



Strategic Priorities Update

ARDA CARIBBEAN

ARDA Caribbean Hosts First Island-based Event in St. Thomas, U.S. Virgin Islands

The ARDA Caribbean Committee hosted its first island-based meeting in conjunction with the Caribbean Hotel and Tourism Association's (CHTA) Annual Small Hotels Retreat on October 1–2, 2009, at the Frenchman's Reef & Morning Star Marriott Beach Resort in St. Thomas, U.S. Virgin Islands.



ARDA Caribbean hosts dinner for Governor John P. deJongh Jr. and Lieutenant Governor Gregory R. Francis.



ARDA Caribbean USVI working group outside of the Senate building.

The event kicked off on October 1, with a variety of meetings to address ongoing legislative matters in the territory and to build upon strategic partnerships in the region. Most important among them was a session with committee members, Adam Christian, Legal Counsel (Office of the Governor), Bernadette Williams (tax assessor), and the Lieutenant Governor's chief of staff, to advocate for the enactment of ARDA-backed property tax regulations that provide for the fair and equitable computation of timeshare interest valuation.

Following successful negotiations and more than two years of work on the issue, the Lieutenant Governor's office posted the regulations for the statutorily required public comment period of 20 days. At the conclusion of the comment period, Governor deJongh Jr., has agreed to enact the regulations. This action will mark an important victory for ARDA Caribbean and owners in the Territory who will save nearly \$1.5 million in property taxes each year.

Later in the day, committee leadership met with U.S. Virgin Islands Senate President, Louis Patrick Hill, to discuss additional legislative priorities in the Territory. Committee leadership also met with Andy Osbourne, past president and treasurer for the Aruba Timeshare Association (ATSA), to learn more about Aruba's timeshare

marketplace and to discuss ways in which ARDA Caribbean and ATSA can establish a more formal strategic alliance.

The ARDA Caribbean opening reception that evening brought together 70-plus attendees and honored the U.S. Virgin Islands Governor John P. deJongh Jr., and members of the 28th Legislature. Other honored guests included U.S. Virgin Islands Senate President, Louis Patrick Hill; Beverly Nicholson Doty, U.S. Virgin Islands Commissioner of Tourism; Lisa Hamilton, president and CEO of the U.S. Virgin Islands Hotel & Tourism Association; Alec Sanguinetti, director general & CEO of the Caribbean Hotel & Tourism Association; Andy Osbourne, past president and treasurer for the Aruba Timeshare Association; and other key industry leaders from around the region.

The next day, 37 members of the ARDA Caribbean convened to discuss top priorities for the 2009–2010 year, including legislative advocacy, industry research, strategic partnerships, and public relations. It was agreed during the meeting that the next major initiative will be to investigate whether or not the resources and commitment exist to pursue a Caribbean timeshare and vacation ownership census and/or economic impact study. Immediately following the regional committee meeting, the U.S. Virgin Islands subcommittee met to discuss details regarding

“The Aruba Timeshare Association (ATSA) proudly represents the interests of the interval vacation ownership segment of the hospitality industry in Aruba—which is one of the leading timeshare destinations in the Caribbean if not the world. Among other worthy contributions, the economic, advertising and social impacts have long been positively recognised by the island and consequently, ATSA applauds and is delighted to support the efforts of ARDA Caribbean in cementing such initiatives for the benefit of our region as a whole.”



Andy Osbourne
Treasurer, Aruba Timeshare Association

the completion of a draft timeshare act in the Territory.

The event-highlight, then, was a dinner that members of the committee hosted for U.S. Virgin Islands Governor John P. deJongh Jr., and Lieutenant Governor Gregory R. Francis, thanking them for their leadership and support on behalf of the timeshare industry.



ARDA leadership and ARDA Caribbean members network with Aruba Timeshare Association leadership.



ARDA Caribbean members network with Lisa Hamilton, president and CEO of the USVI Hotel & Tourism Association.

For more information about ARDA Caribbean, please visit www.arda.org/Caribbean.

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ARDA Caribbean Scores Multiple Legislative Victories in the U.S. Virgin Islands

The primary goal of ARDA Caribbean is to promote and protect the legislative interests of developers and owners in specific jurisdictions within the region—the committee’s activity in the U.S. Virgin Islands demonstrates this mission at work. In fact, during the past two years, the ARDA state affairs team has managed a whirlwind of legislative and regulatory issues affecting developers and owners in the U.S. Virgin Islands. This list of issues includes:

- The defeat of proposed impact fee legislation, which would have provided for a new 10-percent levy on all construction over \$1 million; and
- The defeat of proposed EDC legislation that would have removed the real property tax exemption authority from the U.S. Virgin Islands Economic Development (EDC) program (the tax benefits provided by the EDC program serve as the fundamental building blocks for all economic development in the U.S. Virgin Islands. If passed, this law would have brought the development of timeshare, hotel, and other commercial projects to a grinding halt).

