



New Membership Model



A United Industry

The Hotel Association of Canada (HAC) is the exclusive national organization representing corporate hotel companies, ownership groups, provincial and regional hotel associations, and independent hotels.

The HAC drives advocacy success on targeted issues that matter most to the hotel industry and delivers member value and engagement through powerful industry programs and services designed to strengthen the hotel industry across Canada.

IT'S WHAT WE DO



Bring legislative solutions to industry challenges.



Raise the industry profile to ensure political capital.



Build strong relationships with the highest levels of government.



Deliver focused advocacy wins on key issues.



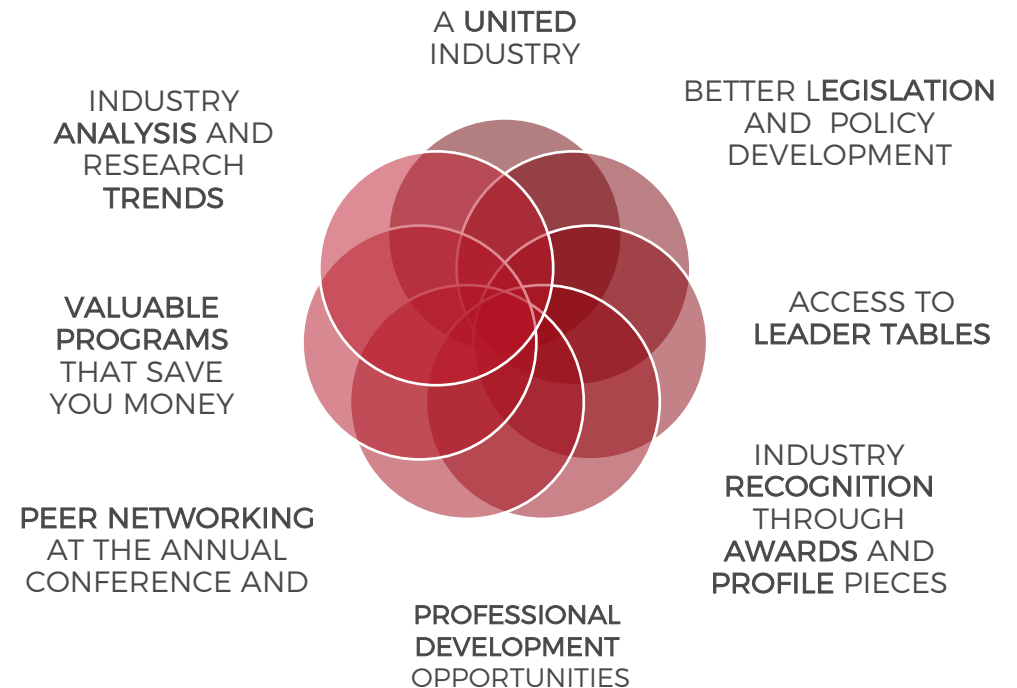
Provide platforms to keep members informed and engaged.



Grow the industry's future talent by tapping into youth and new Canadians.



Research and disseminate the latest industry data and trends.



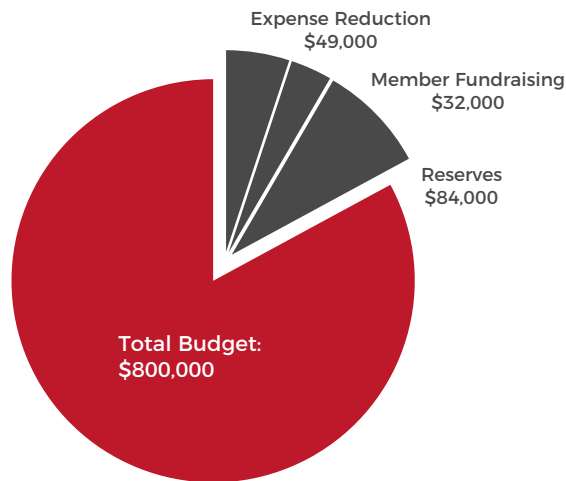
HOTEL ASSOCIATION OF CANADA
ASSOCIATION DES HÔTELS DU CANADA

Purpose

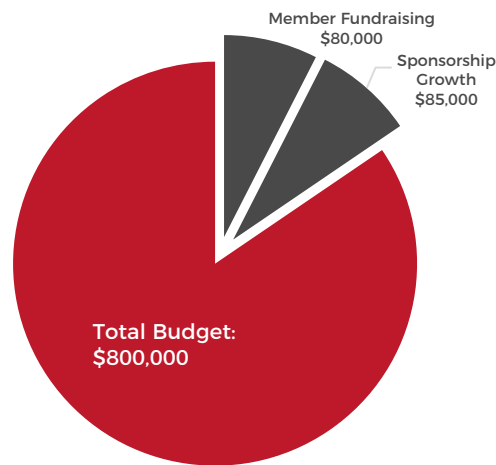
HAC's annual operating budget is not sufficient enough to support the Association's advocacy work. With two big issues on the horizon: fair rules for the short-term rental industry (Airbnb) and the need to address the industry's labour shortages, the Association is in need of more sustainable funding to bolster these efforts.

