

Economic Data and Impact Associated with Revelstoke Mountain Resort/Northland Properties

Outlined below are some of the economic details associated with Revelstoke Mountain Resort and its relationship with the City.

Commentary has circulating recently that the resort is a drain on civic resources and that in many ways it doesn't pull its weight. The facts counter this perception and haven't been relayed properly. The Resort generates substantial sums for the City in the way of revenue/amenities. These monies need to be managed wisely and expenses trimmed to face the realities of the current economic climate.

If there is one rumor that emphatically needs redress it is that municipal funds have been used to build resort infrastructure. Emphatically, all infrastructure spending on resort lands, including the associated subdivisions, and hotel was funded 100% by the resort.

Economic details:

- Tourism/hospitality sector has grown from 9% of Revelstoke's base employment income to 17% since 2006
(Source: City of Revelstoke's website – Quick Facts)
- Recent civic studies have identified Tourism and Hospitality as the greatest potential driver of future economic growth.
(Source: City of Revelstoke's website – Community Profile)
- The average assessed value of a Revelstoke single family dwelling has moved significantly (nearly tripled from inception to 2011). Significant is the resilience of the assessed value despite the 2008/09 economic downturn.

2005	\$119,767
2006	\$157,473
2007	\$205,073
2008	\$301,258
2009	\$300,081
2010	\$325,974
2011	\$314,424

(Source: City of Revelstoke's website – Financial Data)

- Business licences have increased approximately by 30% since the development of Revelstoke Mountain Resort.

Year	Total Licences	Net Increase Over Prior Year
2005	635	-64

2006	670	+35
2007	756	+86
2008	824	+68
2009	841	+68
2010	910	+69
2011	908	-2
2012	920	+12

(Source: City of Revelstoke's website – Community Profile)

- Northland Properties controls approx. 40 % of Revelstoke's short term accommodation
600+ beds at Sutton Place Hotel
300+ beds at the Sandman Hotel.
- RMR was the catalyst in the City of Revelstoke obtaining "resort community" status in May of 2008. The Resort was a major consideration for the funding received from the Ministry of Education to develop the two new "green" school facilities which were completed in 2013.
- Associated with resort status is a 2% hotel tax which is allocated to community marketing initiatives through the Revelstoke Accommodation Association;

Details:

*\$2,250,000 has been generated in the past 6 years. The money is dedicated to marketing Revelstoke as a destination and is no financial burden to the community.

*Growth in fund contributions has averaged 10% increase per year since the Resort's inception.

- Resort status also generates an additional 2.5% – 3 % near matching of the hotel tax from the BC provincial government. These funds have been (or are to be) dispersed throughout the community and the surrounding area since 2008. By April 2015 approximately \$4,000,000 will have been spent (or dedicated) on various projects. The focus of the spending is tourism infrastructure, the benefits however, are lifestyle enhancements for the entire Revelstoke community. Projects that have been funded include: the golf course's sprinkler system ,club house renovation, and golf cart purchase: the snow mobile club's cabin on Boulder Mountain, Welcome Centre, groomer and trail maintenance equipment; bike trails on Mt Macpherson, Frisby Ridge and Boulder Mountain; modifications at the Revelstoke Museum; upgrades to the Forestry Museum ; a boat launch at Lake Revelstoke; trail construction for the motor-cross association; half a million dollars on the Visitor Centre; Nordic Ski trail construction, club house and lighting; summer music in the downtown plaza; Arts Council support; City Hall entrance improvements...

- Employment numbers associated with RMR for 2012/13 are as follows:

RMR	230 (winter)
RMR	40 (year round)+
Sutton Place Hotel	69 (winter)
Sutton Place Hotel	39 (year round)+
Sandman Hotel	39(year round)
Rockford/Mack Tavern/Day Lodge)	100 (winter)
Rockford/Mack Tavern /Day Lodge)	40 (year round)+
Selkirk Tangiers Heli-skiing	50 (winter)
Selkirk Tangiers Heli-skiing	6 (year round)
BDC Construction	15 (year round)+
Total full time/year round employees	180-200
Total local Northland employees	503 (+ - dependant on const.

- 2013/14 approximately \$7,000,000 in expenditures was re-circulated into the local economy by the ski hill. (Sutton Hotel, Rockford Restaurant, mid mountain lodge, Mackenzie Tavern, BDC Construction and STHS expenditures bring the total to \$15-18 million).
- Annual payroll costs for the ski resort alone amounts to \$2,500,000 to \$3,000,000.
- Property tax on RMR properties for

2011	\$887,153
2012	\$1,222,664
2013	\$1,400,000

The above amounts do not include taxes paid by private strata property associated with Sutton Hotel which is taxed additionally. It also does not include the many new homes that have built within City limits since announcement of the Resort.

Noteworthy on the property tax front is that Downie Sawmill, has seen a tax decrease from \$400,000 in 2009 to \$250,000 in 2012 and 2013

The yearly property tax on the RMR's Mid Mountain Lodge is approx. \$70,000. There are no city services provided to the building.

- City of Revelstoke's budget growth:

2006	\$9,500,000
2011	\$16,500,000
2013	\$19,900,000 (doubled since the resort's inception).

- The undeveloped/un-serviced base area lands at the resort had a property tax bill of \$383,708 in 2013. This is a result of Class 8, Recreational Property, Non-profit Organization mill rate having risen 71.5% since 2008. We understand RMR is the only private holder of such lands in the City. The City owns the balance and they do not pay taxes.
- The 2013 property taxes on the Mid Mountain Lodge and lower gondola slope (that sit on Crown Land) is approx. \$128,284. No city services are provided in this area.
- Comparison of 2013 Revelstoke Hotel property taxes;

Year	Property name	Roll Number	Value	2013 Property Taxes	Description
2013	Hillcrest Hotel	2022801551750	\$4,629,700	\$125,152	2100 Oak Drive
2013	Best Western Hotel		\$5,441,700	\$147,150	1915 Laforme Blvd
2013	Sandman Hotel	20-228-01129.004	\$4,160,200	\$111,845	1891 Fraser Drive
2013	Sandman Hotel - Ex Best Western	20-228-01130-000	\$3,822,500	\$102,595	1901 Laforme Blvd

- By comparison Sutton Place Hotel (RMR owned Residential Strata units only) collectively paid \$777,899 in 2013 Property Taxes on 123 units.