfortunately track the number of visitor interactions; however, this is a key learning for summer 2023 and will be reported on in next years Annual Performance Report.

**Artisan Market**

Located within the Visitor Centre is a gift shop featuring more than 50 local artisans, and signature Terrace wear. The collection of products attracts many guests to the Visitor Centre and creates a welcoming environment to share information about services and experiences available in the greater Terrace area.

On December 9, 2022, Kermodai Tourism hosted a successful Christmas Shopping Celebration event at the Visitor Centre that **attracted over 100 people** and we recorded over **\$9000 in sales!**



Gear Rental

Kermodei Tourism offers affordable gear rentals at the visitor centre, including bicycles and fishing rods. Currently there are limited gear rental offerings in Terrace and Kermodei Tourism saw this an opportunity to offer travellers a way to get out and explore the city, local lakes, and trails.

Events

Kermodei Tourism provides promotional support and on-site visitor servicing for key events in Terrace, all with a goal to encourage longer stays and increased revenues for local businesses. The following are a few key events that Kermodei Tourism supported in 2022:

Skeena Valley Farmer's Market

Skeena Valley Farmers Market hosts up to 80 local vendors every Saturday from May 1- Oct 31 in Terrace. It is one of BC's oldest and largest farmers markets and has become a destination for both shoppers and vendors alike. Kermodei Tourism is on-site at the market each week selling Terrace merchandise and providing visitor information on all the amazing spots in the area. Over the course of the season, we interacted with **2,500 visitors** to our booth.



Farm Fest

Farm Fest was a one-day, family friendly festival hosted at Hidden Acres Farm in Terrace in July 2022. The event featured live music, local artisans, food, and drink vendors. Kermodei Tourism was on-site at cooking hamburgers and hotdogs, selling Terrace merchandise and providing visitor information.


Riverboat Days

Riverboat Days is the largest annual community festival in northwest British Columbia, highlighting the culture and heritage of Terrace and the surrounding area. Kermodei Tourism provided promotional support, including the redevelopment of the Riverboat Days [website](#). Further, in 2022 Kermodei Tourism sponsored the Concerts in the Park element of Riverboat Days and was onsite providing visitor information.


Key Learnings: visitor servicing

- Host more events at the visitor centre. Events encourage visitors to stop and provides our staff with an opportunity to get their attention and share information about experiences in Terrace.
- Track and report mobile (tricycle) visitor centre interactions for next season.

Destination Management
Destination Strategy Update

In 2021 Kermodei Tourism undertook an extensive strategic planning process with a broad range of partner input to create a 3-year destination management plan (2022-2025) for the Greater Terrace area. As we began implementing the plan in 2022, Kermodei Tourism achieved a significant milestone by securing a \$250,000 grant from Pacific Economic Development Canada (PacifiCan). This grant will play a crucial role in expediting the execution of our Strategy in 2023. The funds will be utilized to support various initiatives, including digital readiness programming for operators, digital asset mapping and itinerary development, sustainability initiatives, and more. We are excited about these initiatives and will provide a comprehensive update on all the progress made in our upcoming 2023 Annual Performance Report.

Local Stakeholder Engagement

Newsletter



New heliskiing lodge opens

Congratulations to Northern Escape Heliskiing on the opening of its new luxury lodge located just a stone's throw from Terrace. With an El Niña snow season on the horizon, the predictions for deep snow are looking great. The new Mountain Lodge, is nestled deep in the Skeena Mountains on the shore of an alpine lakes, and is one of the region's newest boutique heli ski lodges. The off-the-grid lodge features stonework and hardwood floors throughout and floor-to-ceiling

windows with incredible views of the surrounding mountain ranges. Amenities include massage room, hot tub, ski shop, games room, cozy lounge areas, and yes, there is even wifi. The lodge accommodates up to 10 guests, all in single rooms with ensuite bathrooms.