In 2017, the Board of Directors made the strategic decision to fund advocacy from the Association's reserve budget. In 2018, a special fundraising project was launched. This effort yielded a total fund of \$108k which is being used to support HAC's *FairRules.ca* campaign.

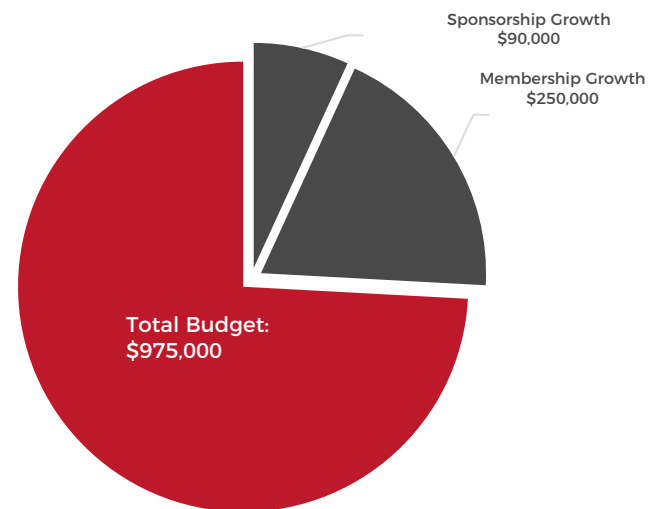
In 2019, our goal is to raise the additional funds through the implementation of a new membership model. It is anticipated that the new membership model, together with a strong membership growth plan and a new sponsorship program, will generate an additional \$340k to its operating budget.



2017
RESERVES



2018
FUNDRAISING



2019
MEMBERSHIP

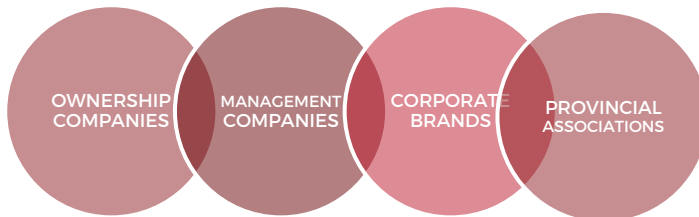


Your Membership: New & Noteworthy

CORPORATE MEMBERSHIP

There will only be four (4) corporate membership categories with a direct vote, and eligibility to run for a seat on the Board of Directors.

These categories include:

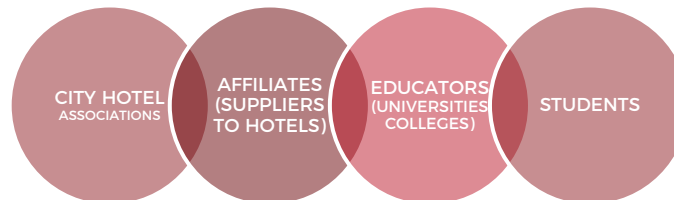


Noteworthy: By allocating seats per category, HAC is making the new Board more representative of the industry. It also ensures that only hotel companies who are “in the business” are allowed to vote and drive the organization. Prior to this, students in the affiliate category and hotel brands held the same voting power because HAC did not have two different classes of membership.

AFFILIATE MEMBERSHIP

There will be four (4) categories of direct non-voting members called Affiliates.

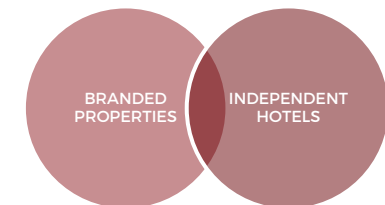
These categories include:



Noteworthy: City hotel associations have not historically been able to join HAC directly. This is now possible if the city hotel association is also supporting its local provincial association. This approach will facilitate better alignment between the industry’s city, provincial, and national hotel associations.

PROPERTY-LEVEL MEMBERSHIP

Owners are directly impacted by the two key issues HAC is addressing and should have better channels for engagement, including the opportunity to support the organization financially.



