SILVER STAR MARKETING TASK FORCE - NEWSLETTER 1

INTRODUCTION

The Silver Star Marketing Task Force (Task Force) was established to explore alternative approaches to marketing the resort and to make recommendations for either changing the current approach or maintaining the status quo.

A recommended option has been developed and is proceeding through the initial review process by the Province and Regional District of North Okanagan. See page 4 for more information about the review and approval process.

In December, once people have returned to Silver Star, a full public engagement program will be initiated with residents, home-owners, business owners and other stakeholders.

Sign up for email notices about the public engagement opportunities using the URL or QR code:

https://goo.gl/8QyZZE

This newsletter provides background information about the Task Force process and an overview of the recommended option: a Silver Star Resort Association.

THE CURRENT SITUATION

Silver Star is competing in an extremely competitive environment and we are falling behind our year round competitors. This competition is only going to increase over time. Competitors are spending more

on marketing, sales and events and Silver Star must find ways to do the same if it is to continue to be heard in the market place. Successful destinations work together to sell their destination. They recognize the strategic value in pooling resources in order to maximize their impact. Destination Marketing Organizations (in different forms) are located throughout BC.

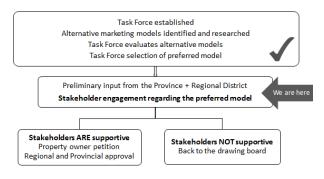


In response to this competitive environment, the Task Force was formed to evaluate alternative approaches to marketing the resort and to recommend a preferred approach.

TASK FORCE MEMBERS

The Task Force consists of nine members includes a broad representation of the Silver Star community with representatives from the residential community; the Silver Star Property Owners Association; and the retail, food and beverage, accommodation sectors; the mountain operator and the alternate Director for Area C of Regional District. Ross Foden, a full-time resident with no business affiliation, chairs the Task Force. Task Force member names and contact information can be found on the last page.

PROCESS OVERVIEW



THE ALTERNATIVE MODELS CONSIDERED

The Task Force has reviewed the marketing structure and funding sources for other successful destination marketing organizations and has reviewed different models including the existing Resort Area Management Program, a Business Improvement Area, a Resort Association and a Regional District Service.

THE EVALUATION PROCESS

In reviewing options for moving forward, the Task Force was guided by these five principles:

- Fairness and Equity;
- Value for money;
- Engaged decision making;
- Enhanced local autonomy; and
- Ease of Implementation.

After the development of the guiding principles, the key steps in the Task Force process to evaluate the models included:

- Presentations by Tourism Sun Peaks and the Regional District;
- The development of specific evaluation criteria; and
- A comparative analysis using the guiding principles and criteria.

THE RECOMMENDED OPTION: A SILVER STAR RESORT ASSOCIATION

CORE PURPOSE

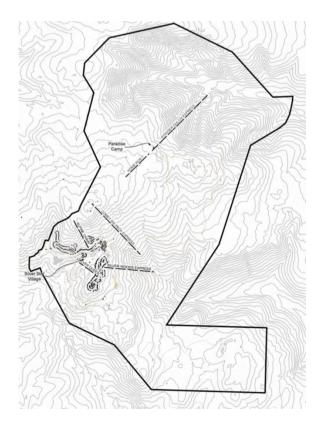
After the extensive evaluation process, the Task
Force unanimously decided to explore further the
formation of a Silver Star Resort Association (SSRA),
with the core purpose being to enhance
marketing/sales of the resort and increase brand
awareness such that the Silver Star is seen and heard
in the market place. Accountable to its members,
the SSRA would focus on these key activities and
provide incremental funding for them:

- Marketing and sales
- Research
- Communications
- Special event planning and execution

Silver Star Mountain Resort will continue with its significant marketing and sales programs and event planning and execution. The Resort Association would work closely with Silver Star Mountain Resort to maximize value.

THE RESORT PROMOTION AREA

It is proposed that the SSRA would responsible for marketing the 'Resort Promotion Area,' which would mirror the current Silver Star Controlled Recreation Area.



THE VALUE PROPOSITION

The ultimate objective is to increase resort visitation. Attracting more visitors to Silver Star will help strengthen the local economy, provide resources for re-investment and enhance the vibrancy of the resort.

