

INCREASED OCCUPANCY

INTEGRITY

RESULTS

VALUES

openness

EDMH

service

ACCOUNTABILITY

innovative

solutions

UNITY

PARTNERS

PROFITABLE
STRATEGY

RESEARCH

TRANSPARENCY

development

PARTNERSHIP

EXPERIENCE

COLLABORATION

investment

MANAGEMENT

engagement

STEWARDSHIP

CLARITY

Skill



2017 ANNUAL REPORT

Edmonton Destination Marketing Hotels Ltd.
In Partnership to Increase Overnight Visitation in Edmonton

2017: THE YEAR IN REVIEW

Each year as we prepare these reports, we reflect on the occurrences that in both big and small ways shape our views, and by that shape our experiences in Edmonton. In 2017 it really was a year of shifting foundations. The world became more polarized with extreme views – meaning anything outside of centrist or moderate – became the norm.

January of 2017 rung in with the inauguration of the 45th President of the United States, Donald Trump. Even this event became polarized as the president's then press secretary and the president himself hailed this to have a 'record-breaking crowd attendance', which wasn't supported by the images of that day.

By February North Korean Supreme Leader Kim Jong-un launched missile tests over the Sea of Japan. Although these tests started in 1984, successful intermediate-range/intercontinental missile launches didn't occur till 2017. By September North Korea fired its most powerful weapon to date – a thermonuclear hydrogen bomb. Closer to home, February saw Somalian migrants from the USA beginning their crossings into Canada, putting Emerson, MB on the map.

By March, the UK Prime Minister Theresa May triggered Article 50 of the Lisbon Treaty, commencing the process to remove Britain from the European Union. By June the Conservatives would lose their majority in an unexpected outcome from their general election, defying all the early polls. Prime Minister May was forced to broker a deal with the DUP in Northern Ireland to prop up her government, as Jeremy Corbyn's Labour surged in popularity.

In May, an outdoor family-friendly concert turned into the site of a terror attack in the UK. After an Ariana Grande concert at Manchester Arena, a suicide bomber detonated an explosive device, killing 22 people and injuring hundreds of others – many of them children. May also saw the British Columbia Liberals lose their majority after 16 years of government. To win control of the legislature, the New Democrats partnered with the three-member Green MLAs to form government, and immediately expressed their intent to stop the Kinder Morgan pipeline development agreement.

June came in with President Trump snubbing the Paris Climate Accord. The announcement that the USA would be pulling out of the landmark Paris climate agreement was quickly followed by Hawaii leading the path for 14 states defying this order and committing to the accord. June was also the month when the London Bridge became the site of another terror attack on UK soil, with terrorists ploughing into pedestrians on the bridge, before running into nearby Borough Market where they set about stabbing revellers.

July 1st was the official day but Canada's 150th celebrations lasted all year long – and contributed to what the Travel Industry Association of Canada (TIAC) revelled as Canada's 'best year ever' for tourism. This year also celebrated the 100th anniversary of each Vimy Ridge and the Halifax Harbour explosion, and also marked the 375th birthday of Montreal.

“ It is with great admiration that I have observed the leadership & entrepreneurial spirit of the EDMH over the past few years. Not only a top of form organization with a strong results orientation, I believe they are one of the very best examples of stewardship & collaboration. The manner in which they strive to achieve their vision & grow the City of Edmonton tourism brand is not only impactful but inspiring. Congratulations to the leadership, board and membership of the EDMH.”
Perry Batke, Chair, Alberta Hotel & Lodging Association

In October, hotels became centre-stage for violence when 58 people were killed when Stephen Paddock opened fire on a crowd of concert-goers from his hotel room in Las Vegas Nevada. October also saw Catalonia vote for independence from Spain in a referendum that was later declared unlawful by the international community.

September brought terrorism – or at least terrorism-like activities – to Edmonton’s doorstep with an officer struck by a vehicle, then stabbed by the driver before departing, running down pedestrians.

In November there were additional releases of the Panama Papers: German newspaper Süddeutsche Zeitung released millions of documents highlighting the dubious financial activities of some politicians, celebrities and businesses. Among those caught up in the scandal were Queen Elizabeth II, Bono and David Cameron.

In December, President Donald Trump made the controversial decision to formally recognise Jerusalem as the capital of Israel. The move was widely condemned and Mr. Trump was even accused of issuing a “declaration of war”, with concerns that it could destabilise peace in the region.

By the time global news organizations picked up the story that 5 naked people were arrested in a two-vehicle collision south of Nisku in November – we were desensitized and ready for some comic relief. Including the chortles when those arrested cited the cause of the nudity was due to the drinking of hallucinogenic tea over breakfast. Undoubtedly, tea sales soared...



THE FRONT COVER:

The cover of this Annual Report might need some explaining. You’ll see on the following pages the EDMH strategy voice, updated. We use this to identify our ‘True North’ values, or our compass for success. This year we’ve used this word-cloud concept for our cover, since these terms reflect the core values required in how the EDMH successfully operates, through partnerships. The foundational terms we look to see with those we fund are: Transparency, Accountability, Results – and all leading to Increased Occupancy. Since nearly 90% of our funds are activated by others, the EDMH Board & staff work to both receive these core values from partners, and to reflect these core values to our membership.

Attractions Northlands Conventions Motels Mission
 VISITORS GUESTS Integrity Stewardship
 TOURISTS Vision Edmonton HOSPITALITY
 EVENTS HOTELS Collaboration
 Shaw Conference Centre
 Edmonton Tourism
 Edmonton International Airport
 CITY OF EDMONTON
 Travel Alberta

2013

2018, PROPOSED

Edmonton
RESULTS
 INTEGRITY
 attractions VISITORS
 HOTELS guests
TRANSPARENCY
 accountability
COLLABORATION
 HOSPITALITY
 MOTELS
PARTNERSHIPS
 Stewardship
 VISION
 CONVENTIONS
MISSION
 Events
 TOURISTS

Our Vision, Values and Mission were all voted in by membership at our inaugural EDMH Annual General Meeting, reporting on 2013 and held on April 17, 2014. Although our Board believes that, in a significant way, these principles stand the test of time, at our 2017 Annual General Meeting they will put forward the following changes.

Our Values

ACCOUNTABILITY

INTEGRITY

COLLABORATION

STEWARDSHIP

**TRANSPARENCY
 (2018, PROPOSED)**



Our Vision

Edmonton will be western Canada's premier hospitality destination, attracting visitors for a wide variety of activities and experiences, creating prosperity for our members.

Our Mission

Our purpose is to direct investment in initiatives that create, drive and sustain growth in Edmonton as a travel destination for the benefit of our members.

PROPOSED, 2018:

Our purpose is to direct investments and hold our partners accountable for creating, driving and sustaining growth that deliver positive results in the Greater Edmonton Region for the benefit of our members.

