



**The Corporation of the City of Stratford
Municipal Accommodation Tax Ad-Hoc Committee
AGENDA**

Date: January 19, 2026
Time: 3:00 p.m.
Location: Council Chamber, City Hall

To watch the Municipal Accommodation Tax Ad-Hoc Committee meeting live, please click the following link:

<https://stratford-ca.zoom.us/j/86753245459?pwd=7704cyFAokR4kO5WLKObUaD0gMaGfN.1>

A video recording of the meeting will also be available through a link on the City's website

<https://calendar.stratford.ca/meetings> following the meeting.

Pages

1. Call to Order

The Chair to call the meeting to Order.

Land Acknowledgement

Moment of Silent Reflection

Respectful Conduct Statement

2. Introduction of Members

3. Declaration of Pecuniary Interest and the General Nature Thereof

4. Items for Discussion

4.1 Draft Use of Municipal Accommodation Tax and Reserve Fund Policy

3 - 62

The following documents have been provided for background information:

- Terms of Reference
- Municipal Accommodation Tax (MAT) Update October 2024 Staff

Report (COU24-143)

- Use of Municipal Accommodation Tax Policy Staff Report (COU25-109)
- Draft Use of MAT Policy attached to Report (COU25-109)
- MAT By-law 93-2022
- Memo - What is a Policy

The following documents have been provided by John Hatton for the information of Committee members:

- Niagara-on-the-Lake MAT Summary Report
- Waterloo MAT Investment Policy
- Hearst MAT Guidelines

4.2 Public Engagement Activities

63 - 66

5. Next Meeting

Meetings of the MAT Ad-Hoc Committee may be held on the following dates:

- Tuesday, February 17, 2026 at 3:00 p.m.
- Monday, March 16, 2026, at 3:00 p.m.
- Monday, April 20, 2026, at 3:00 p.m.

6. Adjournment

Motion by

THAT the Municipal Accommodation Tax Ad-Hoc Committee meeting adjourn.



Municipal Accommodation Tax Ad-Hoc Committee Terms of Reference

Purpose

The Municipal Accommodation Tax (MAT) Ad-Hoc Committee will provide support, guidance and strategic advice to Stratford City Council and staff related to the establishment of a City policy for the use of the City's portion of MAT revenues in the City.

The Ad-Hoc Committee will assist in structuring the guiding principles and make recommendations on the use of the City's portion of MAT revenues. The principles and recommendations will be consolidated into a policy by City staff and presented to Council for their consideration.

Background

On June 27, 2022, Council directed Staff to implement a 4% MAT on all room nights sold in the City, including hotels, motels, bed and breakfasts, and short-term rentals, except where limited by legislation. The introduction of MAT required entering into an agreement with Stratford Tourism Alliance (Destination Stratford) (the Tourism Entity) to share a portion of MAT revenues in accordance with the regulation for strategic tourism destination marketing investments by Destination Stratford. Council has directed MAT funds to date towards the LightsOn Stratford festival that has been installed annually by Destination Stratford. The future use of the City's portion of MAT revenues are yet to be determined.

During the 2025 Budget deliberations, staff were directed to develop terms of reference for an Ad-Hoc Committee that would provide recommendations on the use of the City's portion of the MAT revenues.

Guiding Principles

- Work will be carried out in accordance with the City of Stratford's Procedural By-law provisions of the Municipal Act, and other governing legislation and policies.
- The 'Council's Code of Conduct will guide the Ad-Hoc Committees efforts, promoting the highest ethical standards and professionalism while ensuring that the best interests of the community are met.

Composition

The Ad-Hoc Committee will consist of no more than five (5) members as follows:

- One (1) member of Council
- One (1) member from the Large Accommodation Sector – Monthly Reporter
- One (1) member from the Small Accommodation Sector – Quarterly Reporter
- One (1) member from the Tourism/Business Sector
- One (1) City of Stratford resident

Quorum

A quorum shall be a majority of the whole Ad-Hoc Committee (3).

If quorum is not attained within fifteen (15) minutes after the hour set for a meeting, the recording secretary shall call the roll and take down the names of the Members present and the meeting shall stand adjourned until the next meeting is called.

Support Staff

This Ad-Hoc Committee shall be assisted by the Director of Corporate Services/Treasurer and additional City Staff, who will provide expert advice, technical reports, background information and will prepare the recommendations of the Ad-Hoc Committee, including the drafted policy.

Management of the Ad-Hoc Committee

Meeting Schedule

- This Ad-Hoc Committee shall meet three times on dates to be determined by the Director of Corporate Services in consultation with the Clerk and elected member of Council at 3:00 p.m.
- Established meeting dates and times will not be changed unless circumstances

warrant special consideration.

- All notices of meetings will be posted on the City's website.
- The meeting agenda and presentation packages for each Ad-Hoc Committee meeting will be sent electronically to members in accordance with the Procedural By-law.

Minutes of Meetings

- Meeting minutes will be recorded without note or comment in accordance with section 239 (7) of the Municipal Act, 2001.
- Minutes from the meeting will be included in a forthcoming agenda for confirmation by the Ad-Hoc Committee.
- Following confirmation of the minutes, a copy shall be forwarded to Stratford City Council for their information.

Ad-Hoc Committee Working Process

All decisions that lead to the formulation of recommendations for Council consideration will take place at the Ad-Hoc Committee meetings only and not through electronic or other outside exchanges. All pertinent information will be shared with all Ad-Hoc Committee members in advance of meetings. This can include, but not be limited to, meeting minutes, any supplemental information, public input, media requests, etc.

Duties and Responsibilities

The appointed member of Council is to serve as Chair of the Ad-Hoc Committee.

Chair

Preparation:

- Work in collaboration with the Director of Corporate Services/Treasurer and City Clerk on the development of the agenda; including delegations; sequence; flow and timing; and to be apprised of any changes to the agenda prior to the meeting.
- In reviewing materials, ensure clarity on the discussion parameters for each report appearing on the agenda.

During Ad-Hoc Committee Meetings:

- Chair all meetings of the Ad-Hoc Committee and exercises authority and performs duties, as required.
- Call the meeting to order.
- Ensure Ad-Hoc Committee works within the assigned mandate
- Provides guidance and leadership to the Ad-Hoc Committee in the completion of its mandate.
- Exhibit the behavior expected of all Ad-Hoc Committee members.

Specific to decision-making:

- Maintain order and decorum during meetings, decide questions of procedure, and generally ensure that the Ad-Hoc Committee work proceeds smoothly according to the mandate of the Ad-Hoc Committee.
- Engage all Ad-Hoc Committee members in the decision-making process.
- Ensure the Ad-Hoc Committee has sufficient information to make a decision.
- Ensure that the Director of Corporate Services/Treasurer has been provided with the opportunity to clarify any matters of fact or seek professional advice.
- Build consensus where possible.
- Ensure the will of the Ad-Hoc Committee prevails.

Specific to agenda items:

- Define discussion parameters and remind members of decision options that include approve, defeat, amend, refer or defer a staff recommendation.
- Frame the issues, focus discussion and set the tone for the Ad-Hoc Committee's discussions: fostering a constructive culture for respectful dialogue between Councillors, community and staff.

After Ad-Hoc Committee Meetings:

- Speak on behalf of the Ad-Hoc Committee at the Council level.
- Act as the primary spokesperson for any Ad-Hoc Committee-related inquiries in concert with the Director of Corporate Services/Treasurer or delegate.
- Maintain strong communications with Ad-Hoc Committee members between meetings.

Members

Specific roles and responsibilities for the Ad-Hoc Committee Members include:

Preparation:

- Read all agenda material and seek clarification from staff on any matters prior to meetings to make the most effective use of the Ad-Hoc Committee's time.
- Have a broad awareness of the interrelationship of the City's strategic initiatives and its operations.
- Understand the difference between the role of the Ad-Hoc Committee and the role of management.

In Ad-Hoc Committee Meetings:

- Attend meetings and participate fully in all Ad-Hoc Committee work.
- Debate the issues in an open, honest and informed manner to assist the decision-making process.
- Actively contribute to the development of Ad-hoc Committee recommendations and directions.
- Represent and advocate on behalf of constituents, keeping in mind the entire municipality when considering and addressing issues.
- Respect the role of Ad-Hoc Committee Chair.
- Respect the role of staff.
- Have a willingness to respectfully challenge Management when necessary.

Director of Corporate Services / Treasurer

Preparation:

- Prepare materials for inclusion with the agenda.
- Review the agenda with the Chair and the City Clerk.

In Ad-Hoc Committee Meetings

- Provide advice to members.

City Clerk

Preparation:

- Schedule and provide notice of meetings.
- Prepare agendas.
- Review agenda for the meeting with the Chair and the Director of Corporate Services/Treasurer.

In Ad-Hoc Committee Meetings:

- Provide advice on procedures to members in accordance with the Procedural By-law.
- Act as recording secretary unless role is delegated.

Remuneration

- Not applicable.

Procedural Rules

- Any rule not stated herein is deemed to be provided in the current Procedural By-law, as amended from time to time.



MANAGEMENT REPORT

Date: November 25, 2024
To: Mayor and Members of Council
From: Karmen Krueger, CPA, CA, Director of Corporate Services/Treasurer
Report Number: COU24-143
Attachments:

1. MAT Summary Report at Oct 31 2024;
2. MAT Financial and Reserve Fund Summary Report at Oct 31 2024

Title: Municipal Accommodation Tax (MAT) Update October 2024

Objective: To provide Council with preliminary information on the MAT program revenues and expenses for the ten-months ending October 31, 2024.

Background: The City implemented the Municipal Accommodation Tax (MAT) July 1, 2023. Hotels, motels and inns are required to report stay information and remit MAT monthly, while Bed and Breakfasts (B&B) and other licensed Short-Term Rentals (STRs) are required to report and remit quarterly. Both monthly and quarterly reporters were due by mid-January to the third-party agency the City has engaged, the Ontario Restaurant, Hotel and Motel Association (ORHMA).

Information provided in a previous report is a year-to-date summary.