For more information visit: <https://www.nheliskiing.com/about/lodges/new-northern-escape-lodge>



In addition to the high level of local stakeholder engagement through the Community Tourism Strategy implementation, Kermoder Tourism was also active in communicating and providing support to tourism business operators. Kermoder Tourism staff regularly engages with local tourism businesses and partners via email, phone, in-person, on our industry website and through our quarterly industry newsletter to continually foster the visitor economy in Terrace. Further, staff were trained on Google My Business (GMB) and Trip Advisor listings in 2022 to help local Terrace tourism operators ensure that they're business is listed on the platforms.

Outputs:

- 4 newsletters were sent via email in 2022 to 400+ people in our database. Note: average open rate / average click rate are not available – see key learnings.

Local Government and Community Engagement

Kermoder Tourism maintains strong relations with Terrace's local government, meeting regularly with city staff and presenting yearly to mayor and council as part of the operating agreement. Moreover, council provided a letter of support for the PacifiCan grant that Kermoder Tourism applied for and received in 2022.

Further, Kermoder Tourism's Executive Director, Liz Smaha is the Vice Chair of the Terrace Downtown Improvement Association and is involved in a revitalization project to provide a vibrant, safe, accessible downtown core for residents and visitors.

As a leader in the community, Liz penned an open letter on February 23, 2022, addressing the pressing issues of crime and social unrest in Terrace. In her letter, she emphasized that if these issues are not resolved, they could lead to the closure of businesses and discourage visitors from coming to the area. Liz urged Terrace's mayor and council to bring attention to these concerns at both the Union of BC Municipalities and North Central Local Government Association. ['Our community is in a severe crisis': Crime impacting Terrace businesses - Terrace Standard](#)

Lastly, given the abundance of fishing, mountain biking, and art & cultural experiences in the Terrace area, Kermoder Tourism is engaged and working together with the local angling group, Terrace Off-Road Cycling Association, and the Skeena Valley Arts group.

Provincial Industry Engagement

Throughout 2022, Kermoder Tourism participated in a variety of industry update calls, sessions, and presentations to stay up-to-date and be able to share important information with Kermoder Tourism partners. For example:

- Destination Canada - regularly-scheduled industry calls
- Tourism Industry Association of Canada - regularly-scheduled industry calls

- Government of Canada - 2022 Summer Jobs program updates
- Tourism Industry Association of BC - regularly-scheduled industry calls
- Destination BC – regularly-scheduled industry calls
- Northern BC Tourism Association – regularly scheduled industry calls
- Northwest DDS Advisory Committee – regularly scheduled calls
- BC DMO Association - regularly-scheduled members calls
- Visitor Centre Network Engagement Calls – quarterly check-ins by region
- Member of Destination International – regularly scheduled calls and learning opportunities

Further, Kermodai Tourism Executive Director Liz Smaha, completed a Tourism Management Course through Destination International. Keeping up on the latest trends, information, and changes in the tourism sector is just one-way Kermodai Tourism continues to evolve and keep up with the evolution of the tourism industry. Liz was also successful in securing a scholarship to attend the Destination International Conference in Toronto in summer 2022.

Northwest BC Destination Development

In 2022, Kermodai Tourism continued to participate in the development and implementation of the Northwest BC Ten-Year Destination Development Strategy with participation on the Advisory Committee. This strategy addresses experience development, infrastructure, signage, transportation, policy needs, business training, and labour market issues. The Advisory Committee provided input into the development of the Great [Northern Circle Route Signage Master Plan](#) completed fall 2022.

Key Learnings: Destination Management

- Managing a separate consumer and industry website is too much for a small community. As such, Kermodai Tourism made the decision to shut down its industry site and instead build a new and improved website that contains both consumer and industry information. This new website will not only facilitate improved communication but also enhance our ability to track industry outreach. Additionally, it will provide features such as an event calendar, and the ability to send newsletters directly from the website and sending reminder notifications a few days after the newsletter is sent. This will save staff time and resources.
- Kermodai will invest in a Value of Tourism study in 2023 to better assess the economic significance and impact of tourism in our community. This study will help guide decision-making process, inform tourism development strategies, and support effective resource allocation in the future.