Strategic Objectives

1. To maintain, engage and grow EDMH's membership. Success includes:
 - Showing results
 - Measuring ROI
 - Communicating with members
 - Maximum member participation in marketing initiatives
2. To assure the long term sustainability of Edmonton Destination Marketing Hotels. Success includes:
 - Showing results
 - Regular and ongoing communications with members and other stakeholders
 - Ensuring that the EDMH has the right partners
 - Measuring ROI
 - Clusters working at maximum effectiveness and alignment with EDMH goals
3. To seek innovative initiatives that will drive tourism to Edmonton
4. To drive room revenue through investment of Destination Marketing Fund dollars

EDMH BOARD OF DIRECTORS



Garrett Turta
Chair, 2017



Karen Naylor
Treasurer
2017



Dawn Li
Corporate Secretary
2017



George Marine
Vice Chair
- Dec 21, 2017



Robin Cumine
Member at Large
2017



Richard Wong
Member at Large
- Jul 11, 2017



Peter Parmar
Member at Large
Dec 22, 2017 -



Jeff Liston
Member at Large
Jul 12, 2017 -



Grant McCurdy
Past Chair
2017

REPORT FROM THE CHAIR AND THE EXECUTIVE DIRECTOR

Garrett Turta | Karen Chalmers



**"A DIAMOND IS A CHUNK OF COAL THAT
DID WELL UNDER PRESSURE."**

- HENRY KISSINGER

THESE LAST FEW YEARS HAVE TESTED THE BEST OF US, AS WE INDIVIDUALLY AND COLLECTIVELY HAVE ADAPTED AROUND THE DOWNTURN IN THE ALBERTA RESOURCE SECTOR.

If that wasn't challenging enough, our hotels have also faced increased costs through new carbon levies and increased minimum wages. In 2017, we had the additional pressure of understanding that the Big City Charter had added the Calgary and Edmonton DMFs to their Fiscal Framework. Basically, this is the first step to potentially set up the city governments of Alberta's two major cities to take over their respective DMFs. Although hugely concerning, this does not mean that such an action is imminent or even that it indeed will happen.

However, let's talk about the process if the city would take over the DMF, which of course is the core to the EDMH. The following would have to happen:

- 1) The provincial government would have to enable the final elements within the Charter for this ability. At time of writing, our provincial government is busy with their own issues. Secondly, they now realize that there are eleven DMFs in Alberta, and what they do for two of them – they'll have to do for others. It would quickly become apparent for other city governments without DMFs to realize their ability to gain tax dollars this way (think of Fox Creek) so even if they didn't have a DMF beforehand – they would immediately after. This means that our provincial government would need to create a full DMF strategy, not just a line-item in the Big City Charter for two cities
- 2) Would it be legal for the City of Edmonton to take over a DMF which is part of a Part 9. Not for Profit Association under the Companies Act? The answer is 'yes'. This is because 'Destination Marketing Fund' or Fee or DMF is not a proprietary term, since most centres across North America use it. It's because it is not proprietary that any city can take it over.

- 3) Why do we care if the city takes over these funds? Twofold:
 - 1) We have seen with the provincial Tourism Levy that not all funds collected go to Travel Alberta and the Ministry. At a local level, it's understandable that it would be challenging for our government to look at immediate issues (homelessness, potholes, etc.) and in the cash-strapped economy not look for dollars they could transfer. And 2) our concern is losing industry oversight. One of the greatest services that our Board provides is in balancing proclaimed 'wins' against cost of acquisition and ROI. And pushing for hotel occupancy to be a key performance indicator in most spends – given that, without full and profitable hotels – the ability to fund Edmonton Tourism and others dissipates.

A major focus of 2017 has been to create hotel-filling opportunities. A number of these opportunities have been initiated in 2017 to build in 2018. However, thanks to our partnership with the Oilers Entertainment Group, our Downtown cluster has seen growth year over year. Downtown also benefited from our partnership with the Meetings & Conferences team in the Edmonton Tourism group. Our partnership with Edmonton International Airport and Edmonton Tourism has led the way for KLM and Icelandair to hold their Edmonton routes. And of course we were delighted when the notice came in 2017 that San Francisco will be the newest cross-border route, activating in 2018.

Both the Chair and Executive Director travelled with an OEG-led delegation to the Ivan Hlinka U18 Tournament in Slovakia and the Czech Republic. Within 48 hours of returning, we had connected with their European-based travel organizers to begin arranging EDMH hotel blocks for this tournament coming to Edmonton in August, 2018. The now renamed Hlinka Gretzky Tournament will be in Edmonton in 2018, 2022 and 2024, with options beyond. It was also in 2017 that we recognized that the need for a prioritized booking/selling engine for EDMH hotels was a priority, which would ensure that bookings benefit all areas of our city. This site will launch in April, 2018.

DOWNTOWN



exploreedmonton.com/downtown

TOTAL VISITS, DOWNTOWN PAGES

Jan 1, 2017 – Dec 31, 2017

38,341

AVERAGE TIME ON DOWNTOWN PAGES

Jan 1, 2017 – Dec 31, 2017

2.78 MINUTES

LEISURE

WINTER TRAVELLER CAMPAIGN / Nov 6 – Dec 31, 2017

"Did you know?" style campaign to inform and drive bookings.

Call To Action: Downtown hotel page on exploreedmonton.com

Impressions	3,942,767	8,516	Landing Page Visits
Clicks	17,495	31	Conversions
Average CTR	0.44%		

SUMMER OFFER CAMPAIGN / Jun 24 – Sep 4, 2017

Campaign focused on driving bookings through deals page.

Call To Action: Summer Deals Page on exploreedmonton.com/

Impressions	2,374,861	4,484	Clicks
Conversions	46	0.19%	Average CTR

✓ SUNNY DAYS?
✓ THRILLING RIDES?

✓ ROCKIN' MUSIC?
✓ TASTY DISHES?

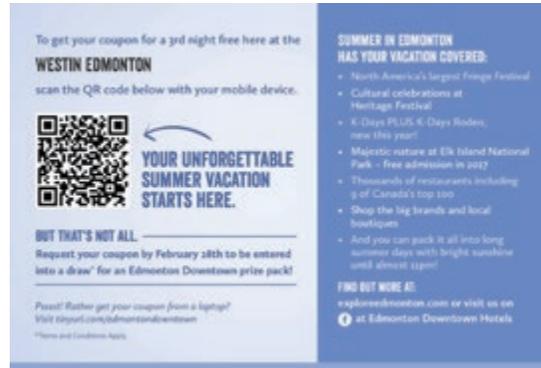


PACK MORE INTO YOUR SUMMER?

PACK MORE INTO YOUR SUMMER? ✓

CHECK OUT OFFERS & INCLUSIONS FOR YOUR BEST VACATION.

EDMONTON
DOWNTOWN
HOTELS



SUMMER COUPON PROMO (GARTH BROOKS RETARGETING) /Feb 15-28, 2017

Retargeting promotion with hardcopy print and online form. Visitors received print piece upon check in to request a coupon for a future stay and opt in for future communications.