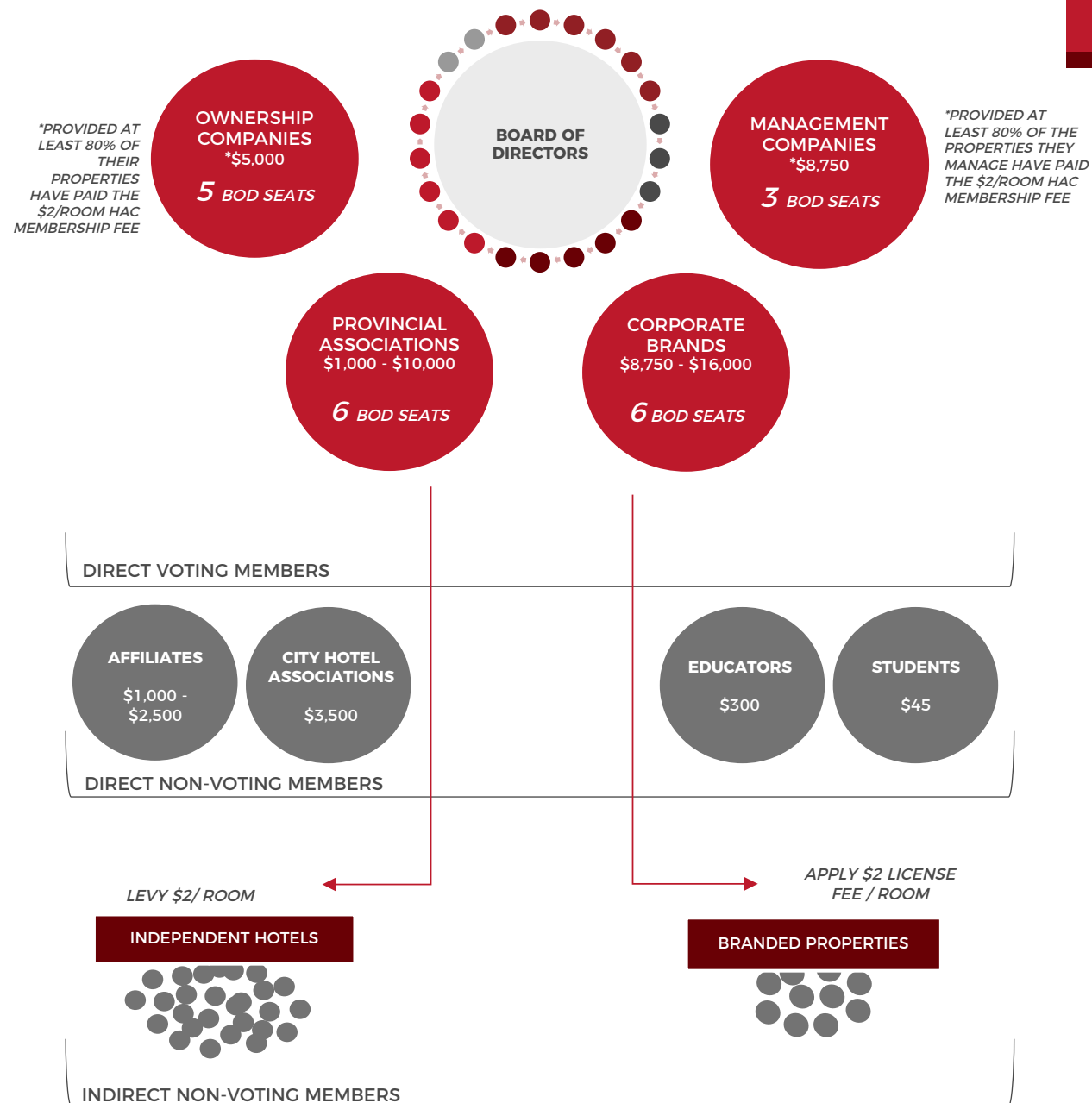
Hotel owners will now have the opportunity to support HAC at the property level in addition to direct corporate membership. This approach has been created in order to facilitate more engagement with our ownership community.

In January, a \$2/per room/year fee will be applied to owners via brand license agreements on an opt-out basis. This optional fee will be collected by the hotel brands and remitted to HAC on behalf of the owner. In order to capture the independent market, the same \$2/room/year fee will be applied by our provincial hotel associations – also optional to their member – as part of HAC’s membership renewal process.

OVERVIEW

How it Works

Hotel companies will be asked to identify as either a “brand,” “management company” or “ownership group”. Many hotel companies fall into several of these categories, but are rarely an even split. Members will be asked to apply for membership in the category that best reflects the **majority** of their business.