The scope of this report is limited to MAT reporting and is not intended to speak to licensing of establishments. Hotels and motels do not require licensing to operate in the City and are required to report MAT information monthly. Other establishments that meet the definition of transient accommodations of other types are required to report quarterly. This encompasses those entities licensed under the B&B Licensing By-law and those licensed under the Short-Term Accommodation Licensing By-law.

For the purposes of reporting MAT information, the classifications of type of accommodator are simply 'monthly' and 'quarterly'. Extracting information more granularly based on exact type of accommodator is not intended going forward, as this is not how MAT revenues are tracked by ORHMA and is an additional administrative layer.

Analysis: Monthly

At November 7, 2024, for the ten months ending October 31, 2024 there were 16 identified establishments not requiring licenses, of which 10 reported stay information and remitted MAT due to the City. There are two that staff believes are no longer operational and four requiring additional follow-up.

These monthly reporters indicated that they had a total of 102,629 available rooms during this time, and they reported occupancy or sales of 54,980 of those rooms, including emergency shelter and other MAT-exempted types. This translated into reported MAT-applicable sales of \$11,236,327, and MAT of \$449,453.

Quarterly

At November 7, 2024, for the 10 months ending October 31, 2024 there were 110 establishments that were registered with ORHMA. Of these, 45 were licensed as B&Bs and the remaining 79 as Short-Term Accommodators.

The summary and financial summary are attached to the report. This is a snapshot and excludes any reporting or remitting for the period that could occur after November 7, 2024.

After fees, the total MAT revenues were \$368,755, to be split between the tourism operator, Destination Stratford and the Municipality. As outlined when the by-laws were first established, the City's share of these revenues is to be held in a reserve until otherwise directed by Council.

Financial Implications:

Financial impact to current year operating budget:

The MAT revenues collected by the City in 2024 are reflected as revenues, with half of the net proceeds established as 'Due to Destination Stratford' in the City's accrued liabilities for the year, and the City's half reflected as a transfer to the reserve fund, resulting in no impact to the City's operating bottom line.

Financial impact on future year operating budget:

As a purpose for the use of the funds has not yet been identified at this time, there are no known impacts. When funds are directed to specific initiatives and spent, they will be recognized as revenue earned.

Alignment with Strategic Priorities:

Intentionally Change to Support the Future

This report aligns with this priority as the City supports financial solutions not related to property taxation for projects that benefit tourism initiatives.

Alignment with One Planet Principles:

Not applicable: This report does not apply to the One Planet Principles as it is for information only.

Staff Recommendation: THAT the report titled, "Municipal Accommodation Tax (MAT) Update October 2024" (COU24-143), dated November 25, 2024, be received for information.

Prepared by: Karmen Krueger, CPA, CA, Director of Corporate Services/Treasurer

Recommended by: Karmen Krueger, CPA, CA, Director of Corporate Services/Treasurer
Joan Thomson, Chief Administrative Officer

City of Stratford
Municipal Accommodation Tax Summary Report
At October 31, 2024

Purpose: to reconcile MAT reported along with deposits received from ORHMA and invoices paid to ORHMA for the 10 months ending October 31, 2024.

Month/Quarter	MAT Reported	MAT Received	Rooms Rev.	Rooms Avil.	Rms Occ.	+30 days	Refuge	Pd in full	Other	Exemptions	Net Room
Jan-24	\$20,021.22	\$20,021.22	\$537,998.61	11,110	3,532	\$5,367.02	\$31,735.00	\$366.00	\$0.00	\$37,468.02	\$500,530.59
Feb-24	\$18,264.72	\$18,264.72	\$485,236.85	10,611	3,215	\$4,350.00	\$23,382.00	\$887.00	\$0.00	\$28,619.00	\$456,617.85
Mar-24	\$21,346.85	\$21,346.85	\$558,148.09	11,336	3,632	\$4,350.00	\$20,018.00	\$0.00	\$108.80	\$24,476.80	\$533,671.29
Apr-24	\$32,265.72	\$30,931.40	\$835,636.72	10,768	5,097	\$4,290.80	\$24,703.00	\$0.00	\$0.00	\$28,993.80	\$806,642.92
May-24	\$50,394.03	\$47,884.75	\$1,289,450.06	11,623	6,430	\$0.00	\$29,260.00	\$339.50	\$0.00	\$29,599.50	\$1,259,850.56
Jun-24	\$61,942.52	\$57,296.50	\$1,569,705.44	11,632	6,945	\$0.00	\$20,221.00	\$921.50	\$0.00	\$21,142.50	\$1,548,562.94
Jul-24	\$64,284.94	\$64,284.94	\$1,628,547.69	10,338	6,919	\$0.00	\$20,491.00	\$933.00	\$0.00	\$21,424.00	\$1,607,123.69
Aug-24	\$79,607.82	\$79,607.82	\$2,029,248.73	10,388	8,297	\$0.00	\$38,315.00	\$738.00	\$0.00	\$39,053.00	\$1,990,195.73
Sep-24	\$70,516.84	\$70,516.84	\$1,793,150.01	10,063	7,499	\$0.00	\$29,475.00	\$0.00	\$754.00	\$30,229.00	\$1,762,921.01
Oct-24	\$30,808.41	\$0.00	\$770,210.33	4,760	3,414	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$770,210.33
Nov-24	\$0.00	\$0.00	\$0.00	-	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Dec-24	\$0.00	\$0.00	\$0.00	-	-	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Monthly	\$449,453.07	\$410,155.04	\$11,497,332.53	102,629	54,980	\$18,357.82	\$237,600.00	\$4,185.00	\$862.80	\$261,005.62	\$11,236,326.91
Q1-2024	\$4,472.35	\$4,472.35	\$111,808.69	1,098	36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$111,808.69
Q2-2024	\$24,729.19	\$24,656.38	\$618,229.44	1,474	785	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$618,229.44
Q3-2024	\$57,326.12	\$56,736.11	\$1,433,152.81	1,527	2,134	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,433,152.81
Q4-2024 to date	\$335.59	\$293.59	\$8,389.75	16	6	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,389.75
Total Quarterly	\$86,863.25	\$86,158.43	\$2,171,580.69	4,115	2,961	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,171,580.69
Total MAT	\$536,316.32	\$496,313.47	\$13,668,913.22	106,744	57,941	\$18,357.82	\$237,600.00	\$4,185.00	\$862.80	\$261,005.62	\$13,407,907.60

City of Stratford
 Municipal Accommodation Tax Financial and Reserve Fund Summary Report
 At October 31, 2024

Unaudited, prepared at November 7, 2024

Total MAT reported for 2024	\$536,316.32
2023 receivable	\$64,028.95
Total MAT Paid to the City at November 1, 2024	<u>(\$442,544.51)</u>
Total Receivable	\$157,800.76
Total Receivable > 30 days	\$8,489.62

Accounting (excludes Revenues Receivable for distribution calculation)	
Amount recorded in 2024 Revenues G-139-1243-1260	(\$378,515.56)
Expenses recorded in 2024 G-139-1243-4020 (Net of HST rebate)	<u>\$9,760.70</u>
Net Revenues in 2024 /Transfer to Reserve Fund Balance G-139-1243-7820	<u>(\$368,754.86)</u>
50% to DS to date 2024	(\$184,377.43)
50% to Stratford Reserves to date	(\$184,377.43)
Paid to DS to date	\$101,533.39
Amount Payable to DS to date	(\$82,844.04)
Balance in City Reserve after Distribution	<u>(\$285,910.82)</u>
Check (agrees to above)	<u>(\$368,754.86)</u>



MANAGEMENT REPORT

Date: September 8, 2025
To: Mayor and Council
From: Karmen Krueger, CPA, CA, Director of Corporate Services/Treasurer
Report Number: COU25-109
Attachments: Draft Ad-Hoc Committee Terms of Reference Re: Use of Municipal Accommodation Tax (MAT); and
 Drafted Use of MAT Policy

Title: Ad-Hoc Committee Re: Use of Municipal Accommodation Tax (MAT) and Policy Development

Objective: To provide Council with information on a proposed Ad-Hoc Committee structure and a previously drafted Use of MAT Policy for awareness and to seek direction as to next steps.

Background: At the February 10, 2025, Regular Council meeting, the following motion was adopted by Council:

THAT the development of an Ad-Hoc Committee to review and develop a draft policy on the use of municipal accommodation tax funds be referred to staff.

Analysis: Prior to this motion, staff had researched various municipal policies around the use of Municipal Accommodation Tax funds and had begun drafting a policy. This preliminary drafted policy is attached to this report for Council's awareness and for the purposes of initiating conversation.

Also prior to the motion, staff were planning to seek community feedback by distributing the draft policy through EngageStratford and soliciting feedback and suggestions from stakeholders with the drafted policy as a starting framework only. This has been paused to solicit feedback and input from an Ad-Hoc committee before proceeding further.

Main considerations in a 'Use of MAT' Policy include establishing parameters as to how Council will assess potential projects or investments of MAT funds. In the legislation, there are general guidelines around using funds for 'tourism initiatives' but these are vague, and intentionally so, leaving the use of the funds at Council discretion. There are

not many policies on the 'Use of MAT' available at the time of writing this report, however there are a few. The Town of Blue Mountain has a very simple [policy](#), that mirrors the legislation to a large degree and keeps the options largely open for Council's discretion. Guelph, on the other hand has a very robust [policy](#) with several funding/grant type of options. Both policies seem commensurate with the size and availability of resources in each, ranging from small, to large, with dedicated Tourism staff.

Staff had drafted the attached policy with these differences in mind, noting that the most significant constraint is that the City does not have existing staff capacity to administer a policy that has an element of reviewing applications and adjudicating or otherwise managing a program, so any policy choices would need to consider the impact of administration.

Draft Terms of Reference for the Ad-Hoc Committee are attached to this report for consideration.

Financial Implications:

Financial impact to current year and future year operating budgets:

The establishment of policies does not have a direct impact on the current or future year operating budgets. Members of the ad-hoc committee would be volunteer, and staff time would be inclusive of existing wage budgets.

Link to asset management plan and strategy:

The establishment of a policy of this nature has a potential link to the City's asset management policy to the extent that funds are considered for capital-related purposes. Any investment in current or new assets will require amending the City's asset management plan to reflect the use of these funds and potential future impacts in the City's capital financial budgets and strategies.