Call To Action: online form

38 Coupon requests

12 CASL-compliant email opt-ins

MEETINGS & CONVENTIONS SALES ACTIVITIES

TRADESHOWS

TÊTE À TÊTE 2 Reps

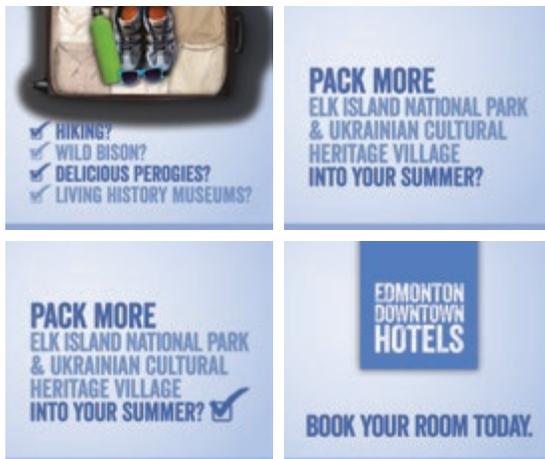
ASAE ANNUAL CONFERENCE 1 Rep

INCENTIVEWORKS 2 Reps

EXPERIENTIAL FAM EVENT

VIP DINNER

Cluster representatives hosted clients to dinner in the Chairman's Club at Rogers Place with tour including Oilers dressing room



ELK ISLAND/UKRAINIAN VILLAGE RETARGETING

/Jun 27-Aug 15, 2017

Retargeting campaign to leverage Edmonton Tourism ads and promote conversion.

Call To Action:
Check In Canada link powered by JackRabbit

498,281 Impressions

2,693 Clicks

0.54% Average CTR

129 Searches

4 Conversions

SOUTHSIDE



exploredmonton.com/southside

TOTAL VISITS, SOUTHSIDE PAGES

Jan 1, 2017 - Dec 31, 2017

38,697

AVERAGE TIME ON SOUTHSIDE PAGES

Jan 1, 2017 - Dec 31, 2017

**2.45
MINUTES**

LEISURE

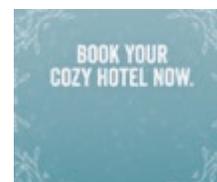
WINTER TRAVELLER CAMPAIGN

/Nov 6 - Dec 31, 2017

"Did you know?" style
campaign to inform
and drive booking.

Call To Action:
Southside hotel page on
exploredmonton.com

2,943,924 Impressions
32,990 Clicks
1.12% Average CTR
17,340 Landing Page Visits
132 Conversions



SILVERSKATE RETARGETING

/Dec 14, 2016 - Jan 31, 2017

Retargeting campaign with
festival message to leverage
Edmonton Tourism event ads
and promote conversions.

Call To Action:
Check In Canada page
powered by JackRabbit

465,412 Impressions
1,722 Clicks
0.37% Average CTR
306 Check In Canada searches
6 Conversions

EC·LEC·TI·FY
verb

Compiling a wide array of experiences for the purpose of creating your ultimate summer vacation.

**LIVING HISTORY MUSEUMS
NATURAL VISTAS
PARKS** *(both aerial and water!)*
**SHOPPING MALLS AND
SHOPPING STREETS...**

Eclectify
YOUR STATE



CLICK TO SEE OFFERS AND INCLUSIONS.

**EDMONTON
SOUTHSIDE
HOTELS**

EC·LEC·TI·FY
verb

Compiling a wide array of experiences for the purpose of creating your ultimate autumn break.

**UNIQUE ATTRACTIONS
OUTDOOR ACTIVITIES
LOCAL ARTISANS**

Eclectify
YOUR STATE



CLICK TO SEE OFFERS AND INCLUSIONS.

**EDMONTON
SOUTHSIDE
HOTELS**

SUMMER OFFER CAMPAIGN

/Jun 24–Sep 4, 2017

Campaign focused on driving bookings through deals page.

Call To Action: Summer Deals Page on exploredmonton.com/

Impressions	2,895,473
Clicks	10,187
Average CTR	0.35%
Average CTR	42

FALL OFFER CAMPAIGN

/Sep 11–Nov 4, 2017

Campaign focused on driving bookings through deals page.

Call To Action: Campaign deals page on exploredmonton.com

Impressions	1,954,534
Clicks	14,887
Average CTR	0.76%
Average CTR	52

MEETINGS & CONVENTIONS SALES ACTIVITIES

TRADESHOWS

TÊTE À TÊTE 1 Rep

INCENTIVEWORKS 1 Rep

EXPERIENTIAL FAM EVENT

VIP LUNCH

Lunch at ATB Arts Barn with catering by Café Bicyclette and Fringe-style performer

PERCY PAGE

COFFEE BREAKS

Cluster representatives participated in two events at the centre on June 6 and November 21, hosting sports association prospects with breakfast and activities

WESTEND



exploreedmonton.com/westend

TOTAL VISITS, WESTEND PAGES

Jan 1, 2017 - Dec 31, 2017

30,277

AVERAGE TIME ON WESTEND PAGES

Jan 1, 2017 - Dec 31, 2017

**2.27
MINUTES**

LEISURE

PIXAR EXHIBIT RETARGETING /Two flights between Jul and Nov 2017

Retargeting campaign with exhibit message to leverage Edmonton Tourism ads and promote conversions.

Call To Action: Check In Canada page powered by JackRabbit



1,757,980 Impressions
3,735 Clicks
0.23% Average CTR
3 Conversions

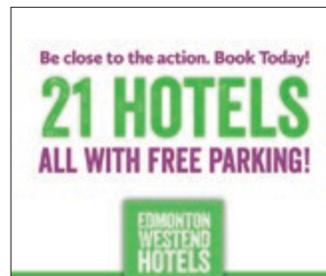


PIXAR EXHIBIT FACEBOOK SWEEPSTAKES

/Jul 10 - Aug 10, 2017

Increase awareness and engagement for Edmonton Westend on Facebook and build email opt-in.

Call To Action:
Facebook contest page



2,075 Contest views
784 Clicks
457 Contest entries
258 Mailing list opt-ins



SUMMER OFFER CAMPAIGN /Jun 24–Sep 4, 2017

Campaign focused on driving bookings through deals page.

Call To Action: Summer Deals Page on exploreedmonton.com/

Impressions	2,378,204	4,223	Clicks
Conversions	38	0.18%	Average CTR

WESTEND WINTER DEALS CAMPAIGN

/ Nov 15–Dec 31, 2017

Campaign focused on driving traffic to hotel pages through deals page.

Call To Action:
Campaign deals page on
exploreedmonton.com

Impressions	44,511
Clicks	465
Average CTR	1.07%
Conversions	50

ALL-CLUSTER SALES MISSION

VANCOUVER /Sep 6, 2017

OTTAWA /Sep 26, 2017

TORONTO /Sep 28, 2017

Clusters partnered with Edmonton Tourism to showcase Edmonton in key markets– Ottawa, Toronto and Vancouver. Clients were hosted to an Edmonton fashion experience with Edmonton advocates from Poppy Barley, Edmonton's own custom footwear designer



FALL OFFER CAMPAIGN

/Sep 11–Nov 4, 2017

Campaign focused on driving bookings through deals page.