HOW IT WORKS

Brands

The direct corporate member fees for brands remain unchanged from the previous model \$1/room/year (minimum of \$8,750, maximum of \$16,000).

In addition, brands will also act as a collector for HAC by applying an opt-out license fee of \$2/room/year to each of its licenced properties. This amount will be collected and remitted to the Association.

Brands in good standing (paying both direct membership fees and supporting the license fee application) will have the ability to run for 6 allocated Board of Directors seats.



HOW IT WORKS

Ownership Companies

Ownership companies that are sizable enough (defined as operating in more than one province, or if operating in one province alone, are prepared to support both the provincial and national associations) are eligible to apply for direct corporate membership, but on one condition: 80% of their properties must contribute to the new \$2/room/year license fee.

If this condition is met, ownership companies can secure a direct corporate membership at the rate of \$5,000 per year (lower than previous years) in recognition of the property contribution. If 80% compliance is not met, then direct membership is not allowed.

The added benefit for members to pay the \$2/room fee is that local properties can now join the Association and receive benefits. This will include access to member pricing, communications, conference participation, access to policy committees and data/trends.

There will be 5 Board of Directors seats reserved for this group.



HOW IT WORKS

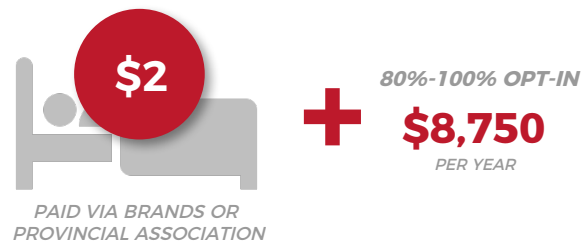
Management Companies

The fees for management companies remains unchanged from the previous model, with one exception. If 80% of properties managed by the company have paid the non-voting membership dues to join HAC via a Brand or Provincial Member, then the base Corporate Member fee of \$8750 will apply. If 80% is not reached, member fees will be calculated as they were historically at a rate of \$1/room/year (minimum of \$8,750, maximum of \$16,000).

In addition, management companies will have the ability to run for 3 allocated seats on the Board of Directors.



OR



HOW IT WORKS

Provincial Hotel Associations

The fees for provincial hotel associations remain unchanged from the previous model, however provincial hotel associations will also be asked to act as a collector for HAC by applying an optional \$2/room/year fee to each of its independent hotel members. This amount will be collected and remitted to HAC.

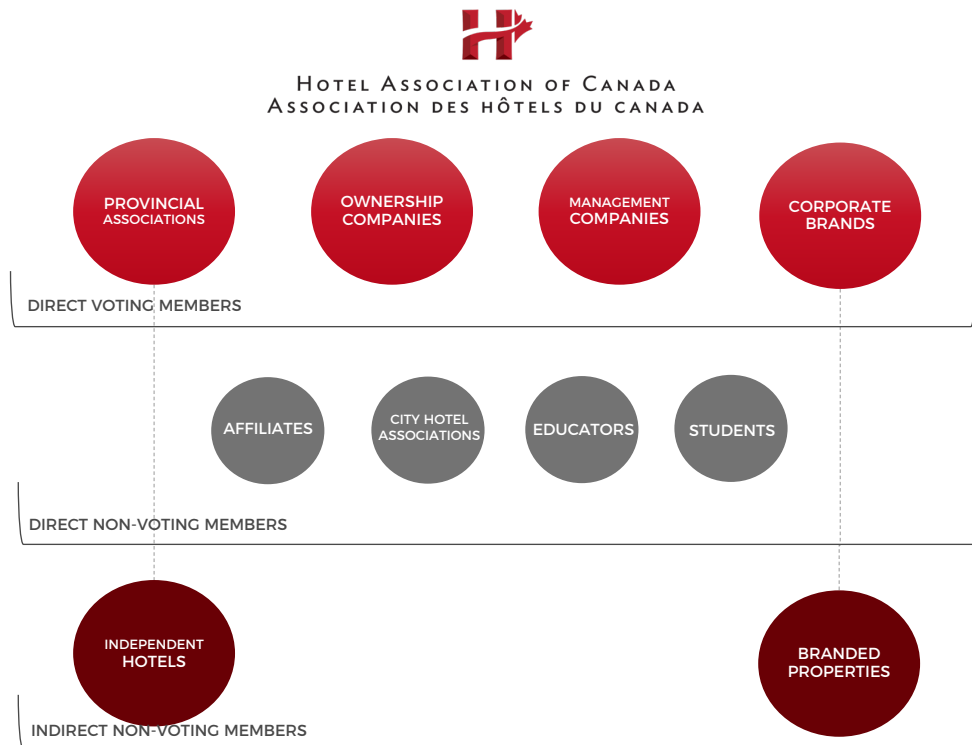
membership fees and supporting the independent fee application) will have the ability to run for 6 allocated seats on the Board of Directors.