Alignment with Strategic Priorities:

Enhance our Infrastructure

This report aligns with this priority as options for investing MAT in Stratford could include infrastructure projects that are potentially already included in the 10-year forecast.

Work Together For Greater Impact

This report aligns with this priority as the recommendation is to seek community input around the draft policy to address community needs when using the City's portion of MAT revenues.

Alignment with One Planet Principles:

This report does not align with any of the specific One Planet Principles.

Staff Recommendation: THAT direction be provided on the establishment of an Ad-Hoc Committee to provide recommendations on the use of municipal accommodation tax funds and the draft policy developed by staff.

Prepared by: Karmen Krueger, CPA, CA, Director of Corporate Services/Treasurer

Recommended by: Karmen Krueger, CPA, CA, Director of Corporate Services/Treasurer

Approved for Council by: Adam Betteridge, Interim Chief Administrative Officer



The Corporation of the City of Stratford Policy Manual

Policy Number:	Insert text here
Policy Section:	Insert text here
Department:	Corporate Services
Date Adopted:	Insert text here
Date Amended:	Insert text here
Scheduled for Review:	Insert text here
Date of Last Review:	Insert text here
Policy Type:	Council-adopted Policy

"Use of Municipal Accommodation Tax and Reserve Fund Policy"

Policy Statement:

An administrative and financial policy to guide the use of Municipal Accommodation Tax (MAT) collections to grow Guelph's visitor economy through strategic investments in tourism and destination development.

Purpose:

This Policy establishes guidelines for the use of the Municipal Portion of funds collected through the City of Stratford's MAT program. The fundamental goals of this policy are:

- to set the guidelines for monitoring and implementing the MAT reserve fund to ensure that revenue collected through the Municipal Portion of the MAT program is directed to support and manage Tourism activities, services, initiatives, and opportunities for residents, businesses, and visitors to the City of Stratford
- to ensure consistency in the evaluation of and strategic investment in community-led projects and programs to promote tourism and grow Stratford's The policy is to be used in conjunction with the guidelines established in the City's Reserve and Reserve Fund Policy which defines sources and uses of funds and authorizes an appropriate target level for the balances in the Reserve.

Definitions:

Act: shall mean the Municipal Act, 2001, S.O. 2001, c.25.

Conflict of Interest Includes: (1) an entity controlled by any member of Council, or employee of the City, or any associate or family member of any member of Council or employee of the City; (2) a situation in which a director, officer, or employee of the entity, or any associate, family member, or entity controlled by any such person, is able to benefit financially from the Tourism Product.

Council: shall mean the Council for The Corporation of the City of Stratford.

Destination Marketing Program: shall have the meaning given to it in the Ontario Regulation 435/17, as amended.

Eligible Tourism Entity: shall have the meaning given to it in the Ontario Regulation 435/17, as amended. This entity in Stratford is currently known as the Stratford Tourism Alliance (STA) or Destination Stratford (DS).

Municipality or City: shall mean The Corporation of the City of Stratford.

Municipal Accommodation Tax or MAT: shall mean the Transient Accommodation Tax in accordance with Ontario Regulation 435/17 – Transient Accommodation Tax.

Policy: shall mean the City of Stratford's "Use of Municipal Accommodation Tax and Reserve Fund" policy.

Regulation: shall mean the Ontario Regulation 435/17: Transient Accommodation Tax

Reserve or Reserve Fund: shall mean the reserve fund that is established by the City of Stratford for the use of managing funds related to Municipal Accommodation Tax.

Staff or City Staff: shall mean the employees of The Corporation of the City of Stratford.

Tourism Product: means any product, service, event or offering that is intended to attract visitors.

Transient Accommodation Tax: shall mean a Transient Accommodation Tax implemented pursuant to s. 400.1 of the Municipal Act, 2001, as amended, and any applicable regulations promulgated pursuant to that Act.

Visitor: means anyone who visits Stratford from more than 40 kilometers away who is not making a routine trip.

Roles and Responsibilities:

Council:

- Approve the MAT tax rate through the MAT by-law.
- Establish priorities through the Corporate Strategic Plan.
- Establish priorities through the Economic Development and Tourism Strategic Plan.
- Review and deliberate, operational, and capital investment and enhancements with the MAT reserve fund.

Corporate Leadership Team:

- Review and submit multi-year budget strategy.
- Maintain a culture of data-driven decision making that is a result of appropriate internal collaboration, alignment to the Strategic Plan, business case option assessment, and risk management.
- Refer capital investments and enhancements with the MAT to Council.

STA/DS:

- Lead Destination Marketing activities in alignment with City's strategic activities.
- Facilitate funding programs to complement the funding programs delivered through the City's Community Services department as outlined in this policy.

Scope:

Revenue Sharing

Pursuant to Ontario Regulation 435/17 – Transient Accommodation Tax, 50% of the revenue, net of administration costs, collected through the MAT Program in any given fiscal year will be transferred to STA/DS, subject to the terms and conditions of an agreement entered between the City and STA/DS.

Funding Principles

Informed by the Corporate Strategic Plan and City Tourism Strategies, the MAT and associated reserve fund will be utilized to support strategic investments that prioritize advancing Stratford's reputation and building a must-see visitor destination.

Investments for event attraction, infrastructure enhancement, and placemaking on publicly owned land will be brought forward as recommendations for consideration to City Council on a case-by-case basis for any project that cannot be accommodated by the annual budget and requires a transfer from the MAT Reserve. Funds allocated from the Reserve will be administered through an associated reserve fund account to support larger and multi-year projects through the Community Services department.

Annual Budget

Based on anticipated collections, Staff or Council may identify expenditures in the below-noted areas that support destination development, destination management,

and destination marketing initiatives while also increasing the reserve fund at reasonable annual rates in line with reserve fund target thresholds.

- **Sport, Event, and Conference Attraction and Servicing** - Engage in opportunities to attract regional, provincial, and national events to Guelph through targeted financial support (see Grants and Funding Programs), attendance at industry events, and expanded group servicing options.
- **Network Development and Education** - Invest in and promote educational and network opportunities to support itinerary development, experience enhancement, and robust partnerships across the Tourism sector. This will include an annual workshop series, destination certification programs, sector roundtables or sharing opportunities, and familiarization tours.
- **Tourism Product Development** - Provide incentives for organizations in the development and enhancement of visitor-oriented products and experiences through targeted financial support (see Grants and Funding Programs) and business engagement programs.
- **Visitor Services Enhancements** - Invest in resources to support visitor information including digital and print material development, physical and digital kiosks, and third-party application development.
- **Wayfinding and Signage** - Invest in wayfinding and signage activities to support navigation within the city and designated areas of attraction with a visitor-focused lens.
- **Placemaking and Infrastructure Enhancement** - Recommend strategic investments in the development of public land and infrastructure as places for people through public art, free activities, and installations in partnership with City departments. All projects undertaken by Community Services will align and comply with City policies, procedures, and by-laws.

MAT funds within the Reserve Fund may be utilized in the following manner:

1. Direct Monetary Support (i.e. cash funding to support a project or initiative); and/or
2. In-Kind Contributions based on the provision of City property/facilities, materials or resources (i.e. staff time) to support a program or partnership and may or may not include the provision of cash funds. (Note: The recovery of costs related to property/facilities will be based on Council approved User Fee By-Law.)

External applicants are not permitted to apply for MAT Funds for a specific initiative and the City's Community Grant Program for the same project or in the same calendar year.

Applicants who apply to both streams will be disqualified from the MAT Fund for that year.

Subject to compliance with the Agreement between the City and Stratford Tourism Alliance (Destination Stratford), the following are the basic principles that a Tourism initiative or project must meet and demonstrate to be funded through MAT funds.

- to support investment into tourism-related infrastructure to help more effectively manage tourism to the benefit of residents and visitors;
- to support projects and initiatives that result in measurable improvements to City services that enhance and improve the management of tourism and visitor experiences;
- to pursue the goals and implement recommendations as outlined in the City's Sport Tourism Strategies, as amended from time to time;
- to support the creation of tourism product development to bring new and innovative products, experiences, and services to the City of Stratford's tourism market;
- to support the promotion of the City of Stratford as a leading destination for tourism, leisure and business travel with an emphasis on promoting overnight stays;

Grants and Funding Programs

To support tourism-related initiatives, Council may consider funding specific initiatives on an annual basis to make strategic, equitable, and measurable investments in existing or new and expansion-driven projects that prioritize and/or demonstrate the following criteria to grow the visitor economy:

- Attracting visitors for overnight, extended stays at local accommodations.
- Strong collaboration among local and regional partners.
- Advancing Downtown attraction efforts.
- Increasing or enhancing sport and event offerings within the city.
- Advancing efforts to promote inclusion, diversity, equity, and accessibility in the Tourism sector.

Any funding programs are contingent on annual MAT revenues.

Major events: An event deemed to have a substantial visitor, economic, and reputational impact on Stratford may be given specific consideration. All major event applications must be submitted a minimum of 180 days prior to the start of the event. A major event must meet the following criteria:

- Open to the public, accessible, and welcoming.
- Ability to reach audiences nationally or internationally.
- Generates an audience minimum of 5,000 in-person attendees and participants.
- A demonstrated visitor (40km or further) audience of 50 per cent or more.
- Generates a minimum 750 room/nights at accommodations collecting the MAT in Stratford during the duration of the festival or event.
- Increases the reputation of Stratford through significant media coverage and economic benefits.
- Financially sustainable and does not rely on requested funding solely for event success.
- The event must have been in operation for at least two years and be able to demonstrate the attendance and accommodation data noted above.

Program Eligibility

Eligible events include but are not limited to:

- Professional conferences hosted in Stratford.
- Significant sporting events hosted in Stratford.
- Travelling events hosted in Stratford.
- Travelling festivals hosted in Stratford.
- Professional industry events hosted in Stratford.

Major events will be evaluated on a case-by-case basis.

Note: Meeting the criteria above is a minimum threshold for being considered a major event and as a result, not all events that meet the criteria are guaranteed funding.

