

Municipal Accommodations Tax Fund Guidelines (Tourism Gravenhurst Grants)

With the Province of Ontario's passage of Bill 127, the Stronger Healthier Ontario Act, Municipalities have been authorized to establish a transient accommodation tax within their jurisdictions. The implementation and administration of the accommodation tax is authorized under Section 400.1 of the Municipal Act and Ontario Regulation 435/17 (together with all other relevant laws, regulations, decrees, orders, and by-laws, "Applicable Laws").

Where a Municipal Accommodation Tax (MAT) by-law is in place, the MAT is mandatory and providers of transient accommodation are obligated to collect the MAT from purchasers of accommodation, and to remit same to the municipality having imposed it.

The proceeds of the MAT must be allocated, distributed, and utilized, in accordance with Applicable Laws.

Gravenhurst has designated Tourism Gravenhurst, a newly formed not-for-profit board run organization, as the responsible body for allocating and distributing part of the proceeds of the MAT. Tourism Gravenhurst is wholly owned by the Town of Gravenhurst with a mandate to:

1. To oversee tourism development and promotion for the Town of Gravenhurst;
2. To develop tourism promotion and business development strategic plans, including multi-year marketing plans and strategies that address Gravenhurst's strategic goals for tourism growth;
3. To facilitate collaboration, where possible, amongst Gravenhurst's tourism industry, business organizations and community stakeholders;
4. To advocate for the growth and development of local tourism products and services by identifying and promoting opportunities that will generate positive economic growth in Gravenhurst;

The Municipal Accommodations Tax Fund is a discretionary program with a limited funding allocation; accordingly, neither The Corporation of the Town of Gravenhurst, nor Tourism Gravenhurst, shall be required to allocate and or distribute funding to an applicant. For certainty, a project or event that meets all program criteria may not be approved for funding.

Strategic Investment Areas

- Cultural and heritage tourism opportunities (may include concerts, festivals, culinary events, mining heritage)
- Marketing partnership projects (between local tourism partners)
- Development of new tourism product and services (may include tours, packages, attraction development)
- Sports/outdoor Tourism opportunities (may include tournaments, competitions, amateur sporting events, provincial or national sporting events)
- Conferences and conventions (provincial and national in scope)
- Enhance workforce capacity and inspire a community of ambassadors.

The mandate of the Municipal Accommodations Tax Fund is to enhance Gravenhurst's tourism economy by supporting the development of new visitor experiences and enhancement of existing visiting experiences that:

- Attract more visitors to Gravenhurst from at least 40 kms away
- Increases the length of stay of visitors
- Increases the economic yield of visitors
- Enhances Gravenhurst as an attractive and appealing year-round visitor destination
- Leverages partnerships and financial resources

Eligibility

All projects must show broader community impact; not solely increasing the benefit of one organization.

Funding may be allocated and distributed for:

Planning: Support for feasibility studies and business plans that investigate the potential for the development of increased visitation and/or hotel room nights.

Start-up/Expansion: Support for new/enhanced projects that will increase visitation and/or hotel room nights. (example. new festival/event, marketing and packaging costs).

Capital: Capital purchases will not be supported.

Marketing: Marketing partnerships that promote Tourism activities in Gravenhurst.

Visitor Experience Enhancement: Support for costs that add to the overall event experience and provide customer service or address public health and safety. (example: watering stations, wayfinding, enhanced security features)

Bid Submission: Support for costs of development and submissions of bids to host future meetings, conventions or sporting events (eg. bid fees, familiarization tours, and general bid requirements).

Hosting: Support for hosting events awarded through bids or have been designated as provincially or nationally significant include capital and operating expenses, including, but not limited to, event rights fees, technical estimates/reports, facilities to be built or upgraded, equipment, hospitality, etc.

*Note – At this time, no funding will be made available for the support of ongoing core operations.

Funding Matrix

Legal structure	Proponent's Minimum Contribution	Max Funding	Holdback Required
Not for Profit	25%	Projects are eligible up to 75% funding.	Min 25%
Private Sector	50%	All projects are eligible for up to 50%	Up to 100% Reimbursement based
Partnerships	Based on lead applicant structure		

In all cases, events are encouraged to show a profit and become self-sustainable.

The value of in-kind contributions shall not be considered a “contribution” for the purpose of determining a proponent’s contribution to a project, nor for the purpose of determining the total value of a project on which an application is based.

Notwithstanding the above, the Board, in assessing the merits of an application generally, consider in-kind contributions.

Eligible Costs:

- Marketing and promotion costs
- Rental, lease or purchase of equipment/infrastructure
- Project specific licenses and permits
- Fees for artists, speakers and related costs
- Signage and wayfinding costs
- Non Operational hospitality expenses (food & beverage, gifts, transportation)
- Training and development costs related to project

Ineligible costs:

- Alcohol
- Pre-existing deficit funding (grant or loan)
- Operating costs
- Legal, audit, or interest fees
- Donations
- Prize money
- Expenses related to charitable component (i.e. lottery licenses and raffle expenses)

Application Considerations

The Municipal Accommodations Tax Fund is open to for-profit, not-for-profit, and both public and private sector and partnerships.

Applications will be assessed based on the following criteria to achieve the following results, the broader intention of which is to grow tourism in Gravenhurst, where applicable:

- Increase in tourism visitation, overnight stays and visitor spending
- Generate economic impact from the project or event
- Provide positive regional, provincial, national or international exposure
- Enhance tourism offering to attract visitors
- Strengthens Gravenhurst’s position as a destination
- Support or creation of direct and/or indirect jobs
- Encourage partnerships between local organizations

In addition to the criteria listed above, the Board may consider all such other criteria and factors as it may deem appropriate from time to time, having regard to the objectives of the MAT and Applicable Laws.

- Priority will be given to applicants who apply a minimum of 120-days out from the date of their event or start of the project. This will allow lead time for evaluation of potential funding and then, if funding is approved, ensure the logistics and marketing required to attract out-of-town participants and/or spectators can be met for a successful tourism event.
- All funding shall be for future projects. Retroactive funding will not be considered.
- All completed applications will be reviewed by Tourism Gravenhurst's Board of Directors
- Applicants may be required to make a presentation to the committee as part of the review process.

Business Case and Reporting

Applicants must identify in the application form that the project contributes positively to the growth and sustainability of Gravenhurst's tourism economy the following criteria will be used to evaluate applications for tourism value.

- Fulfills a gap in the tourism visitor experience offerings
- Enhances current visitor experience offerings
- Supports the growth of a four seasons visitor destination
- Supports overnight accommodations growth
- Creates and retains employment opportunities within the tourism sector
- Demonstrates a financially sustainable business model

Funded projects will be required to report on their contribution to enhancing the tourism economy.

Key performance indicators can include but not limited to:

- Overnight accommodations volume generated or influenced by the project
- Tracking a visitor source markets; domestic, Canadian and international travel
- Length of stay per visitor
- Number of partnerships develop through the project
- Permanent jobs created through the project
- Financial resources leveraged from the project
- Value of earned media resulting positive mentions
- Visitor satisfaction ratings of the visitor experience once operational

Applications approved for funding board will require the applicant to enter into a legally binding agreement. The applicant must be a legal entity. Receipts for expenditures must be provided.