Call To Action:
Campaign deals page on
exploreedmonton.com

Impressions	2,769,428
Clicks	10,977
Average CTR	0.40%
Conversions	81

MEETINGS & CONVENTIONS SALES ACTIVITIES

TRADESHOWS

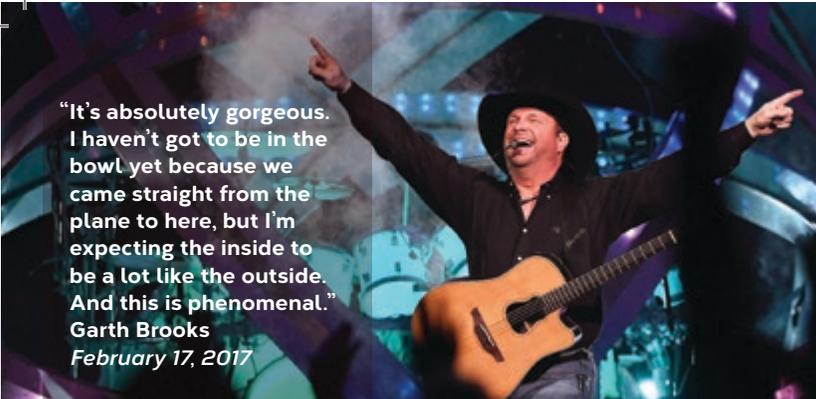
TÊTE À TÊTE 2 Reps

INCENTIVEWORKS 2 Reps

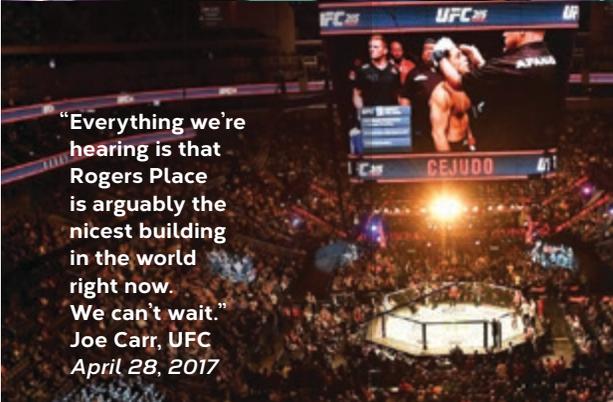
EXPERIENTIAL FAM EVENT

VIP LUNCH

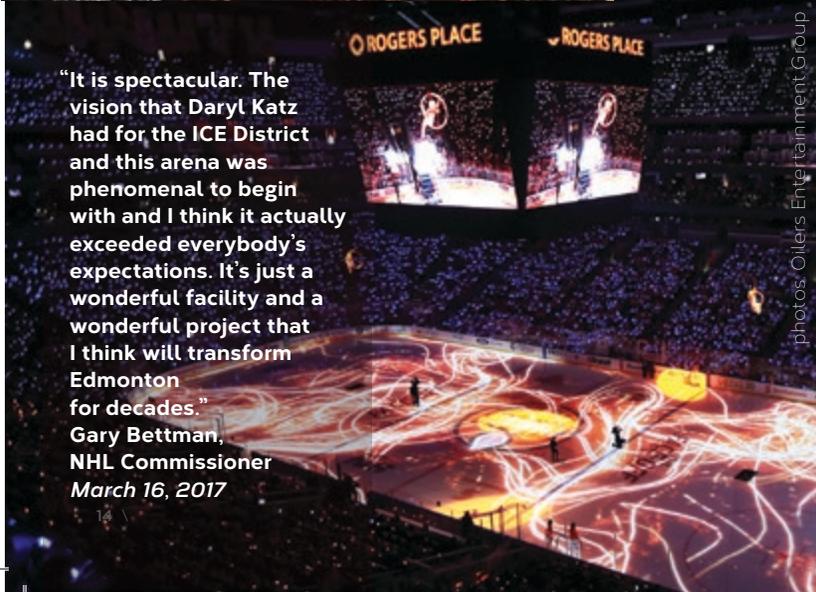
Performance by Aboriginal dance troupe followed by lunch at Sage with custom menu created by the chef



"It's absolutely gorgeous. I haven't got to be in the bowl yet because we came straight from the plane to here, but I'm expecting the inside to be a lot like the outside. And this is phenomenal."
Garth Brooks
February 17, 2017



"Everything we're hearing is that Rogers Place is arguably the nicest building in the world right now. We can't wait."
Joe Carr, UFC
April 28, 2017



"It is spectacular. The vision that Daryl Katz had for the ICE District and this arena was phenomenal to begin with and I think it actually exceeded everybody's expectations. It's just a wonderful facility and a wonderful project that I think will transform Edmonton for decades."
Gary Bettman, NHL Commissioner
March 16, 2017

OILERS ENTERTAINMENT GROUP

EDMH REVIEW: JANUARY 1, 2017 – DECEMBER 31, 2017

HIGHLIGHTS:

- Daryl Katz has invested over \$2 billion dollars into Edmonton's downtown via the ICE District project. Once completed ICE District will welcome footfall traffic of over 12 million people per year
- Rogers Place welcomed 2.2 million guests through the door as of December 31, 2017 (since opening)
- Fans experienced six Stanley Cup Playoff Games and seven Orange Crush Road Game Watch Parties Powered by Rogers
- Rogers Place hosted some of the largest names in entertainment including Jay-Z, Lady Gaga, Ed Sheeran (two shows), Garth Brooks (nine shows), Coldplay (two shows), Bruno Mars (two shows), etc.
- Rogers Place has hosted 38 shows that have only played the Edmonton market, vastly increasing the geographic catchment for concert goers across Western Canada.
- Live Entertainment contributed 801,000 tickets to Edmonton's market, including concerts, UFC 215, PBR, special events, the Chamber Ball, Canada 150 Gala, Canadian Women's National Game, etc. (total of 141 events)
- Hockey contributed 1.39 million admission tickets for Oilers, Oil Kings and playoff watch parties (total of 110 events)
- Won Mayor's Award for Accessible Homes & Buildings – Non-residential building: ALSD Spotlight – Overall Building Architecture: PMINAC – Construction and Infrastructure Project
- Nominated for Sports Business Journal: Sports Facility of the Year

"I'm very excited, it's my first time here in Edmonton and this beautiful city. I can't wait to step into the Octagon and see the crowd; I know it's going to be packed and I can't wait to put on a great show for everyone." **Amanda Nunes, UFC Bantam Weight Champion**
September 6, 2017

EDMONTON INTERNATIONAL AIRPORT

EDMONTON GAINS ALTITUDE IN 2017 WITH RISING INBOUND LEISURE PASSENGERS

Edmonton International Airport (EIA) generated significant growth in 2017, serving more than 7.8 million passengers and moving forward with many impressive commercial development and infrastructure projects that will benefit our local tourism economy. These passengers represent growth in hotel occupancy in our city, a critical objective of EIA's work. Success in this work can be attributed to the excellent partnership and aligned efforts between Edmonton Destination Marketing Hotels (EDMH), Edmonton Tourism, the City of Edmonton, Edmonton Economic Development Corporation, Travel Alberta, Edmonton's business community, our airline partners and EIA.