Grants and Funding Program Evaluation and Awards

Evaluation and Assessment

Evaluation of applications must align with the expectations of the program and address the below categories:

- Partnership and collaboration
- Project alignment with priority objectives
- Visitor attraction
- Economic impact
- Innovative or unique offering
- Ability to measure
- Feasibility

The goal is to fund projects that demonstrate strong alignment with the objectives of the outlined funding programs, the expected outcomes of each program, and significant collaboration within Stratford's tourism sector. Priority will be given to projects that can demonstrate impact on overnight, extended stays at local accommodations and an audience comprised of 30 per cent visitors.

Agreement

Successful applicants will be required to enter into a written agreement with the City to be eligible for funding.

Reporting Requirements

Successful applicants who receive funding from the program must report on how the funding was spent and the impact the funding achieved. The timeline for reporting will be provided upon notice of a successful application and may be required to receive 100 per cent of the awarded funding.

If the recipient fails to fully complete and submit the report to the City within the stated time, the organization will not be eligible for future funding until such a time that the City is satisfied that the report has been submitted in full.

Awards

For general funding applications, 50 per cent of the funds will be provided upon receipt of the award. The remaining 50 per cent will be provided upon receipt of the final report.

For Major Events, 100 per cent of the funds will be provided no sooner than 30 days preceding the event unless otherwise stipulated in any agreement with the recipient.

Procedure and Process

1. Organizations are advised to read the full Use of Municipal Accommodation Tax Policy that will be available through stratford.ca.
2. All applicant organizations must complete the **application form** in full which means that each question must be answered and all the requested supporting documentation must be submitted in alignment with associated program documentation. This may include, but is not limited to, project implementation plan, a budget breakdown, and/or communications plan.
3. The application form is online but alternative formats are available upon request. Incomplete applications will not be considered. The City reserves the right to contact any organization for information which requires clarification but will not assume responsibility for incomplete applications.
4. Applications must be received by the City on or before 4:00 p.m. on the advertised submission deadline. No late applications will be considered. It is the sole responsibility of the applicant to ensure that the City receives completed applications. An email notice will be sent to the applicant on completion of the application.
5. Eligible organizations can submit only one (1) complete application per year per so long as they meet eligibility requirements and objectives of the program as outlined.
6. Council will approve any funding allocations.
10. Recommendations for award will be provided to the Deputy Chief Administrative Officer of Public Services for approval.

11. All applicants will receive notification via e-mail on whether their application was successful.
12. Applicants must enter into a written agreement with the City with terms and conditions of funding.
13. Following annual Council budget approval, the Finance Department will issue cheques for successful applicants as outlined in the Application Guide for each program.
14. There is no appeals process for any unsuccessful applications.
15. All cheques must be cashed within three (3) months of the date of issue. Cheques that are not cashed within three (3) months of the date of issue will be cancelled, stopped and will not be replaced. Failure to cash cheques may impact the review of an organization's future grant applications.

Policy Review

The MAT Policy will be reviewed every five years by City staff' led by the Director of Corporate Services or delegate.

Terms and Conditions of Awards

1. Successful recipients of MAT funds will be subjected to terms and conditions relating to the award. All applicants will be expected to acknowledge their agreement to be bound by the following terms and conditions at the time of application. Applicants must, at the City's sole discretion, comply with all applicable laws, legislation, regulations, and by-laws consistent with the City's corporate values, image and strategic goals.
2. Confirmation of the recipient that the information contained in the supporting documentation is true and correct in every respect.
3. Confirmation that the recipient does not have a conflict of interest.
4. Confirmation that the funds shall be used by the recipient for the activities set out in the Application.
5. The recipient shall immediately notify the City if the funds cannot be used for the approved activities, or if all or part of the funds has not been spent after completion of the activities. The City may, at its sole discretion, permit the recipient to use the remaining funds for a different, related purpose, or may require their immediate return.
6. The recipient shall comply with all laws, regulations, by-laws and other governmental directives or orders in the course of spending the funds.
7. The recipient shall indemnify and hold harmless the City against any claims, costs, causes of action, fines, or any other losses or other penalties the City suffers relating to the giving of the funds to the recipient.
8. The recipient shall notify the City immediately, in writing, of its impending or actual bankruptcy, insolvency, appointment of a receiver, dissolution, or cessation of carrying on business or bulk sale of assets.
9. The recipient shall acknowledge the financial support of the City in all publicity material related to the services and the funds.
10. The recipient shall immediately notify the City, in writing, if any of the information provided by the recipient to the City is determined to be inaccurate

in any material respect, or if there has been any material adverse change in any of the information provided.

11. The recipient must comply with all the reporting requirements as outlined in the Policy herein.
12. The recipient consents to the City using information regarding the details of the funds provided, including the name of the recipient, the activities carried out, and the community and economic impact of the activities in reports and on the City's website and other relevant media, provided that the City shall not release any information, including financial information and personal information of the organization, which is confidential pursuant to the provisions of the Municipal Freedom of Information and Protection of Privacy Act.

Ineligible Funding

Programs, projects or initiatives that are considered part of the City of Stratford's core business unrelated to tourism or economic development shall not receive funding through the MAT Reserve Fund without prior authorization by Council that the funds may be used for a non-tourism-related purpose. Examples of these are:

- a) Salaries Wages and Benefits (except for costs related to In-Kind Contributions as detailed above)
- b) Operating Costs of Public Works Road Maintenance and Repair
- c) Operating Costs of Existing Municipal Facilities

Procedure:

Reserve Fund

The Municipal Accommodation Tax Reserve Fund shall be established under the Reserve and Reserve Fund Policy, to which the Municipal Portion of MAT revenue collected shall be deposited. This revenue shall be dispersed at the discretion of Council based on the funding principles of this policy. Interest income earned on the unused actual cash balance within the Reserve Fund is to be held in the Reserve.

Legislative Authority:

- Municipal Act, 2001
- Ontario Regulation 435/17 – Transient Accommodation Tax

Related Documents:

- F.1.13 Reserve and Reserve Fund Policy



**BY-LAW NUMBER 93-2022
OF
THE CORPORATION OF THE CITY OF STRATFORD**

BEING a By-law to impose a Municipal Accommodation Tax in the City of Stratford on the purchase of accommodations of short term duration.

WHEREAS section 400.1 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, (hereinafter referred to as the "Act") provides that a municipality may pass a by-law imposing a transient accommodation tax;

AND WHEREAS Ontario Regulation 435/17 provides regulations in respect of the imposition of a transient accommodation tax;

AND WHEREAS section 23.2 of the Act permits a municipality to delegate certain legislative and quasi-judicial powers;

AND WHEREAS at its meeting of June 27, 2022, Council of The Corporation of the City of Stratford approved the establishment of the transient accommodation tax to be imposed on the purchase of accommodations of short duration within the City of Stratford, which will generate revenue to be shared with designated non-profit entities to promote local tourism;

NOW THEREFORE BE IT ENACTED by Council of The Corporation of the City of Stratford as follows:

1. Definitions

"Ancillary Charges" means charges related to the purchase of Transient Accommodation including, but not limited to the purchase of food, room service, mini bar products, internet, movie rentals, and phone charges.

"City" means The Corporation of the City of Stratford.

"Council" means the 1 Mayor and 10 members of Stratford City Council.

"Municipal Accommodation Tax" or **"MAT"** means the tax imposed under this By-law.

"Provider" means a person who receives payment in consideration for Transient Accommodation and includes agents, hosts or others who sell, offer for sale or otherwise provides Transient Accommodation; where the Provider cannot easily be determined, the owner of a property providing accommodation is deemed to be the provider of Transient Accommodation.

"Purchaser" means the person who makes payment in consideration for Transient Accommodation.

“Reporting Period” means monthly for hotel and motel providers and quarterly for all other providers unless otherwise established with the City.

“Transient Accommodation” means the purchase of a room or suite of rooms containing one or more beds or cots, whether in a hotel, motel, boarding, lodging or rooming house, bed and breakfast or other short-term Rental Accommodation establishment providing lodging.

2. Application

- 2.1 A Purchaser of a Transient Accommodation shall pay, at the time of purchase, a Municipal Accommodation Tax in the amount of four (4) percent of the purchase price of the Transient Accommodation provided for a continuous period of less than 30 nights.
- 2.2 The Municipal Accommodation Tax shall not apply to Ancillary Charges that are itemized separately on the Purchaser’s receipt.
- 2.3 Where the Provider of Transient Accommodation fails to separately itemize Ancillary Charges, the Municipal Accommodation Tax shall apply to the total amount of the purchase price.

3. Exemptions

- 3.1 The Municipal Accommodation Tax imposed under this By-law does not apply to:
 - a) The Crown, every agency of the Crown in right of Ontario and every authority, board, commission, corporation office or organization of persons a majority of whose directors, members or officers are appointed or chosen by or under the authority of the Lieutenant Governor in Council or a member of the Executive Council;
 - b) Every board as defined in subsection 1(1) of the Education Act;
 - c) Every university in Ontario and every college of applied arts and technology and post-secondary institution in Ontario whether or not affiliated with a university;
 - d) Every hospital referred to in the list of hospitals and their grades and classifications maintained by the Minister of Health and Long-Term Care under the Public Hospitals Act and every private hospital operated under the authority of a licence issued under the Private Hospitals Act;
 - e) Every long-term care home as defined in subsection 2(1) of the Long-Term Care Homes Act, 2007;
 - f) Every treatment centre that receives provincial aid under the Ministry of Community and Social Services Act;
 - g) Every house of refuge, or lodging for the reformation of offenders;
 - h) Every charitable, non-profit philanthropic corporation organized as shelters for the relief of the poor or for emergency;

- i) Every hotel or motel room used by the City or its agents for shelter accommodation purposes;
- j) Every tent or trailer site supplied by a campground, tourist camp or trailer park;
- k) Every accommodation supplied by employers to their employees in premises operated by the employer; and
- l) Every hospitality room in an establishment that does not contain a bed and is used for displaying merchandise, holding meetings, holding hearings or entertaining.

