



## **Municipal Accommodations Tax Granting Guidelines**

**(Updated Fall, 2025)**

Where a Municipal Accommodation Tax (MAT) by-law is in place, the MAT applies to providers of transient accommodation who 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 organization, as the responsible body for allocating and distributing part of the proceeds of the MAT. Tourism Gravenhurst is Municipal Service Corporation initiated by the Town of Gravenhurst with a mandate of

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 any applicant. For certainty, a project or event, may not be approved for funding even if it meets all program criteria.

### **Strategic Investment Areas**

- Cultural and heritage tourism opportunities (may include concerts, festivals, culinary, 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 tourism related 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

### **Application Considerations and Intake**

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, especially in shoulder seasons October 1 to April 30:

- 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 that are tourism related
- 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.

- Applications will be received twice a year.
  - For initiatives/projects occurring between October 1 and April 30, intake will be June 1 – 15<sup>th</sup>.
  - For initiatives/projects occurring between May 1 and September 30, intake will be December 1 – 15<sup>th</sup>.
- Repeat applications are permitted; but will be assessed on a case-by-case basis for merit, priority and self-sustainability.
- 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 within 60 days of the intake deadline.
- Applicants may be required to make a brief presentation to the committee as part of the review process.

## Funding Contributions and Limits

Applicant Type	Applicant's Minimum Contribution	Tourism Gravenhurst Maximum Funding Contribution	Holdback Required
Not for Profit	25%	Projects are eligible for up to 75% of total project funding.	Min 25%
Private Sector	50%	Projects are eligible for up to 50% of total project funding	Up to 100%

The value of in-kind contributions shall not be considered a “cash 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

## Eligibility Information

The Municipal Accommodations Tax Fund is open to for-profit, not-for-profit, and both public and private sector and partnerships. All projects must show broader community impact; not solely increasing the benefit of one organization. The applicant must be a legal entity.

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 overnight stays.

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

**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 (example. 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, funding is prioritized for maximum economic impact for the tourism industry in Gravenhurst and at the sole discretion of the Board of Directors.

**Eligible Costs Related to the Project:**

- 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
- Regular operating costs of the Organization
- Legal, audit, or interest fees
- Prize money
- Expenses related to charitable component, as these should be offset by related revenue (i.e. lottery licenses and raffle expenses)

**Business Case and Final Reporting Requirements**

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

Applications approved for funding will require the applicant to enter into a legally binding agreement, signed within 30 days of receipt. Failure to sign the agreement back within this time will result in forfeiting of the grant. Funded projects will be required to report on their contribution to enhancing the tourism economy and provide receipts for expenditures.

Final reports and required documentation/receipts for expenditures are due within 120 days of the event's completion otherwise the grant funds or balance of funds will be forfeited. Failure to submit a final report may also negatively impact future applications.

Key performance indicators can include but not limited to:

- Overnight accommodations volume generated or influenced by the project
- Tracking a visitor source market; 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