In 2017, EIA's overall passenger count grew by 3.8 per cent over 2016's numbers and domestic travel increased by 6.9 per cent over the previous year. With respect to room night growth in critical international markets, EIA grew inbound international traveller numbers by over 20 per cent, primarily on the KLM and Icelandair routes. US travel experienced a net 4.0 per cent decrease in 2017, however has since rebounded with positive 2018 increases.

EIA continues to generate passenger demand to support its international non-stop flights. Using our unique partnership approach

with these airlines has enabled us to identify key need periods and market segments, which allows us to implement smart sales initiatives to support those flights. In 2017, we saw growth in international inbound passengers purchasing airfare and accommodations from the Netherlands, Belgium, Germany and Scandinavia in particular.

Looking forward, we are encouraged with multiple new air service offerings beginning in 2018. Air Canada will begin service to/from Edmonton for San Francisco, Las Vegas, Victoria and Kelowna. WestJet and Flair Airlines have also added increased frequency to destinations in Canada. A new airline, Swoop, will begin operating in Edmonton in June 2018, offering inbound passengers a great new low-cost option. These new routes will enable increased traveller access to EDMH properties, and we will support those flights and room night growth through our ongoing partnerships, marketing and promotion.

EIA values its close partnership with EDMH and will continue executing its focused strategy to generate results for our EDMH and airline partners. We look forward to our continued partnership in 2018 and further joint successes!





EDMONTON TOURISM

EDMONTON AS A CITY AND DESTINATION FOR VISITORS CONTINUES TO GROW AND EVOLVE.

Edmonton Tourism – made up of Marketing & Events, Communications & Distribution, and Meetings & Conventions – has increased efforts in driving sustainable year-round visitation. Our goal is to increase visitation, entice longer stays, and increase tourism spending, and we will accomplish this by: driving demand for our city's experiences, focusing on proactive growth strategies for the city, and setting consistent performance measures that help us drive improved results and build on Edmonton's brand and reputation as a great host city and place to visit.

2017 EDMONTON TOURISM RESULTS

Visitor Economy	\$60,482,918
Room Nights <i>(Edmonton Events, Meetings & Conventions, Travel Trade)</i>	117,174
Hotel Occupancy <i>(Market Monitor, Travel Alberta)</i>	57.1% <i>down -3.1% over 2016</i>
Website Sessions	1,087,864
Social Media	6.1 MILLION <i>organic reach</i>
New Itineraries featuring Edmonton	103
Media	8.7/10 QUALITY SCORE
Earned Travel Media Value	\$22.4 MILLION

MEETINGS & CONVENTIONS

- 55,548 definite and confirmed room nights.
- Conference Services is a new dedicated offering for each definite lead. The program provides four touch-points with the client leading up to their event; offsite venue options, pre- and post-experiences, attendance builder assistance, and post conference surveys and testimonial collection.
- The research unit was established and supports M&C by providing tailored information for bid packages and prospecting in alignment with our vertical sectors. A large responsibility of this unit is to effectively leverage all funding opportunities.
- In 2017, we hosted two networking events for our growing Influencer Program, and sent out our inaugural influencer newsletters. Several new influencers have been added to our master list. Our team members are engaged in this effort and see the benefit local champions can provide to our work.

EDMONTON EVENTS

- 52,049 contracted room nights and 45 definite events for a visitor economy of \$12,892,485 and an economic impact of over \$38 million.
- Edmonton Events, the City of Edmonton and the Government of Alberta secured the 2018 Grey Cup. Economic impact of the 2010 game in Edmonton was \$82 million, and saw over 36 thousand people visit Edmonton from outside of 80 km.

ONLINE

- Exploreedmonton.com accommodations page up 26%
- Event Calendar: up 69.44%
- New visitors up by 4.5%
- Facebook Fan Growth up 19% to 98,606
- Organic Impression Growth up 21% to 8,661,282
- Overall #ExploreEdmonton Hashtag usage up by 68% to 209,878
- Twitter Follower Increase up by 49% to 36,075

2017: SELECTED HIGHLIGHTS

- Won the bid to host Professional Conference Management Association – Innovation Conference 2020.
- JW Watch Tower, Bible and Track Society of Canada 2017, 6443 room nights, \$2,404,324 visitor economic impact.
- National Gathering of Elders Conference 2017, 3024 room nights, \$1,355,583 visitor economic impact.
- Intergovernmental Panel on Climate Change 2018, 4000 room nights, \$920,756 visitor economic impact.
- Six *You Think You Know Edmonton* videos released for a total of 5,400,630 views.
- Travel + Leisure – Edmonton named one of The 50 Best Places to Travel in 2018.
- Travel Trade established 103 new Edmonton itineraries in our target international markets and reported over 9,000 room nights in Edmonton booked representing a 7% increase in overnight stays.



EDMH FUNDING ALLOCATIONS *(actuals vs projections)*

	<i>actual</i>	<i>projected</i>
MARKETING	\$669,327	\$884,000
COMMUNICATIONS & DISTRIBUTION	\$675,000	\$600,000
MEETINGS & CONVENTIONS & EVENTS	\$2,105,700	\$2,776,000
TOTAL	\$3,450,027	\$4,260,000



2017 LEARNINGS & DIRECTIONS

IF YOU THINK BACK TO THE GLORY DAYS OF 2013, WHEN THE EDMH CAME INTO EXISTENCE EVOLVING FROM THE PREVIOUS DMF, IT WAS A HEADY TIME. BUSINESS WAS FLOWING TO EDMONTON, AND WE COULDN'T REALLY TRACK THE CAUSE AND EFFECT TO RECOGNIZE HOW IT WAS COMING. IT JUST CAME...

If there has been a silver lining to the downturn in the economy, it's been that it has illuminated what business we have and where it's coming from, and where it's not. As a funding organization with all but cluster-program monies going to other organizations to activate, the EDMH works with those we fund to deliver our Mission, which is to create, drive and sustain growth in Edmonton as a travel destination for the benefit of our members.

We have clearly learned the advantage of our Meeting & Convention market – which, during the glory days of high-yield Corporate Transient business – we didn't make time for. We could track, through our partners at Edmonton International Airport, a 19% year-over-year increase in KLM passengers (January to September) to Edmonton. We could see the value of putting Edmonton 'on the map' with both Tourism and the EEDC developing a new brand to position our city. With the Oilers Entertainment Group's Vision to 'be a global leader in sports and entertainment' the EDMH invested in strategic, mutually beneficial events resulting in nearly \$21 million of business going into EDMH hotels in 2017. Finally, through data compiled by Edmonton Tourism, we can confirm that EDMH hotels have a higher Occupancy and ADR than non-EDMH hotels.