By helping to increase resort visitation, the Resort Association will help to:

Maintain and Enhance the Silver Star
 Experience: Strong visitor numbers will enable

- continued investment in the Silver Star experience, infrastructure and amenities, including trails/runs, facilities, programs, etc. used by residents and visitors alike.
- Enhance Resort Community Vibrancy Visitors
 help create the critical mass of people needed
 to keep programs viable and the resort
 community feeling lively and fun.
- Enhance Property and Business Values A
 stronger local economy and more vibrant resort
 will help enhance and/or protect property and
 business values for the whole resort
 community.
- 4. Improve Business and Accommodation Success

 The viability of businesses, including both
 commercial and residential accommodation
 providers, is good for the owners themselves,
 and for residents and visitors who rely on and
 enjoy the amenities, products and services that
 are locally available.

ADDITIONAL BENEFITS

In addition to the primary objectives described above, the Resort Association will result in a number of other benefits:

- Provides a democratic and collective voice for the resort community
- Provides access to incremental funding opportunities like the Municipal and Regional District Tax, Tourism Co-op Programs (Provincial and Regional), Government

- Grant/Support Programs and Partnerships with local businesses
- Enables engaged decision-making by all members of the resort community
- Provides a lobby group that can advocate on behalf of the resort community with regional, provincial and federal governments
- Provides an added 'voice' in support of resort community amenities and services

BOARD OF DIRECTORS

The proposed Board is comprised of eleven directors with sector representation as follows:

Sector	No.
Residential	1
Residential Lodging	2
At Large	1
Hotel Lodging	2
Commercial/Tenant/Independent Operator	1
Single Owner Hotel Lodging	1
Silver Star Mountain Resort	2
Regional District of North Okanagan	1

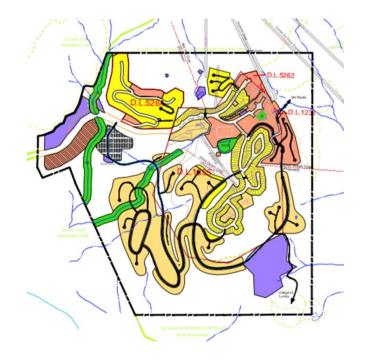
It is proposed that each sector, with the exception of directors from Silver Star Mountain Resort and the Regional District of North Okanagan, which are appointed by their organizations, elect their respective directors. If the Regional District decides not to appoint a director, the proposed Board of Directors would include two directors 'At Large.'

MEMBERSHIP

The proposed membership provides that Members of the Resort Association shall include each Owner of a Resort Lot within designated Resort Lands and the Silver Star Mountain Operator. Others who may apply to become a member include: owners of land, whose land is within the Resort Promotion Area, but not specified as Resort Land; non-resident business owners; occupier of a Resort Lot; and agents of owners of Resort Lots.

PROPOSED RESORT LANDS

The proposed Resort Lands mirror the Silver Star Official Community Plan boundaries.



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APPROVAL PROCESS

The approval process requires approval from the Province and the Regional District of North Okanagan, as well as property owners through a successful property owner petition.

Regional District Approval: The Regional District must approve both the 'resort promotion area' and the resort association bylaws.

Property Owner Petition: A valid property owner petition must have the support of the majority of the property owners representing at least one-half of the assessed value of the parcels within the designated Resort Lands.

Provincial Approval: The Province must do three things: first, it must order the establishment of a 'resort promotion area;' second, it must specify 'resort lands' within the 'resort promotion area' which will be subject to the levies of the resort association; and third, it must approve the bylaws of the association.

STAKEHOLDER ENGAGEMENT

A stakeholder engagement process will be initiated in December 2016 to gather input and to better gauge the level of support for the creation of a resort association. The engagement opportunities will include: a public open house, presentations to sector groups (Silver Star Property Owners Association, businesses, etc.) and an online survey.

Please sign up for email notices about the public engagement opportunities using the URL or QR code:

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If stakeholders are generally supportive of the Silver Star Resort Association model, the Task Force will modify as necessary based on stakeholder input, and will then proceed with the property owner petition process. If there isn't general support, then the Task Force will go back to the drawing board!

PROJECT CONTACTS

For more information, please contact a Task Force member.

- Brian James, bjames1@shaw.ca
 Village Ski Shop*
- Warren Burgess, wburgess@pinnacles.com
 Pinnacle Suite Hotels*
- Russell Haubrich, russell@vancecreekhotel.com Vance Creek Hotel*
- Gordon Baughen, gbaughen@capri.ca Long John's Pub*
- Ken Derpak, kderpak@skisilverstar.com
 Silver Star Mountain Resort*
- Ross Foden, rossfoden@gmail.com
 Property Owner/Resident
- Don Kassa, donkassa@donkassa.com
 Property Owner/Resident
- Denys Lawrence, silverdale@shaw.ca
 Silver Star Property Owners Association*
- Mike Randell, randell@shaw.ca RDNO Liaison*
- *Also a Resident or Property Owner