

From: Historic Stays - Wells, BC <info@stayinwells.ca>
Sent: August 10, 2019 2:11 PM
To: John MacLean <jmaclean@cariboord.ca>
Subject: Board of Directors - Re Provincial Heritage Strategy.

Cariboo Regional District
File No.40020.....

AUG 12 2019

Referred ToCAO.....

Dear Chair and Board of the Cariboo Regional District,

Attached is a letter to the Ministry of Tourism regarding what we believe to be a misguided approach to their Heritage Strategy. The result is apparent in a wide variety of locations in British Columbia. In fact, we understand that tourism operators in areas such as Bowron, and the Lake Country suffer from similarly government funded camping, rental and retail expansion created inside provincial park boundaries that compete with existing entrepreneurs. However, I have focused on the negative effects of this policy in our communities of Wells/Bowron/Troll/Quesnel. In a nutshell, I believe that this policy forces Parks like Barkerville Historic Park to engage in activities which give the appearance of generating income by ignoring the subsidies for creation, and freedom from taxation, and which, through the creation of subsidized business interests, erode the capacity of private business to serve the needs of our region and, ultimately, all of its citizens.

It's a great irony of public policy that the provincial Heritage strategy (to reduce the impact of Heritage and Park sites on provincial taxpayers by creating a policy of chronic underfunding, with incentives to create external income streams) has had the opposite effect on tax payers. By freeing provincial assets (like Barkerville) to apply to a variety of public funding sources to create tax-free assets that directly compete with tax-paying citizens, the government has shifted the burden of funding public resources from a line item of the provincial budget, and hidden it in granting agencies (such as NDI and Rural Dividend) and, in the process forced public assets to become economic drains by creating income streams that compete with pre-existing tourism resources.

By Cc'ing you this letter to the Minister of Tourism, we hope that you will oppose expansion of retail, and accommodation services in BC Parks, and add your voice to the Minister, in support of this letter. The goal is stopping the erosion of privately created services in the Cariboo, that have until recently, supported a vibrant tourism economy. If you have questions, or need more statistics or information, we would be happy to point you to our Chamber of Commerce, District Municipality, or otherwise assist you.

Dave Jorgenson.

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Wells/Barkerville, BC

July 23, 2019

Dear Minister of Tourism Arts and Culture/Heritage Branch

In the Provincial Heritage Strategy document, the provincial Liberal Government came up with the idea that BC heritage sites should be privatized and produce profits, and the current NDP government continues to support the concept. One way to achieve this goal was with the formation of **The Barkerville Heritage Trust, a non-profit society** that was created to manage Barkerville as a historical asset of the province. Through the policy directive of the Provincial Heritage Strategy of deliberately underfunding the site, the province has forced the Trust to seek other income streams. (As Per Goal 7 of the Strategy document)

This strategy has freed up the possibility to seek granting through private donations, federal, and other provincial funding sources, and has led to some creative breakthroughs in Barkerville. **However, it has also led to the adoption of common commercial enterprises to generate operating income, and which threatens the very 'future of our communities' that the Heritage Branch seeks to protect.**

Over the last 4 years Barkerville has expanded operations of its own winter coffee shop, started selling souvenirs, renting outdoor equipment, created a tube slide, and built and operated year-round rental cottages, all with public taxpayer funds, to create businesses all of which are in direct competition with previously existing services, and outside its mandate to preserve, protect, and present BC Heritage.

These business ventures, while failing to enhance the heritage mandate, **directly damage the economic stability of our communities and businesses in Wells, Bowron, and Troll.** The cottages, for instance, were built without data or vacancy records from existing competitive privately-owned businesses, inside or outside the park. They were constructed with a quarter million tax dollars from the Northern Development Initiative Trust alone, without a speck of supporting empirical data for the need. In the summer season these cottages compete directly with Barkerville's own licensees inside the park, as well as Wells accommodators 8 km away. In shoulder season's they now take contractor stays, an important 'bridging income', away from Wells merchants, and in the winter they dilute an already underutilized winter economy.