4. MAT Collected by Provider

- 4.1 Providers of Transient Accommodation shall list the Municipal Accommodation Tax as a separate item on the Purchaser's receipt or invoice and identify such tax as "Municipal Accommodation Tax".
- 4.2 Providers of Transient Accommodation shall collect the Municipal Accommodation Tax from the Purchaser at the time of purchase.
- 4.3 Providers of Transient Accommodation shall, within 15 days of the end of each Reporting Period for the Reporting Period prior, remit the Municipal Accommodation Tax to the MAT collection agent(s) designated by the City in a manner the City's Director of Corporate Services and Treasurer, or designate, deems acceptable.
- 4.4 Providers of Transient Accommodation shall, within 15 days of the end of each Reporting Period for the Reporting Period prior, provide a statement in the form required by the MAT collection agent(s), and these statements shall include:
 - a) The number of rooms sold;
 - b) The purchase prices of the rooms sold;
 - c) The number of rooms that were exempt under the By-law and proof the Provider relied on; and
 - d) The Municipal Accommodation Tax collected.
- 4.5 Providers of Transient Accommodation shall provide supporting information as requested by the City's Director of Corporate Services and Treasurer, or designate, for the purposes of enforcing and administering the MAT.

5. Refunds

- 5.1 Where a Purchaser has paid an amount that is not payable, the City's Director of Corporate Services and Treasurer or the City's MAT collection agent(s), may upon receipt of satisfactory evidence, make a determination that the amount was wrongly paid, and if such a determination is made the City or its MAT collection agent(s) shall refund or credit all or part of the amount, but no refund shall be made unless an application is made to the City within twenty-four (24) months after the payment date.

- 5.2 Where a Provider of Transient Accommodation remits an amount in error, the City or its MAT collection agent(s), may upon receipt of satisfactory evidence, make a determination that an amount was wrongly paid, and if such a determination is made, the City or its MAT collection agent(s), shall refund all or part of the amount, but no refund shall be made unless an application for such a refund is made to the City within twenty-four (24) months after the date of remittance.
- 5.3 Where a person has applied for a refund and the person's claim is in whole or in part refused, the City or its MAT collection agent(s) shall provide a statement of disallowance in such form as determined by the City or its MAT collection agent(s), and the statement shall specify the amount of disallowance and the reasons for the disallowance.

6. MAT Collection Agent

- 6.1 The MAT collection agent shall be the Ontario Restaurant Hotel and Motel Association ("ORHMA") or as determined by the City.
- 6.2 The City's Director of Corporate Services and Treasurer, or designate, in consultation with the City Solicitor, may designate additional MAT collection agents for the City and enter into agreements with designated MAT collection agents.
- 6.3 The MAT collection agent(s) shall collect and administer the Municipal Accommodation Tax as an agent for the City in accordance with the agreement between the City and the MAT collection agent(s) and this By-law.

7. Interest, Fees and Liens

- 7.1 Penalties and interest at a monthly rate of interest applicable to overdue property taxes, shall apply to any outstanding Municipal Accommodation Tax and shall be payable by the Providers of Transient Accommodation on the amount of any tax payable or remittable from them within 30 calendar days following the date on which the Municipal Accommodation Tax was payable to the MAT collection agent(s), or its remittance was due up to and including the date on which such MAT is paid or remitted in full.
- 7.2 All Municipal Accommodation Tax penalties and interest that are past due shall be deemed by the City's Director of Corporate Services and Treasurer, or designate, to be in arrears and shall be transferred to the City's municipal tax roll for any real property in the City to be collected in the same manner as municipal property taxes and shall constitute a lien upon the lands.
- 7.3 A fee, as prescribed by the current City Fees and Charges By-law, shall be charged in respect of all remittances made by cheque that are not honoured by the financial situation upon which it is drawn.

8. Audit and Inspections

- 8.1 Every Provider shall keep, for no less than three (3) years, books of account, records, and documents sufficient to furnish the City or its designated MAT collection agent(s) with the necessary particulars of:

- a) Sales of accommodation;
- b) Amount of the Municipal Accommodation Tax collected; and
- c) The remittances made to the MAT collection agent(s).

8.2 The City's Director of Corporate Services and Treasurer or the City's designated MAT collection agent(s) may from time to time, inspect and audit the books, documents, transactions, and accounts of Providers and require Providers to produce copies of any document or records required for the purpose of administering and enforcing this By-law.

8.3 Every Provider shall furnish upon the request of the City's Director of Corporate Services and Treasurer or the City's designated MAT collection agent(s) for reasonable inspection, copies of any books, documents, transactions, accounts or records required for the purposes of the administration and enforcement of this By-law.

8.4 Where it appears from an inspection, audit or examination of the books of account, records or documents that this By-law has not been complied with, the person making the inspection, audit or examination shall calculate the amount payable in such manner and form and by such procedure as the City considers adequate and expedient, and the City shall assess the amount payable.

8.5 A person in receipt of such a demand shall comply within the time specified on the demand.

9. Offence and Penalties

- 9.1 Every person who contravenes any provision of this By-law is guilty of an offence.
- 9.2 Every director or officer of a corporation who knowingly concurs in the contravention of any provision of the By-law is guilty of an offence.
- 9.3 Every person convicted of an offence under this By-law is liable to a minimum fine of \$500 and a maximum fine of \$100,000 as provided for in subsection 429(3) of paragraph 1 of the Act.
- 9.4 Every person convicted of an offence under this By-law is liable, for each day the offence continues, to a minimum fine of \$500 and a maximum fine of \$100,000 as provided for in subsection 429(3) paragraph 2 of the Act. The total of all the daily fines for a continuing offence is not limited to \$100,000.
- 9.5 The Superior Court of Justice or any court of competent jurisdiction may, in addition to any penalty imposed on a person convicted of an offence under this By-law, issue an order:
 - a) Prohibiting the continuation or repetition of the offence by the person convicted; or
 - b) Requiring the person convicted to correct the contravention in a manner prescribed by the court.

10. Administration

- 10.1 The City's Director of Corporate Services and Treasurer or designate, shall be responsible for the administration of this By-law, including but not limited to approvals, appeals, enforcement and collection.
- 10.2 In administering this By-law, City's the Director of Corporate Services and Treasurer, or designate may issue such interpretation bulletins and guidelines as the Director, from time to time, determines necessary or advisable.

11. General

- 11.1 This By-law shall come into force and effect on July 11, 2022.

Read a FIRST, SECOND and THIRD time and

FINALLY PASSED this 11th day of July, 2022.

"Daniel B. Mathieson"

Mayor – Daniel B. Mathieson

"Tatiana Dafoe"

Clerk – Tatiana Dafoe



Memorandum

To: Municipal Accommodation Tax Ad-Hoc Committee

From: Tatiana Dafoe, City Clerk

Date: January 19, 2026

RE: What is a Policy?

A Council or Corporate Policy is defined as corporate direction that is formally adopted by Council resolution. Enacting policies provides a framework for decision making ensuring consistency throughout the municipality.

The supporting legislation for such policy development is the Municipal Act. It specifically provides Council the authority to develop and evaluate the policies and programs of a municipality.

Policies typically:

1. articulate a purpose and define important objectives, principles or values,
2. limit or prescribe what kind of action should be taken in different situations,
3. explain what it is trying to achieve and how it proposes to achieve it, and
4. define roles, responsibilities and authority.

A policy is not a procedure. A procedure aims to achieve efficiency, quality, consistency, and ensure safety while reducing miscommunication and failure to comply with a policy. Procedures identify assigned responsibilities to relevant departments and divisions in order to accomplish the tasks and therefore apply to City staff.

Sincerely,

Tatiana Dafoe,
City Clerk



1593 Four Mile Creek Road
P.O. BOX 100, Virgil, ON L0S 1T0
905-468-3266 • FAX: 905-468-2959

www.notl.com

MEMORANDUM

TO: Municipal Accommodation Tax Committee

FROM: Kyle Freeborn, Director of Corporate Services/Treasurer

DATE: 2025-02-18

SUBJECT: Summary Report of Municipal Accommodation Tax Funding Criteria

Staff have prepared a summary report of the committee work completed and approved in principle of the Municipal Accommodation Tax Committee on the following pages. If approved via email, the following materials will be forwarded to Council for consideration and approval.

Kyle Freeborn, CPA, CMA
Director of Corporate Services/Treasurer

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

1. Project Overview

- Town Staff partnered with Optimus SBR to support the Municipal Accommodation Tax (MAT) Committee in prioritizing the allocation of municipal MAT revenues and the development of MAT spending criteria.
- The goal was to identify project types for funding, exclude non-aligned projects, and develop evaluation criteria to guide funding decisions.
- As of December 10, 2024, the MAT Committee has developed and approved the MAT spending criteria summarized below in principle.

2. MAT Funding

- The MAT was approved by Town Council on June 20, 2022, which applied a 2% tax to the room rate of Transient Accommodation Providers with five or more rooms. The rate approved increased to 3% effective January 1, 2024, and 4% January 1, 2025.
- On October 24, 2023, the scope of MAT was updated to include all accommodation providers.
- Funds collected will be placed in a special reserve until spending criteria are developed, except for funds used to administer the program and the 50% share allocated to the eligible tourism entity – Tourism Niagara-on-the-Lake.

3. MAT Collected and Disbursed

- As of December 31, 2024, the Town has collected the following amounts under the MAT Program.
 - 2022: \$453,148.77 (50% Town/Tourism NOTL = \$226,574)
 - 2023: \$1,505,503 (50% after Town administration costs Town/Tourism NOTL = \$742,488.90)
 - 2024: \$2,497,694 YTD (50% after staffing costs Town/Tourism NOTL = \$1,248,847)
- The Town disbursed \$500,000 in 2024 to the Niagara-on-the-Lake Museum for an existing commitment to their capital improvement at the Museum project.
- The Town's current reserve balance sits at approximately \$1,717,910 as of the end of 2024 but is still subject to change with closing the books for fiscal 2024 year-end.

4. MAT Funding Exclusions:

- The MAT Committee recommends that the following items not be funded:
 - Projects with no clear tourism-related benefit (e.g., general Town infrastructure not tied to tourism.)
 - Initiatives intended solely to stabilize municipal taxes or replace existing budgeted items.
 - High-risk projects lacking defined stakeholder benefits or measurable outcomes.
 - "Slush funds" or discretionary grants without accountability mechanisms.