With all of the 'pluses' that have come from this learning, three issues plague us:

- 1) In this year proclaimed by TIAC as the 'best year ever' for tourism, Alberta's major cities were the exception
- 2) Although we can track that Downtown hotels have gained significantly in 2017 over 2016 in both ADR and RevPAR, we can also see that both the Southside and Westend have not.
- 3) Although our individual Cluster campaigns were strategic and tracked for maximum effectiveness, our ability to draw travellers' interests to an area of a city was challenging. All campaigns pushed down the path to purchase, but we could see that the numbers that converted did not reflect our target. Meanwhile, results from occasional Edmonton Destination Hotels/'all Edmonton' campaigns showed that the engagement at a 'city level' far exceeded what individual cluster campaigns could drive.

In the terms of Alberta outdoorsmen: we have lots of bait and not enough hooks. And that needs to change.

We need a mechanism for an immediate call to action to grow overnight visitation to EDMH hotels – no matter where the hotels are located in the greater Edmonton region. Even though those in whom we invest focus on room nights to a degree, the EDMH focuses on ROI to our hotels. Fully. And that is why it was decided in 2017 that in 2018, the EDMH will launch its own booking engine. This would promote campaigns with compelling offers that give a sense of urgency to the traveller – while working with our renewed, collaborative single marketing committee identifying need periods.





UNITE THE CLUSTERS!

With an engine to drive business

As Check In Canada was changing their engine from JackRabbit to Meridian, the EDMH engaged in dialogues with Meridian as well, to create an independent, offer-driven booking engine. Although this site will link to TicketMaster as a reason to travel, the EDMH will continuously load offers that compel people to *book now*. The website will reflect what we're selling: www.EdmontonsBestHotels.com

Although travellers can filter to cluster areas of the city, the driving advertising messages will be a city sell. Because of that, the previous cluster marketing committees will evolve into a new, single source for support and direction.

EDMONTON'S BEST HOTELS

HOTELS • TICKETS • AIRPORT • ROGERS PLACE • EDMONTON TOURISM

WHY COME TO EDMONTON?

It's time to plan your trip to Edmonton, the city recognized as a must-see destination. With all of our outstanding attractions, award-winning restaurants, world-class accommodations and so much more, we're not surprised. Add to that the friendly people and fascinating places, you've got the perfect recipe for a memorable getaway.

BOOK HOTEL NOW

Where to:

Check in:

Check out:

Who:

Filter by:

SEARCH

**BETWEEN FEBRUARY 1 - 28
GET A \$50 GAS CARD AT PARTICIPATING HOTELS**

EDMONTON'S BEST HOTELS

Fairmont Hotel Macdonald

Wingate by Wyndham Edmonton West

Hyatt Edmonton West

Vancouver Hotel

EVENTS AND OFFERS

Killer Events & Kick Ass

Event with host

Edmonton Christian School of Dance

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Stay up to date

Sign up for our newsletter and receive special offers and updates.

powered by **MERIDIAN** RESERVATION SYSTEMS

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EDMH: PROPOSED 2018 BUDGET

(\$)

PROJECTED TOTAL 2017 BUDGET	7,063,231.11
<i>Less 7.3% to Clusters (Cluster budget to include cost of booking engine build plus member photography)</i>	<i>-516,500.00</i>
TOTAL ENTERPRISE BUDGET	6,546.731.11

SPONSORSHIP/INVESTMENTS	(\$)
Edmonton Tourism*	3,500,000.00
Northlands	100,000.00
Oilers Entertainment Group	1,800,000.00
Edmonton International Airport	750,000.00

TOTAL SPONSORSHIP BUDGET: 6,150,000.00

INITIATIVES	
IMPACT/Board networking events	4,000.00
Research	20,000.00
Edmonton Certified & Cluster HQ Support (mileage/parking/AV rental/F&B for meetings, etc) plus Committee expenses	500.00
Travel Alberta Conference; Travel Alberta Calgary meetings (2); AHLA Conference; HAC – staff & board chair; RVC 2017 in Calgary	6,000.00
Subscriptions & Memberships	3,000.00
AGM & Annual Report	3,500.00
Giveaways (promotional room nights)	1,000.00
Board & Staff entertaining	2,000.00
Survey Monkey – membership & partner surveys	500.00
Committee, Board retreat, Board functions & gifts	11,000.00
TOTAL INITIATIVES BUDGET:	51,500.00

OPERATIONAL BUDGET	(\$)
AHLA – cheques/stamps/courier	150.00
Year End Financial Audit	15,000.00
Storage unit	1,500.00
Office costs: staff – salaries, benefits, training, staff & board business cards, local travel expenses, office rental, laptop/cell phone/office equipment	269,400.00
AHLA Trustee Fee	50,000.00
AHLA – bank fees	1,500.00
PKF Report	1,200.00
Legal Fees	15,000.00
Insurances (board & tenant)	6,000.00

TOTAL OPERATIONAL BUDGET: 359,750.00

2018 TOTAL ENTERPRISE BUDGET BASED ON 2017 REVENUES	6,546.731.11
2018 Total expenditures based on above budget	6,561,250.00
<i>Applied from reserve</i>	<i>-14,518.89</i>

**INDEPENDENT
AUDITOR'S
REPORT**

**EDMONTON
DESTINATION
MARKETING
HOTELS LTD.**

**FINANCIAL
INFORMATION**
December 31, 2017

MANAGEMENT'S RESPONSIBILITY

To the Members of Edmonton
Destination Marketing Hotels Ltd.:

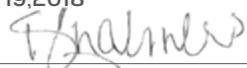
Management is responsible for the preparation and presentation of the accompanying financial information, including responsibility for significant accounting judgments and estimates in accordance with its Articles of Association. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial information, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial information.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the shareholders to audit the financial information and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

March 19, 2018



Executive Director

**TO THE MEMBERS OF EDMONTON
DESTINATION MARKETING HOTELS LTD.**

We have audited the accompanying financial information of Edmonton Destination Marketing Hotels Ltd., which comprise the statement of financial position as at December 31, 2017, and the statements of revenue, expenses and surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. This financial information has been prepared using the basis of accounting disclosed in Note 2 to the financial information.

**Management's Responsibility
for the Financial Information**

Management is responsible for the preparation and fair presentation of this financial information in accordance with the basis of accounting disclosed in Note 2 to the financial information, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on this financial information based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal

control relevant to the entity's preparation and fair presentation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial information present fairly, in all material respects, the financial position of Edmonton Destination Marketing Hotels Ltd. as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting disclosed in Note 2 to the financial information.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2 to the financial information, which describes the basis of accounting. This financial information, which has not been, and was not intended to be, prepared in accordance with Canadian accounting standards for not-for-profit organizations, is solely for the information and use of the members of Edmonton Destination Marketing Hotels Ltd. As a result, the financial information may not be suitable for another purpose. The financial information is not intended to be and should not be used by anyone other than specified users or for any other purpose.