During the negotiations, ARDA invested considerable time educating key public and private sector leaders on the economic benefits of timeshare and establishing a strong working relationship with Governor John deJongh, the Commissioner of Tourism, key legislators, and U.S. Virgin Islands Hotel and Tourism Association (USVI HTA) leadership. In 2008–2009, ARDA also supported a variety of elected officials, who understand the positive impact of the timeshare industry in the territory.

ARDA’s experience here is a textbook example of the benefits of strong legislative and legal representation, intra- and inter-industry collaboration, industry research, and the financial support of ARDA Resort Owners Coalition (ARDA-ROC). Moreover, the manner in which we have conducted business in the U.S. Virgin Islands will serve as the model as we look to move forward into other jurisdictions in the Caribbean region.



ARDA Caribbean USVI working group lobby for the enactment of ARDA-proposed property tax regulations.



“...The newly formed alliance with ARDA Caribbean has proven to be beneficial...we have partnered on legislative issues, built stronger public sector alliances and successfully educated our membership on the benefits of the timeshare/fractional ownership industry. We look forward to continuing this alliance to ensure the U.S. Virgin Island’s travel and tourism marketplace remains competitive in the region and is a better place for its citizens to live.”

Lisa Hamilton
President and CEO, USVI Hotel & Tourism Association

Moving Forward ARDA C

Throughout 2008, ARDA pursued an open process with ARDA leaders and members with interests in the Caribbean to determine the best way to reinvigorate the ARDA Caribbean Committee.

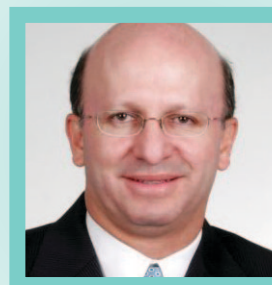
At a strategic planning meeting in August, 2008, 41 interested members came together to agree upon a working agenda. This group agreed that the ARDA Caribbean Committee will represent the legislative needs of the timeshare and shared vacation ownership industry and its owners in the region, conduct regional industry research and relevant public/media relations, and develop stronger relationships with national and regional level public and private sector tourism organizations.

Mission Statement: It is the mission of ARDA Caribbean to foster and promote the growth and well-being of the timeshare and shared vacation ownership industry in the Caribbean.

Commitment to Ethics: ARDA and its Caribbean members are committed to the highest standards and ethics in resort, vacation, recreational, residential and community development for the benefit of the public. To demonstrate that commitment, ARDA Caribbean will adopt ARDA’s Code of Standards & Ethics. All members of ARDA and those who use ARDA services agree to comply with this Code.

Core Values: ARDA Caribbean will develop a statement of core values. These values will be the guiding principles that will help create and maintain a culture defined by trust, ethics, integrity, professionalism, and a respect for the diversity of peoples, cultures, and nations in the Caribbean.

“There are numerous growth opportunities for the timeshare and vacation ownership industry in the Caribbean region. In fact, it is one of the fastest growing regions for our industry. This is the right time to have a solid and sustainable presence from ARDA Caribbean to help foster and promote this growth.”



Eugenio Macouzet
SVP & Managing Director,
RCI Caribbean

CARIBBEAN

Priority Jurisdictions in 2009-2010:

- 1 U.S. Virgin Islands
- 2 Jamaica
- 3 Bahamas
- 4 Dominican Republic



David C. Gilbert EVP Resort Sales and Marketing, Americas; Interval International

“The Caribbean remains a strategic and highly sought-after resort destination market for the vacation ownership industry and is regularly cited as the leisure destination of choice for international travel among Interval International members residing in the United States. We’re confident that ARDA’s initiatives in this region will help to foster continued future growth.”



ARDA CARIBBEAN REPORT CARD

The information that follows highlights some of the recent accomplishments of the ARDA Caribbean Committee detailed by strategic priority.

REPORT CARD

PRIORITY 1

Public Relations/Communications

TASK: State Affairs will conduct relevant public relations/media campaigns to promote the mission of ARDA Caribbean.