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

- Salaries, except for administrative roles tied to managing MAT projects.

5. MAT Funding Streams

The MAT Committee has recommended three streams of available funding for internal and external projects:

- **Infrastructure Projects:** 20% for internal Town infrastructure projects, addressing the invisible burden tourism places on the Town's infrastructure. This portion is to be managed by Town Staff without strict reporting requirements on fund usage beyond normal reporting on usage and approval within the Town's budget cycle, Staff will allocate the funds to various projects, subject to Council approval.
- **Minor Stream:** 20% for small projects under \$100,000, evaluated on a rolling basis. This stream would be open to the public and Town Departments for application.
- **Major Stream:** 60% for large projects over \$100,000, evaluated on a competitive basis at set times throughout the year, with funds being allocated based on the most impactful proposals – based on the following Major Stream criteria evaluation. This stream would be open to the public and Town Departments via an application.

For illustrative purposes, the following amounts at the beginning of 2025 could be allocated to the various streams based on a reserve balance of \$1,717,910:

- \$343,582 for Town Infrastructure Projects
- \$343,582 under the Minor Stream for projects under \$100,000.
- \$1,030,746 under the Major Stream for projects over \$100,000.

The MAT Committee is recommending the formation of a new MAT Committee, which would fulfill the role of MAT oversight, vetting applications for adherence to criteria/established protocol, and making recommendations to the Council on applications.

Key Evaluation Criteria:

- **Infrastructure Projects:** These are generally expected to be allocated to projects that address the impacts of tourism on Town infrastructure, like roads, sidewalks, public spaces, and facilities heavily used by tourists.
- **Minor Stream**
 - **Strategic Alignment:** Must align with at least one pillar of the Strategic Plan, and once enacted, the Tourism Strategy
 - **Clear Tourism Benefits:** Projects must provide evident benefits to tourism, with secondary benefits to residents viewed favourably.
 - **Realistic Cost Estimates:** Proposals require realistic cost breakdowns with controls to prevent overruns.
 - **Evaluation Process:** Based on a Pass/Fail and Yes/No Assessment, primarily handled by staff with recommendations to a MAT Committee with criteria outlined in **Figure I**.

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

- A more thorough explanation of each individual criteria can be found in **Appendix A**.

Figure I: Minor stream Evaluation Criteria:

Criteria	Sub-Criteria	Evaluation	Weighting
Alignment with existing/ planned Town Plans	Alignment with at least 1 pillar of the Town Strategic Plan	Pass/Fail	Mandatory
	Alignment with at least 1 pillar of the Tourism Strategy	Pass/Fail	Mandatory
	Some level of alignment with the Town's Climate Change Action Plan	Pass/Fail	Important, not mandatory
Clear Benefit to Tourism	Benefits to one or more sectors of Tourism	Pass/Fail	Mandatory
Other Expected Benefits	Identification of other groups who will receive benefit	Ranking (1-5)	High
Realistic Cost Evaluation	Evidence that costs are realistic and controls in place to manage growth/expansion	Pass/Fail	Mandatory
Ownership	Clearly accountable Individual or Organization to Develop the proposal	Pass/Fail	Mandatory
	Clearly accountable Individual or Organization to Implement the proposal	Pass/Fail	Mandatory
	Clearly accountable Individual or Organization to Operate the proposal	Pass/Fail	Mandatory
Alignment with other initiatives	Alignment with other initiatives that would amplify the outcome	Yes/No	High
Discrete Work	Is the initiative a unique piece of work or does it depend on other initiatives	Yes/No	High
Realistic Timeline	Is there a clear and realistic timeline of less than 1 year from start to completion?	Pass/Fail	Mandatory

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

- **Major Stream**
 - **Mandatory Criteria**
 - Must align with at least one pillar of the Town's Strategic Plan. Future alignment with the Tourism Strategy will be mandatory once finalized.
 - Ownership: Clear accountability for development, implementation, and ongoing operations.
 - **Scored Criteria ranked 1-5 based in the following areas:**
 - Cost and Benefit Analysis (ROI): Evaluates whether the benefits outweigh the costs.
 - Benefits to Tourism and Residents: Assesses direct and indirect impacts on tourism and community.
 - Synergies: Looks at integration with existing projects, resource-shaping potential, and collaborative opportunities.
 - Risk Assessment: Considers cost of implementation, the likelihood of achieving stated goals, and project dependencies.
 - Criteria outlined in a table format in **Figure II**.
 - A more thorough explanation of each criteria is provided in **Appendix B**.

Figure II: Major Stream Evaluation Criteria:

Criteria	Sub-Criteria	Evaluation	Weighting
Alignment with existing/planned Town Plan	Alignment with at least 1 pillar of the Town Strategic Plan	Pass/Fail	Mandatory
	Alignment with at least 1 pillar of the Tourism Strategy	Pass/Fail	Mandatory
	Some level of alignment with the Town's Climate Change Action Plan	Pass/Fail	Important, not mandatory
Benefits	Cost & Benefit Analysis (Return on Investment)	Ranking (1-5)	High
	Benefits to Tourism Industry	Ranking (1-5)	Medium
	Benefits to Residents of the Town	Ranking (1-5)	Medium
Synergies	Integration with Existing Projects	Ranking (1-5)	High
	Resource Sharing Potential	Ranking (1-5)	Medium
	Collaborative Opportunities	Ranking (1-5)	Low
	Enhancement of Existing Services	Ranking (1-5)	Medium
Risk Assessment	Cost of Implementation	Ranking (1-5)	Mandatory
	Achievement of Goals	Ranking (1-5)	Medium
	Dependencies	Ranking (1-5)	Medium
Ownership	Clearly Accountable Individual or Organization to Develop the proposal	Pass/Fail	Mandatory

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

	Clearly Accountable Individual or Organization to Implement the proposal	Pass/Fail	Mandatory
	Clearly Accountable Individual or Organization to Operate the proposal	Pass/Fail	Mandatory

Intake Process Highlights

- Proposals for the Minor and Major Stream would be submitted through a centralized point, reviewed initially by Staff within Corporate Services, and then escalated to the MAT Committee and/or Council as needed.
- Senior Staff or Council Members must endorse proposals to ensure legitimacy.

Appendix II of Report CS-25-006 – MAT Committee Facilitation Support

Summary Report 2 contains a more thorough overview of the MAT Committee's work and timelines.

Next Steps

- **Council Review and Approval:** Council will consider the MAT Committee's recommendations for spending criteria and if agreeable, approve them.
- **Program Development:** Should Council approve the criteria and framework, Staff will further develop the MAT Investment Program, designing and developing policies, grant applications, intake process and evaluation forms for the Minor and Major Streams, and make recommendations to Council to ensure adequate resources exist to deliver the program.
- **Legal Considerations:** Additional steps to include legal review for a grant-based approach. Careful consideration of Section 106 of the Municipal Act needs to be considered, as well as who retains ownership of completed projects so that the public can access these benefits into the future.

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix A – Minor Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Alignment with existing/planned Town Plan	This set of criteria ensures that the funding request aligns with the Town's broader goals and plans that are already in place.			
	Town Strategic Plan	Pass/Fail	Mandatory	Mandatory alignment with at least 1 pillar of the Corporate Strategy, ideally multiple pillars.
	Town Tourism Strategy (when enacted)	Pass/Fail	Mandatory	Mandatory alignment with at least 1 pillar of the Tourism Strategy, ideally multiple pillars.