Governance & Finance

Finance

In 2020 Kermodai Tourism signed a two-year (January 1, 2020, to December 31, 2022) operating agreement with the City of Terrace. Through this agreement the City of Terrace will maintain tourism funding and direct funds to the Kermodai Tourism Society. The City of Terrace contributions was \$132,600 in 2022. *Note Kermodai presented to Council in early 2023 and secured a municipal contribution (\$132,600) for 2023.*

Governance

The Kermodai Tourism board is made up of nine directors, representing a broad cross section of the tourism industry, including the City of Terrace, Regional District of Kitimat-Stikine, Terrace and District Chamber of

Commerce, Terrace Business Resource Centre, accommodation sector and strategically selected sectors of the local tourism industry.

Our AGM was held on November 9th with 9 members in attendance. Two new directors were elected to the board and the remaining board members were re-elected.

Staffing

In 2022, Kermodei Tourism employed one full-time Executive Director, one part-time receptionist, one full-time social media specialist, and one full-time visitor centre councillor and a part-time bookkeeper. Further, we have contracted assistance for web, data, communications, MRDT, photography/videography and a grant specialist.

Key Learnings: Governance & Finance

- In the past, we outsourced our finance and accounting operations to a local accounting firm. However, we faced challenges in receiving timely financial information from the firm. As such, in 2022, we made the decision to hire an in-house bookkeeper to handle our finance and accounting needs to better be able to manage our financials and decision-making processes.

2. Effective local-level stakeholder support and inter-community collaboration

Designated recipients are responsible for engaging with key stakeholders, establishing local-level support, and seeking out efficiencies through collaborative activities to inform appropriate decision-making regarding investments.

Extent of Local-level Stakeholder Engagement

Local-level stakeholder engagement continued to be a key priority for Kermodei Tourism in 2022. See Destination Management section above for information on Kermodei Tourism's industry and local government engagement.

Stakeholder Satisfaction

Only for designated recipients collecting 3% tax:
n/a

Community Collaboration

Only for designated recipients collecting 3% tax:
n/a

3. Marketing Efforts Are Coordinated and complementary to provincial marketing strategies and tactics:

Designated recipients are responsible for ensuring their marketing efforts complement and do not duplicate those of Destination British Columbia to avoid overlap at the community level and dilution of BC's marketing message in key domestic and international markets.

- Participates in Destination BC's cooperative marketing programs with Mountain Biking BC, BC Ale Trail, Northwest BC, Route 16, BC Golf Marketing Alliance.
- Works closely with Northern BC Tourism Association on cooperative marketing (i.e., Northwest BC), Travel Trade, Travel Media Relations, and Destination Development activities.
- Attends regular TIABC and BCDMOA meetings.
- Attends regularly scheduled Destination BC Industry Calls, reads DBC and TIABC communications and shares resources with industry business partners in Terrace.

Coordinated with Destination British Columbia on Travel Media and Travel Trade Activities

Only for designated recipients collecting 3% tax:
n/a

4. Fiscal prudence and accountability

All designated recipients must be accountable, transparent, and make fiscally prudent investments in community tourism marketing.

Effective Financial Management

See Appendix 2.1

Streamlined Administrative Costs

2022 Administrative costs: wages, benefits, and admin:

Marketing - \$84,670.95

Destination and Industry Development - \$76,115.66

Visitor Services - \$76,115.66

Administration - \$79,723

TOTAL: \$316,625.27

This represents 50% of the total \$630,335.44 Kermodei Tourism expenditures in 2022.

Leveraging of Other Marketing Funds

Kermodei Tourism invested **\$25,115** to be part of **\$1,300,121** worth of cooperative marketing programs in 2022.

Project	Kermodei Tourism Investment	Total Project Cost
Mountain Bike BC	\$7,000	\$500,000
BC Ale Trail	\$2,415	\$432,000
Northwest BC Coop (with NBCTA)	\$8,700	\$42,303
Route 16	\$5,000	\$75,818
Golf in British Columbia	\$2,000	\$250,000

By signing this form, you certify the accuracy and completeness of the information provided above.

Designated Recipient's Authorized Signing Authority Name	Designated Recipient's Authorized Signing Authority Title
Date	Designated Recipient's Authorized Signing Authority Signature