- ✓ Distribution of ARDA Caribbean “brand launch” promotional supplement to 2,856 subscribers of *Developments Magazine* and 600 new resorts, management companies, and HOA contacts operating in the Caribbean region.
- ✓ Distribution of ARDA Caribbean “brand launch” press release to all appropriate North American and Caribbean travel and tourism trade publications.
- ✓ Distribution of two ARDA Caribbean strategic priority e-blasts to more than 2,014 subscribers.
- ✓ *Developments Magazine* feature story.
- ✓ ARDA Caribbean “Some Things Just Belong Together” brand promotion series in *Developments Magazine* and *Hotel and Motel Management Magazine*.
- ✓ Distribution of ARDA Caribbean/Caribbean Hotel and Tourism Association strategic partnership press releases to all appropriate North American and Caribbean travel and tourism trades, and International Society of Hotel Association Executives.
- ✓ ARDA Caribbean presentation to the Board of Directors and leadership teams of the Caribbean Hotel and Tourism Association, USVI Hotel & Tourism Association, and Caribbean Society of Hotel Association Executives.

PRIORITY 2

Strategic Partnerships

TASK: State Affairs will work to strengthen relationships with national and regional level public and private sector tourism leaders.

- ✓ ARDA Caribbean has formed a strategic partnership with the Caribbean Hotel and Tourism Association and the U.S. Virgin Islands Hotel and Tourism Association. The committee is also actively pursuing alliances with the Aruba Timeshare Association and St. Maarten Timeshare Association.
- ✓ The Caribbean Society of Hotel Association Executives held its annual two-day leadership conference in conjunction with the 2009 ARDA Convention.
- ✓ ARDA Caribbean committee hosted its first Caribbean-based meeting in conjunction with the Caribbean Hotel and Tourism Association’s (CHTA) Annual Small Hotels Retreat on October 1-2, 2009 in St. Thomas, U.S. Virgin Islands.

PRIORITY 3

Industry Research

TASK: State Affairs will work with the ARDA International Foundation to conduct a regional timeshare and shared vacation ownership census and economic impact study.

- ✓ The state affairs team worked with the ARDA International Foundation (AIF) to determine the cost of conducting a jurisdiction-specific and/or regional economic impact study. The committee is working to determine if the resources and commitment exists to move forward with the project.

PRIORITY 4

Legislative Advocacy

■ U.S. VIRGIN ISLANDS :

- ✓ The enactment of fair and equitable property tax regulations which, when enacted, will save timeshare owners in the territory nearly \$1.5 million in property tax savings each year.
 - ✓ The defeat of proposed impact fee legislation which would have provided for a new 10% levy on all construction over \$1 Million.
 - ✓ The defeat of proposed EDC legislation which would have removed the real property tax exemption authority from the U.S. Virgin Islands Economic Development (EDC) program.
- ##### ■ JAMAICA :
- ✓ Since late 2008, the state affairs team has been involved in the Jamaican government’s process to develop new timeshare legislation for the purpose of attracting new timeshare development to the island.

October 1–2, 2009 at the Frenchman's Reef & Morning Star
Marriott Beach Resort in St. Thomas, U.S. Virgin Islands

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in St. Thomas, U.S. Virgin Islands

On behalf of ARDA Caribbean, ARDA-ROC, founding sponsors Interval International and Group RCI, and event sponsors Ballard Spahr, we would like to thank members of the committee for their part in the success of this seminal event and the advancement of the committee's mission in the region.

We would also like to thank the U.S. Virgin Islands Hotel & Tourism Association and the Caribbean Hotel and Tourism Association for the spirit of collaboration both organizations continue to demonstrate. Working hard to ensure the long-term health and viability of the Caribbean hospitality marketplace is a top priority shared among our respective industries and organizations.



ARDA 2010

CONVENTION
& EXPOSITION

MARCH 14–18, 2010
Las Vegas, NV

Please watch for your February 2010 edition of *Developments Magazine* for an extensive conference preview and details regarding ARDA Caribbean related programming and events.

If the Caribbean region is important to your development and/or operation, then you can't afford to miss this year's Convention! For more information about the ARDA 2010 Convention & Exposition, please visit www.arda.org.



arda.org



Mark Rogers, Wyndham Vacation Ownership, Kurt Gruber, Baker and Hostetler, and Rita Coviello, RCI.



Team RCI (Caribbean) meets USVI Senate President Louis Patrick Hill.



Members discuss committee priorities for 2010.



Doug Kelly, Marriott Vacation Ownership, discusses legislative matters with Senators.



Team Interval International (Caribbean) discusses business opportunities with developers.



Jeff Perkins, Elysian Beach Club Resort, Ada Grzywna, Wyndham Vacation Ownership, Alex Tamas, Bluebeard's Beach Club Resort

For more information regarding the ARDA Caribbean Committee, please visit www.arda.org/Caribbean or contact **Keith Stephenson**, Director of Legislative and Industry Affairs, at 407.245.7601 ext. 22 or kstephenson@arda.org.

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