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
	Town Climate Change Action Plan	Pass/Fail	Important, not mandatory	<p>At least some level of alignment is important.</p> <p>If a proposal aligns well with the CCAP, this should be seen as a benefit and should earn additional “points” towards its review/success.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix A – Minor Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Clear Benefit to Tourism	<p>Understanding the benefits the proposed funding request is promising for the tourism sector.</p> <p>Benefits to one or more sectors of tourism</p>	Pass/Fail	Mandatory	<p>Clear benefits to at least one tourism sub-sector will be critical for a request to be considered. If there is no clear benefit to the tourism industry, the request will not be considered further (in its current form).</p>
Other Expected Benefits (e.g., residents)	<p>Understanding the benefits of the proposed funding request to other groups, ensuring that there are no negative outcomes for stakeholders.</p> <ul style="list-style-type: none"> o Identification of other groups who will receive benefit 	Ranking (1 – 5)	High	<p>While not mandatory, identifying other groups who will benefit as a result of the funding proposal is important to consider.</p> <p>If no other groups are identified, there may be a desire/need to have the Town negotiate the proposal to determine if/how the proposal can be amended to generate additional benefits.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix A – Minor Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Realistic cost evaluation	<p>Evaluating the cost of the funding request, ensuring that it is in the appropriate evaluation stream, and that the estimates itself are realistic and will not continue to grow/expand due to a lack of controls in place.</p> <p>Evidence that the proposed cost is realistic and that there are controls to manage growth/expansion.</p>	Pass/Fail	Mandatory	<p>All funding proposals must be submitted with a realistic cost estimate. This should include an overview of the major cost drivers, rough cost breakdowns (e.g., materials costs, reasonable estimate at labour costs, etc.)</p> <p>If the funding request does not provide a cost estimate, it should be rejected as it is unclear if it will belong in the appropriate evaluation stream.</p> <p>If, in the eyes of the Town, the funding request does not have a realistic cost estimate, or if additional detail is required, the Town may choose to either reject the funding request, or it can elect to negotiate with the proponent to receive additional information prior to making a final decision.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix A – Minor Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Ownership	<p>This set of criteria ensures that ownership of the proposed activity/item/solution is thought through and identified.</p>			
	Development: Clearly Accountable Individual or Organization	Pass/Fail	Mandatory	Is there a clear individual or group who will own the development of the proposed item/solution/activity?
	Implementation: Clear Accountable Individual or Organization	Pass/Fail	Mandatory	Is there a clear individual or group who will own the implementation activities, ensuring the idea is successfully implemented?
	Ongoing Operations: Clear Accountable Individual or Organization	Pass/Fail	Mandatory	<p>Is there a clear individual or group who will own the ongoing operations of the request.</p> <p>Note: if the request does not require any ongoing operations (e.g., it is implemented and then requires no ongoing maintenance, support, or review) this is not seen as required).</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix A – Minor Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Alignment with other Initiatives	<p>Reviewing the funding request to understand if/how it may align with other items that are either in place today or are expected to be in place in the near term.</p> <p>Is there alignment with other initiatives that would amplify the effect/outcome of either initiative?</p>	Yes/No	High	<p>While not mandatory, if there are other possible projects that have been completed, or are in the process of being completed, that this project can align with and/or amplify, this should be considered a benefit.</p> <p>If there are no other initiatives that this item aligns with, this does not disqualify the funding request, but will not be seen as beneficial as those that do align with others.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix A – Minor Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Discrete work	<p>While the above criteria evaluates if there are opportunities to align with other initiatives, this section evaluates if the work is its own unique item, or if it is a broader suite of activities. While not mandatory, this can help to identify if this funding request should be grouped with others for a larger impact and/or if the funding request is being placed in this funding request in a potentially inappropriate manner (i.e., breaking up a competition-level request into smaller chunks to receive a less stringent review).</p>			
	<p>Is the initiative its own unique piece of work, or does it depend on other initiatives?</p>	Yes/No	High	<p>While not mandatory, if a funding request is dependent upon other tourism activities for its successful completion/implementation, this should be considered by the Town. For example, if the request relies on a regularly occurring event (e.g., assuming that bicycle tours of the wineries/the Town continue), this can be seen as a minor point.</p> <p>However, if the request relies on other possible initiatives being approved or major capital investment by the Town in other possible activities, this should be considered and may negatively impact the evaluation of the request.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix A – Minor Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Realistic Timeline	<p>Evaluating if the funding request can realistically be completed in within a calendar year, which would limit risk to the Town.</p>			
	<p>Is there a clear and realistic timeline of less than 1 year from start to completion?</p>	Pass/Fail	Mandatory	<p>Funding requests should not require multiple calendar years to be completed, as this increases risk for cost overruns and/or negative impacts to ownership and the achievement of the request goals.</p> <p>Consideration should be given to those funding requests that are multi-phased (i.e., creation/implementation/ongoing operations). If ongoing operations are expected to extend beyond a calendar year (e.g., in perpetuity), this should not be viewed negatively.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Corporate Strategy (Strategic Plan)	<p>Alignment with:</p> <ul style="list-style-type: none"> ○ Vibrant & Complete Community ○ Good Governance ○ Enrich Community Assets, Environment & Infrastructure 	Pass/Fail	Mandatory	Mandatory alignment with at least 1 pillar of the Corporate Strategy, ideally multiple pillars.
Tourism Strategy	<p><i>Note: when the Tourism Strategy is released, a similar structure compared to the Corporate Strategy should be incorporated.</i></p>	Pass/Fail	Important until developed	<p>Alignment with at least 1 pillar of the Tourism Strategy (once developed and approved) will be mandatory, with the expectation of aligning with multiple pillars where possible.</p> <p>During the transitional period, flexibility may be applied until the strategy is fully approved.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Climate Change Adaptation Plan	<p>Alignment with:</p> <ul style="list-style-type: none"> o Integrate Climate Change into Plans, Policies, By-Laws and Standards o Build Urban Forest Resiliency o Reduce Flooding Risks o Incorporate Climate Change in Design and Construction o Minimize Health and Safety Risks to Community Members o Support Public Awareness and Education 	Pass/Fail	Important, not mandatory	<p>At least some level of alignment is important.</p> <p>If a proposal aligns well with the CCAP, this should be seen as a benefit and should earn additional “points” towards its review/success.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Benefits	<p>This section contemplates the overarching benefits that the funding request is proposing to offer to various stakeholders, including the Town, the local tourism sector, and residents. While no criteria presented is marked as “Mandatory”, if items are absent or poorly presented, consideration should be given to the need for further edits, negotiation, or if the request should be dismissed. However, given the competition manner of the Major Stream, it is expected that those funding requests that are lacking in detail or benefits will score lower than others, and will likely be unsuccessful in their funding request.</p>			
	Cost & Benefit Analysis (ROI)	Ranking (1-5)	High	<p>Does the estimated cost of the project outweigh the expected benefits to be enjoyed by the Town.</p> <p>Higher ranking funding requests should provide a clear cost and benefit analysis, outlining cost drivers, having relatively accurate costs identified, and having benefits defined at multiple levels (tourism industry, Town, residents, experiences, environment, etc.). Those funding requests that are missing this information should rank low (i.e., 1).</p> <p>NOTE: This suggests that proposals should have, at a minimum, an estimated cost (with assumptions to validate/justify costs), as well as expected benefits to various stakeholders (tourists, industry [including potential sub-strata of the industry], residents). Costs can be further reviewed/estimated during the staff-level review of a funding proposal.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
	Benefit to Tourism Industry	Ranking (1-5)	Medium	<p>Understanding that the tourism industry has multiple sub-components, there are two methods which can be considered for scoring points:</p> <ol style="list-style-type: none"> 1. The more aspects of the tourism industry that will receive benefits, as well as the expected impact of the benefit, the higher the proposal ranks. 2. Separate point systems for each potential sub-group, which are then added and averaged to give the overall ranking for this sub-criteria.
	Benefit to Residents of the Town	Ranking (1-5)	Medium	<p>Recognizing that residents should receive <i>some</i> benefit, and there should be no negative impact to residents, this should be scored based on the level of benefit expected.</p> <p>If negative impacts are expected, this should call into consideration the proposal altogether and/or precipitate the negotiation of the proposal.</p> <p>Higher ranking funding requests should have multiple clearly defined benefits for residents of the Town.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Synergies	This section reviews the full suite of potential synergies that funding requests may achieve if approved and implemented. These are not considered mandatory but are seen as important considerations that can improve the effectiveness of the proposed solution.			
	Integration with Existing Projects	Ranking (1-5)	High	If the project dovetails with or builds on an existing project, the project will receive a higher score, as it can have greater impacts than a standalone project or task.
	Resource Sharing Potential	Ranking (1-5)	Medium	If the execution of the project can allow for a sharing of resources with other ongoing projects, reducing the need for hiring exclusive resources, this will be seen as a benefit and will score higher than projects with unique needs.
	Collaborative Opportunities	Ranking (1-5)	Low	Identifying opportunities where the project – either once completed or while in progress – can either enhance existing tourism activities, or it can create future opportunities for collaboration to result in a bigger tourism impact for NOTL.
	Enhancement of Existing Services	Ranking (1-5)	Medium	Does the project, once complete, further enhance the offerings of existing services in the Town? Does this negatively impact the tourism or day-to-day services for Town residents?

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Risk Assessment	<p>This set of criteria are designed to understand the level of risk the proposed funding request will require the Town to incur. These explore items related to cost of the solution, the likelihood that the expected benefits can be achieved, and the reliance of the request on other initiatives and/or activities.</p>			
	Cost of Implementation	Ranking (1-5)	Mandatory	<p><i>Separate from ROI.</i></p> <p>Understanding the cost of the project and determining if the cost is commensurate with what would be seen as reasonable and expected. Understanding the cost drivers and, to a degree of certainty, the actual costs expected in implementation and ongoing operation of the proposed funding request.</p> <p>Those projects that have a lower implementation cost, as well as those that have greater detail in the costs presented, should score higher.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
	Achievement of Goals	Ranking (1-5)	Medium	<p>Is there a clear and realistic manner in which the proposed goals/outcomes of the funding request will be realized? Are the proposed benefits/outcomes aligned with realistic expectations, or are there large assumptions made that distort the realistic outcomes/goals.</p> <p>Funding requests with clear, realistic and achievable goals will score higher than those funding requests that exaggerate their likely outcomes.</p>
	Dependencies	Ranking (1-5)	Medium	<p>What dependencies are required to ensure that the project is successfully completed by the Town?</p> <p>Projects with less dependencies will score higher compared to those with more dependencies, as it will indicate the ability for a project/activity to be completed in a discrete, structured manner.</p> <p>Consideration will be given to identify if there are dependencies that are required to achieve broader impacts or outcomes.</p> <p>Care should be given to not misconstrue a <i>collaboration opportunity</i> with a required dependency for success.</p>

Town of Niagara-on-the-Lake - Summary MAT Funding Criteria Report

Appendix B – Major Stream Criteria

Criteria	Sub-Criteria	Evaluation	Weighting	Notes:
Ownership	<p>This set of criteria are designed to ensure that the funding request has thought through the ownership of the proposed activity/item/solution from all necessary stages – development, implementation, and ongoing operations. The need for clear ownership is considered mandatory, and if these are not provided, the Town can determine if further negotiation is appropriate, or if the request should be dismissed outright, allowing the proponent to resubmit at a later date, to be considered in a future round of competition.</p>			
	Development: Clearly Accountable Individual or Organization	Pass/Fail	Mandatory	Is there a clear individual or group who will own the development of the proposed item/solution/activity?
	Implementation: Clear Accountable Individual or Organization	Pass/Fail	Mandatory	Is there a clear individual or group who will own the implementation activities, ensuring the idea is successfully implemented?
	Ongoing Operations: Clear Accountable Individual or Organization	Pass/Fail	Mandatory	<p>Is there a clear individual or group who will own the ongoing operations of the request.</p> <p>Note: if the request does not require any ongoing operations (e.g., it is implemented and then requires no ongoing maintenance, support, or review) this is not seen as required).</p>

Region of Waterloo Municipal Accommodation Tax Investment Policy

Policy Statement

The Municipal Accommodation Tax (MAT) Investment is a discretionary reserve that will be used for opportunities that:

- enhance, promote, build and strengthen the tourism economy in Waterloo Region
- encourage and result in overnight stays in Waterloo Region

Revenues

The MAT Investment is funded from annual MAT revenues. The Region of Waterloo receives 10% of all municipal accommodation tax revenues collected in the region.

Purpose

This policy outlines how MAT revenues, held in the Municipal Accommodation Tax reserve, can be allocated.