Edmonton, Alberta
March 19, 2018

MNP LLP
Chartered Professional
Accountants

STATEMENT OF FINANCIAL POSITION

As at December 31, 2017

	2017	2016
ASSETS		
CURRENT		
Cash & Cash Equivalents <i>(Note 4)</i>	11,741,292	9,186,844
Accounts receivable	949,617	769,979
	12,690,909	9,956,823
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accruals	2,221,120	72,827
Deferred revenue <i>(Note 3)</i>	9,851,771	9,355,386
	12,072,891	9,428,213
Reserve <i>(Note 4)</i>	300,000	300,000
	12,372,891	9,728,213
NET ASSETS		
Share capital <i>(Note 5)</i>	9,490	8,880
Surplus	308,528	219,730
	318,018	228,610
	12,690,909	9,956,823

Approved on behalf of the Board


Garrett Turta, Director


Karen Naylor, Director

STATEMENT OF REVENUE AND EXPENSES AND SURPLUS

For the year ended December 31, 2017

	2017	2016
REVENUE		
Deferred revenue recognized <i>(Note 1), (Note 3)</i>	6,511,296	7,493,021
Interest income	88,799	70,686
	6,600,095	7,563,707
DIRECT EXPENSES		
Promotional sponsorship	5,611,624	6,039,613
Advertising media purchase	448,747	983,709
Familiarization tour events	46,452	31,689
Tradeshows	28,152	37,900
Website	11,661	12,009
Promotional materials	4,545	5,256
Graphic design/production	3,795	3,585
Outside services	2,200	9,295
Entertaining	702	1,456
	6,157,878	7,124,512
EXCESS OF REVENUE OVER DIRECT EXPENSES	442,217	439,195
OPERATING EXPENSES		
Office and administration	244,733	274,700
Trustee fees	50,000	50,000
Board and Committee expenses	20,569	10,622
Professional fees	14,665	15,400
Legal fees	13,977	10,193
Bank charges and interest	9,327	7,521
Postage	148	73
	353,419	368,509
EXCESS OF REVENUE OVER EXPENSES	88,798	70,686
SURPLUS – BEGINNING OF YEAR	219,730	149,044
SURPLUS – END OF YEAR	308,528	219,730

STATEMENT OF CASH FLOWS

For the year ended December 31, 2017

	2017	2016
CASH PROVIDED BY (USED FOR) THE FOLLOWING ACTIVITIES		
OPERATING		
Excess of revenue over expenses	88,798	70,686
CHANGES IN WORKING CAPITAL ACCOUNTS		
Accounts receivable	(179,638)	(83,526)
Prepaid expenses	-	975
Accounts payable and accruals	2,148,293	(1,176,131)
Deferred revenue	496,385	(726,334)
	2,553,838	(1,914,330)
FINANCING		
Issuance of share capital	847	505
Redemption of share capital	(237)	-
	610	505
INCREASE (DECREASE) IN CASH RESOURCES	2,554,448	(1,913,825)
CASH RESOURCES – BEGINNING OF YEAR	9,186,844	11,100,669
CASH RESOURCES – END OF YEAR	11,741,292	9,186,844

NOTES TO THE FINANCIAL INFORMATION

For the year ended December 31, 2017

1. INCORPORATION AND NATURE OF THE ORGANIZATION

Edmonton Destination Marketing Hotels Ltd. (the "Organization") is a company limited by shares incorporated on October 23, 2012 under Part 9 of the Companies Act in the province of Alberta. The Organization was formed to continue similar activities of Edmonton Destination Marketing Fund (the "Fund") (a program administered and managed by Edmonton Economic Development Corporation) and is a subsequent program of the Fund under section 5.4 of the Destination Marketing Agreement between Edmonton Economic Development Corporation and participating hotels.

The Organization receives contributions through its members pursuant to its Amended Articles of Association, Amended Memorandum of Association and provincial funding. Before receiving shares of the Organization, a member executes a Subscription Agreement and covenants to pay the destination marketing fee. The funding is utilized by the Organization to offer services focused on the promotion of tourism through destination travel by tourists, conventions, events and delegate and business travel and film production within Edmonton. This promotion is done through advertising, public relations, media relations, sales, promotional activities, research and associated marketing. The Organization is maintained and operated under the direction of the Organization's Board of Directors.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

This financial information has been prepared by management in accordance with Agreements between the Organization and its members as described in Note 1. Because the precise determination of many assets, liabilities, revenues and expenses are dependent on future events, the preparation of financial information for a period necessarily includes the use of estimates and approximations which have been made using careful judgment. Actual results could differ from those estimates. This financial information has, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the accounting policies summarized below.

Cash and cash equivalents

Cash and cash equivalents include cash and cash held in high-interest accounts held with a broker.

Revenue recognition

The Organization records marketing fees, calculated in accordance with the Subscription Agreement, based on representations from the member hotels. Marketing fees received are recorded as deferred revenues until the monies are spent on marketing initiatives as outlined in the Subscription Agreement. The Organization recognizes all other revenue on the accrual basis.

Expenditures

The Organization contributes various amounts to projects as a part of its nature of operations. As the Organization does not have control on how this funding is used after commitment is established, amounts are expensed at the earlier of when the payment is made or the completion of the project.

3. DEFERRED REVENUE

Deferred revenue consists of unspent funds that the Fund is required to spend on marketing initiatives as outlined in the Destination Marketing Agreement. Changes in the deferred revenue balance are as follows:

	2017	2016
Balance, beginning of year	9,355,386	10,081,720
Marketing fees received during the year	7,007,681	6,766,687
Less: amounts recognized as revenue during the year	(6,511,296)	(7,493,021)
Balance, end of year	9,851,771	9,355,386

4. RESERVE

The Edmonton Destination Marketing Agreement requires a portion of the funds collected over a three-year term be setup as a reserve fund. The reserve fund is currently held as cash, which has been restricted for use upon the approval of the Board. The corresponding funds are presented as a non-current liability in the statement of financial position.

5. SHARE CAPITAL

The authorized capital of the Organization is as follows:

200 Class A common, voting shares without nominal or par value. The maximum price or consideration for which a Class A common share may be issued for is \$1.

10,000 Class B common, voting shares without nominal or par value. The maximum price or consideration for which a Class B common share may be issued for is \$1.

SHARE CAPITAL	Class A	Class B	2017	2016
Balance, beginning of year	53	8,827	8,880	8,375
Shares Issued	4	843	847	505
Shares redeemed	(1)	(236)	(237)	-
Balance, end of year	56	9,434	9,490	8,880

SCHEDULE OF REVENUE AND EXPENSES BY CLUSTER

For the year ended December 31, 2017

REVENUE	General	Downtown Cluster	Southside Cluster	Westend Cluster	2017 total	2016 total
Deferred revenue recognized	6,109,136	145,357	130,573	126,230	6,511,296	7,493,021
Interest income	88,799	-	-	-	88,799	70,686
	6,197,935	145,357	130,573	126,230	6,600,095	7,563,707
DIRECT EXPENSES						
Promotional sponsorship	5,610,475	473	174	502	5,611,624	6,039,613
Advertising media purchases	110,236	118,737	112,960	106,814	448,747	983,709
Familiarization tour events	-	18,218	12,735	15,499	46,452	31,689
Tradeshows	15,414	5,765	3,955	3,018	28,152	37,900
Website	11,661	-	-	-	11,661	12,009
Promotional materials	4,545	-	-	-	4,545	5,256
Graphic design/production	3,645	-	150	-	3,795	3,585
Outside services	350	1,400	450	-	2,200	9,295
Entertaining	702	-	-	-	702	1,456
	5,757,028	144,593	130,424	125,833	6,157,878	7,124,512
EXCESS OF REVENUE OVER DIRECT EXPENSES	440,907	764	149	397	442,217	439,195
OPERATING EXPENSES	352,109	764	149	397	353,419	368,509
EXCESS OF REVENUE OVER EXPENSES	88,798	-	-	-	88,798	70,686
DEFERRED REVENUE - BEGINNING OF YEAR	7,944,776	617,384	310,793	482,433	9,355,386	10,081,720
DEFERRED REVENUE - END OF YEAR	8,142,553	749,769	378,437	581,012	9,851,771	9,355,386