The BC Governments "Provincial Heritage Strategy document" has a pillar of "Economic Diversity and Durability through Heritage Conservation", however, **housing guests in publicly funded guest-houses on the heritage site, and feeding them in the publicly funded cafe, denies independent tax-paying Regional merchants the opportunity to sustain their businesses on a competitive playing field.** The reduction in services, income, and employment spreads widely through our community. It is leading to the very degradation of service opportunity in our community that the Heritage Branch claims to serve.

In their first summer of operation, besides the damage to nearby Wells accommodations, the Barkerville Heritage Trust entered into a dispute with Licensees within the park over the contractual violation of starting a business that competes with an existing business within the park, in opposition to the wording and spirit of the existing contract. In the **first year of operation, licensees lost 12% of their operating income to the cottages,** as well as having had their purchase price devalued.

The negative impact of Cottage bookings on the rest of the community of Wells, was driven home in their **first full winter of operation, when over \$30,000 in winter reservations that would have been made in the community of Wells were lost to Barkerville.** Besides the negative impact on the viability of existing accommodation businesses in Wells, it caused layoffs in local restaurants, housekeeping services, and retail establishments. This is directly attributable to the lack of spin-off spending in food services, pubs, and retail, with guests pre-emptively moved 8 km from retail services to government subsidized accommodations at the Park. **The layoffs ultimately affected the quality of life of everyone in our community as all other residents become cut off from the delivery of services that requires supplementation from tourists.**

This spring, the effect of the depression of the accommodation economy on our community continued when

this government policy significantly contributed to the sale of a 20 room motel to Barkerville Gold Mines instead of another tourism provider. Besides the impact of losing more motel rooms to mining, we've moved the associated residential space from tourism to mining, and replaced dedicated individuals with tourism-related incentives to develop community success, with mine managers, beholden to foreign stockholders. The motel seller had other offers, but has publicly stated that the loss of income attributed to the Barkerville cottages was a significant contributing factor in her decision to avoid selling a discouraging economic opportunity to a private individual. The loss of investment value, and the discouraging economic outlook are directly attributable to expansion in the public sector of taxpayer-assisted competition. At the same time the BHT continues to announce their intention to expand the number of cottages, exacerbating our problems.

As tragic as this development is, it is, ultimately, attributable to government policy in the Heritage Branch which demands that a Class A Heritage Park generate income in fields of commerce that directly compete with, rather than enhance supporting community businesses. Our community has now lost 80% of its tourism accommodation to Barkerville Gold Mines, and the crisis will only precipitate more demands for Barkerville Historic Trust to create replacement rooms at the further expense of our community. This self-perpetuating cycle threatens to eliminate our tourism economy, and therefore the diversity and elasticity of the Wells economy, permanently.

This letter requests that your Ministry immediately adjusts its policy under the Heritage Act, and the Park Act, to stop allowing the grant and government funding of both Heritage Parks, and other Class A provincial parks to needlessly create infrastructure that is pre-existing and supplied by taxpaying privately-owned businesses.

We also request that you immediately **repurpose the current developed infrastructure to stop the existing erosion of community services in our towns.** (For example, remove the cottages from the tourism inventory, and convert them to desperately needed housing to help with the accommodation needs of existing retail businesses – a solution that would still generate rental income for the park while enhancing our tourism economy.)

We believe that **the marketing engine of large BC Parks and Heritage Sites like this should be incentivized by the provincial government to support existing services instead of competing with them.** Grant-funding, infrastructure money, donations, in our particular case could be used to enhance tourism infrastructure from water and sewer, to non-competitive money generating attractions (such as Underground Mining displays in the Hard-Rock historic town of Wells instead of concentrated in Placer-gold site of Barkerville.)

If we wish to grow the tourism economy and, ultimately the revenue stream of BC Parks and Heritage Sites then Parks should be required to promote and support the regional economy, not supplant it.

I look forward to your Ministry addressing this serious threat to our rural community, which will ultimately affect the viability of Barkerville Historic Town itself.

Dave Jorgenson and Cheryl Macarthy
Box 206 Wells, BC, V0K2R0

StayinWells.ca
FrogOnTheBog Gifts
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250-994-2345

cc Cariboo Chilcotin Coast Tourism Association, District of Wells, MLA Coralee Oakes, BC Green Caucus