Provincial hotel associations in good standing (paying both direct



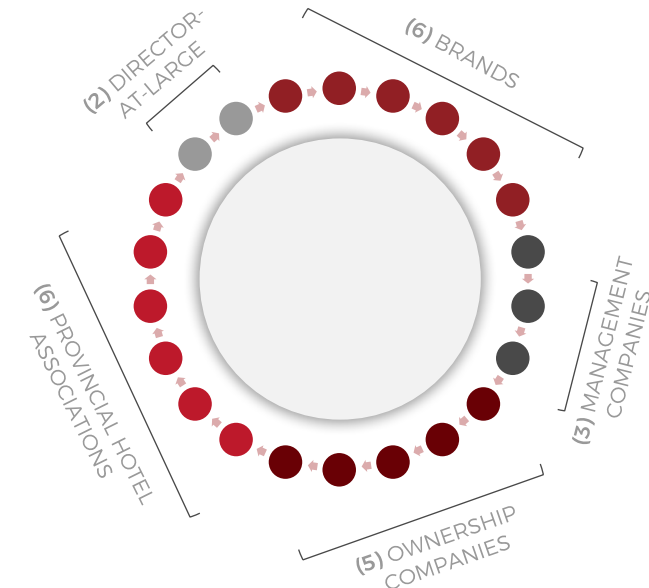
Organizational DNA

NEW MEMBERSHIP STRUCTURE



BOARD COMPOSITION

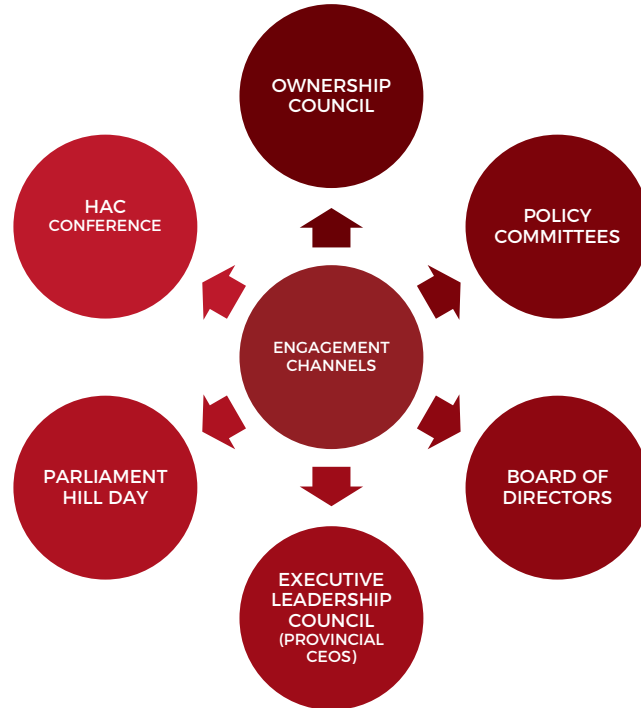
Voting for each category will be held electronically each year. Each corporate member will have one vote. Board members will be elected for a 3-year term. Only two consecutive terms are allowed. Following a 3-year break, a candidate may run again for election. The Secretary/Treasurer and the Chair may serve a term up to 4 years in duration.



Organizational DNA

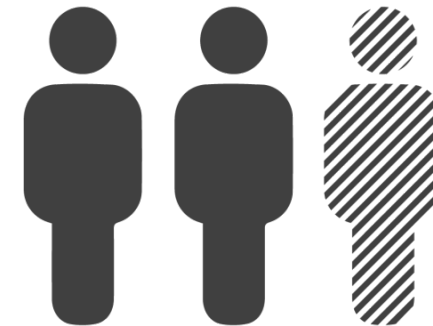
ENGAGEMENT CHANNELS

Members will have the ability to engage with the association through a range of new and improved channels:



DIVERSITY

Diverse candidates will have a weighted vote. If a diversity candidate ranks within a 20% margin of a non-diverse candidate receiving sufficient votes to join the Board of Directors, the diverse candidate will be automatically elected. A full election package will be provided to members in the Fall of 2018 prior to the 2019 election.





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