2018 ISSUES AND OPPORTUNITIES

AS WE CAN SEE IN THE REVIEW OF 2017 ON THE FIRST PAGES OF THIS REPORT, CHANGE IS A CONSTANT. IN 2018, THERE ARE CHANGES THAT WE EXPECT, AND THERE WILL BE DISRUPTERS THAT WE CAN'T SEE YET. ALTHOUGH THE BOARD IS NIMBLE AND RESPONDS QUICKLY TO CHANGES AS THEY APPEAR, HERE ARE A FEW TRANSFORMATIONS THAT WE'RE WATCHING AND CREATING PLANS TO CAPITALIZE ON:

EDMONTON GLOBAL

Mission: Together, we strengthen the Edmonton Metropolitan Region's global competitiveness, growth and innovation.

Edmonton is creating a regional strategy and a regional product, all in an effort to promote the capital region to the world. This is a clear alignment to the EDMH and any tourism position, since travellers are rarely aware of when they cross any municipal boundaries. Our membership already expands beyond Edmonton's borders, ensuring that we have the opportunity to match the right accommodation for the right traveller.

LEVERAGING CANADA'S 150TH

In 2018 Canada follows an epic year for tourist arrivals. Expecting that this trend will continue to a degree, it offers opportunities to leverage the growth that the rest of Canada is enjoying. Of course, few Edmonton hotels have felt the bump of this business in 2017, but given that the Canada brand is riding strong, our partners are leveraging that upwind and driving Edmonton content for 2018.



HLINKA GRETZKY

As was mentioned in this report, in 2017 the EDMH Chair and Executive Director joined the Oilers Entertainment Group (OEG) led delegation to witness the Ivan Hlinka U18 cup, and to meet with and engage with key Czech and Slovak partners. In 2018, we'll have the inaugural Hlinka Gretzky Cup played in Edmonton. Bringing in 8 teams and over 500 scouts, as well as hockey fans starved for action in the middle of the summer to our need-period in EDMH hotels. The August hockey-action doesn't stop there, with the International Ice Hockey Federation (IIHF), the National Hockey League (NHL), Western Hockey League (WHL), and local coaches and players gathering in Edmonton for a series of meetings, coaches' clinics, leadership seminars and on-ice experiences from the grassroots level through to high performance. Also the Czech Republic Ice Hockey Federation is now looking to bring its Board to Edmonton around the same time.

If you ever questioned if Edmonton is the hockey-capital of Canada, question no more. As Bob Nicholson, OEG CEO & Vice Chair said "Edmonton and the province of Alberta's reputation as an epicentre for sports and entertainment on the global stage continues to grow. Welcoming the world to our region for the Centre ICE Summit and Hlinka Gretzky tournament will further cement our reputation and help lay the foundation for our big picture vision of Edmonton as a global sports and entertainment mecca."



photo: EEDC

AIRBNB & SHORT TERM RENTALS

This continues to be an issue that is gaining ground across Canada, and soon in Edmonton. Working with key Edmonton city councillors to represent our concerns with the mayor and council, the message that the original intent of occasionally renting a bedroom has turned into commercial operations. An example is where 8 Edmonton condominiums are for rent through Airbnb (just one of many short term rental sites) all owned by one couple.

This trend also poses risks to the guests of these home shares, since these illegal 'hotels' have no obligation to assure the health and safety of either their guests or their neighbours. In Edmonton, per a HAC study it is estimated that hotel room sales generate \$53 million in consumer taxes and fees. Applying the same rates to Edmonton's Airbnb sector has the potential to generate an estimated \$680,000 in consumer taxes and fees. Pretty compelling stuff... As was further identified by the AHLA, Edmonton has over 100 hotels with more than 15,000 guest rooms. The hotel sector supports roughly 7,500 full time jobs, at an average salary of \$44,000 per year; in comparison Short Term Rentals Airbnb provides the equivalent of 7 full time jobs. As for investment that drives tax dollars, since 2013, an estimated \$485 million has been invested in new hotel construction in Edmonton.

The AHLA has also identified that, in Edmonton, from April 2016 to March 2017:

- *Revenue generated by multi-unit, entire-home hosts increased by 144% to more than \$1.7 million.*
- *86% of Airbnb's revenue is generated by whole-home rentals.*
- *30% of Edmonton's units were rented out for more than 90 days, earning 70% of total revenues.*



Following the lead of the AHLA and the Hotel Association of Canada (HAC) the EDMH and the Hotel Association of Greater Edmonton are working to ensure that short term rentals return to being within a primary residence only, and for a maximum of no more than 30 nights a year. Plus that these rentals are licensed with the City of Edmonton, and are compliant with municipal bylaws and zoning – creating a level playing field for all.

BIG CITY CHARTER

In 2017 the provincial government announced that a Big City Charter that would strengthen the partnership with Alberta's two big cities, being Edmonton and Calgary. The headline proclaimed that the province, Edmonton and Calgary had signed an agreement that brought the three governments together to tackle local issues like housing and transportation planning. Meanwhile, as part of this housing & transportation initiative, the announcement also included a particular section of the Charter, called the Fiscal Framework:

The province and the cities have also agreed on the scope of further work on a new fiscal framework. This includes the development of a new infrastructure-funding formula based on provincial revenues that grow with the economy. No new taxes are included. The three governments will also work to develop a new system for administering the existing destination marketing fee which will improve transparency and accountability. Lastly, the parties will find administrative efficiencies through a review of tax authorities and give the cities greater accountability for debt management.

In short, this Charter added the DMFs as an element within its Fiscal Framework. It enables a dialogue about the City of Edmonton taking over our DMF, and by doing such changing it from being voluntary to a tax. But this did not activate such a transfer of the DMF. Indeed, many things from both the provincial and city governments would need to be agreed upon for this to happen. The EDMH is working to ensure that hoteliers have a voice, no matter who collects and invests the DMF.



“ Through our foundational partnership with strategic organizations such as Edmonton Destination Marketing Hotels, we have been able to catapult OEG to new heights in the sports and entertainment industry and put Edmonton on the map as a global destination making things happen. This is just the start. As we open the next phase of development centred on ICE District, we will see another paradigm shift in activity and events in Edmonton. This is good not just for OEG, but for everyone in our city.”

*Bob Nicholson, OEG CEO & Vice Chair
December 27, 2017*



EDMONTON DESTINATION MARKETING HOTELS LTD.

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