Use of Funds

Funds from the MAT Investment can only be used for approved Municipal purposes related to tourism growth, promotion and enhancement. Funds may be spent on initiatives that:

- result in overnight stays in the Region
- strengthen and enhance the Region's tourism economy
- support the implementation of the Regional Tourism Strategy that align with the Region of Waterloo's Strategic Plan.

Examples include, but are not limited to:

- Costs related to events and attractions that contribute to Regional Tourism such as:
 - One-time acquisition costs and bid fees for special events/sporting events including Provincial, National, and International scale events
 - One-time funding to attract, retain or support special events/sporting events

- Grant funding to events and organizations that contribute to Regional tourism
- Grant funding to strengthen the position of key cultural institutions within the Region
- Major festival and event expansion/development initiatives
- Offset of costs for Regional services and infrastructure that make festivals/sporting events viable (e.g. transit services, Emergency Medical Services, road closure permits, etc.)
- Strategic tourism efforts such as:
 - Collaborative tourism marketing and cross-promotional initiatives/cross-promotion
 - Tourism market research
 - Feasibility studies
- Any other items that may be prescribed by Provincial legislation

Prior to submission to Council, all reports, funding requests, or budget allocations related to the MAT Investment are subject to review by the Director of Cultural Services and affiliated parties.

Budget Reserve

The MAT Investment will be funded from an annual revenue transfer. The balance is to remain positive. The target balance is \$200,000 to provide flexibility to address significant priorities, or to allow funds to be accumulated towards a larger project. Any surplus funds will be held in reserve.

GUIDELINES

MANAGEMENT OF MUNICIPAL ACCOMMODATION TAX (MAT) FUNDS



TABLE OF CONTENTS

INTRODUCTION	2
THE OBJECTIVES.....	3
FILLING OUT AN APPLICATION.....	3
DOCUMENTS TO SUBMIT.....	4
ELIGIBLE EXPENSES.....	4
INELIGIBLE EXPENSES	4
APPLICATION PERIOD.....	5
OBLIGATION AND RECOGNITION.....	5
DEPOSIT	5
FINAL REPORT.....	6
APPENDIX 1.....	7

INTRODUCTION

On November 23, 2017, the Ontario government passed Regulation 435/17 authorizing Ontario municipalities to impose a tax on temporary accommodation. The purpose of this legislation was to recognize the importance of promoting Ontario as a destination for tourism and to ensure the vitality of Ontario's tourism sector while maintaining a balance between the tourism and municipal sectors. The tax on transient accommodation applies to all accommodations of less than 30 days in hotels, motels, and with individual hosts. At its regular meeting on June 26, 2018, the Town of Hearst Council adopted By-law No. 48-18, authorizing the Municipality to levy a municipal accommodation tax effective January 1, 2019.

The funds generated by the Municipal Accommodation Tax (MAT) will be invested in sales, marketing and tourism industry development activities in the region through the Hearst Development Corporation, whose mandate is to promote the Town of Hearst as a destination of excellence for visitors, the media, travel agencies, the tourism industry, meetings and conventions, and major events. The funds will also be invested in long-term destination development projects to enhance the experience of visitors.

THE OBJECTIVES

The purpose of the MAT funds is to enrich Hearst's tourism economy by supporting initiatives that enhance the experience of visitors and residents.

The main objective of investing the proceeds of the MAT is to increase hotel occupancy as well as attract more visitors.

The MAT aims to revive and promote tourism in Hearst by financially supporting the holding of events. More specifically, the following objectives are pursued:



- Stimulate, in the short term, the demand for events in Hearst and the region;
- Generate tourism benefits in the region;
- Support organizations for which the holding of events is important for the financing of their activities;
- Support event organizers;
- Improve the experience of visitors.



Do you have an idea that can generate economic and tourism spinoffs in Hearst, but require financial assistance? Applicants are encouraged to [contact us](#) for advice on the application process. Please refer to [Appendix 1](#) to help you determine which documents you need to provide based on the amount of your request.

Eligible applicants must be an incorporated not-for-profit organization that can demonstrate financial and administrative stability. However, the Board cannot guarantee that funds will be awarded to all applicants or that successful applicants will receive the full amount requested. The level of support will be determined on a case-by-case basis and based on the strengths of the project.

FILLING OUT AN APPLICATION

To apply for financial assistance, you must complete the Application Form and provide any other information indicated in the document: [MAT Application EN](#).

Be sure to send the [documents indicated below](#) to economicdev@hearst.ca.

Please note that the Board will consider only one application per project and a maximum of two applications per organization per year.

DOCUMENTS TO SUBMIT



- Application Form (document: [MAT Application EN](#));
- Budget forecasts of the activity (document: [Budget EN](#));
- For existing businesses, a copy of financial statements for the last two (2) years and a copy of the most recent interim financial statements;
- Proof of liability insurance coverage;
- List of members of the Board of Directors;
- Copy of the charter or constitution of the applicant organization;
- Additional information, if necessary.

ELIGIBLE EXPENSES

Expenses eligible for financial assistance are:

- Promotion, advertising and marketing costs aimed at the local and tourist population;
- Professional fees related to the organization of the event;
- Permits, fees and other charges related to the project;
- Artists' fees and expenses;
- Rental costs related to the event:
 - Tents, tables, chairs, etc.;
 - Halls must be located within the boundaries of Hearst and the surrounding area.
- Photography costs during the event:
 - If an amount is allocated to this expense using MAT funds, these photos will be shared with the Board for promotional use in the region.
- Expenses incurred by volunteers:
 - Food and non-alcoholic beverages provided during the event;
 - Distinctive clothing;
 - Gift of appreciation;
 - Etc.

The above list is not intended to be inclusive. Applicants must confirm with staff the eligibility of all costs not listed above.

INELIGIBLE EXPENSES

Expenses not eligible for financial assistance include:

- An organization's operating costs, including salaries, operating and management fees;
- Costs related to working capital, debt servicing and operating losses;
- The purchase of automobiles or motorized rolling stock;
- Capital expenditures related to the acquisition of equipment;

- Donations and contributions of in-kind services;
- Accommodation costs for participants;
- Legal fees.

The above list is not intended to be inclusive. Applicants must confirm with staff the eligibility of all costs not listed above.

APPLICATION PERIOD

Applications are accepted on an ongoing basis, subject to available budgets.

However, we strongly recommend that the application be submitted according to the following dates:

Activity Start Date	Application Deadline	Confirmation of Funding
Between January 1 st and April 30 th	October 31 th of the preceding calendar year	Maximum of 60 days following the request
Between May 1 st and August 31 st	February 28 th of the current calendar year	
Between September 1 st and December 31 st	June 30 th of the current calendar year	



All applications must be submitted to the Board of Directors of the Hearst Development Corporation for approval or refusal.

Applications will be accepted until funds are exhausted.

OBLIGATION AND RECOGNITION

Funding recipients must acknowledge the support of the Hearst Development Corporation as an official sponsor. The logo and/or name of the corporation must appear in all publicity related to the event or the completion of the project (images, clips, website, advertising, press material). The logo will be provided following the approval of the project.

DEPOSIT

For funding requests over \$5,000, the first instalment, being 75% of the amount, will be paid to the organization following confirmation of the holding of the event or the start of the project. At least one member of the applicant organization must be present for the cheque presentation. A photo will be taken for promotional use of the MAT funds.

The last 25% will be paid to the organization following receipt of the final activity report.

FINAL REPORT

No later than 90 days after the event or completion of the project, all funding recipients must submit a Final Report describing how the awarded funding was used. **The final report is mandatory only for requests over \$5,000.** Please refer to the document : [Final Report EN](#).

Failure to provide a Final Report may result in the non-payment of the last funding instalment, as well as the organization's ineligibility for subsequent funding of MAT funds.

This assessment should present :

- A report presenting the activities of the event and details of the project's accomplishment;
- Promotional material;
 - Program of activities;
 - Activity posters/flyers;
 - Print advertising sample;
 - Additional materials.
- A statement of final revenues and expenses for the event signed by two members of the board of directors and presented in the same format as the approved budget for funding purposes;
- Proof of invoices and payments for expenses reimbursed with MAT funds.



Please note that budget surpluses cannot be allocated to pay salaries.

The comments inserted in the Final Activity Report could be used as an excerpt from testimony and shared with the general public through different communication methods.

Once the documents have been received and validated, the Hearst Development Corporation will proceed with the final payment of the financial assistance according to the terms and conditions provided.

APPENDIX 1

Amount requested/allocated	Document to be provided before approval	Final report
2000\$ and less	- Letter of request only	
Between 2001\$ and 5000\$	- TMH request - Budget	Optional*
5001 and over	- TMH request - Budget - Proof of liability insurance coverage - List of members of the Board of Directors - Copy of the charter or constitution of the applicant organization.	Mandatory

*By providing a final report to the committee, you will increase your chances of approval for the following year.

*At the time of approval, the committee reserves the right to request a final report.



Memorandum

To: Municipal Accommodation Tax Ad-Hoc Committee

From: Tatiana Dafoe, City Clerk

Date: January 19, 2026

RE: Public Engagement Activities

At the December 8, 2025, Regular Council meeting, Council adopted the following resolution:

THAT direction be given to the MAT Ad Hoc Committee to undertake structured consultation with the broader tourism sector affected by the Municipal Accommodation Tax, including but not limited to accommodators, food and beverage operators, arts and culture organizations, attractions, and retail businesses;

AND THAT direction be given to the MAT Ad Hoc Committee to include in the final report to Council a summary of the stakeholder engagement undertaken, the key themes heard, and how those views were considered in formulating its recommendations.

Given the limited timeframe set for the MAT Ad-Hoc Committee to fulfill its mandate as outlined in the Terms of Reference, staff recommend creating a page on EngageStratford to seek feedback from the public and broader tourism sector. As part of the EngageStratford page staff recommend:

- Issuing a survey – a draft survey has been prepared and attached to the January 19, 2026, agenda for discussion.

- Asking questions – including a set of questions that participants can answer to generate feedback.

Direction is requested on the draft survey attached to this memo. Direction is also requested on any questions to be included on the EngageStratford page. Following receipt of direction, staff would prepare the EngageStratford page and launch the survey as soon as possible following the meeting.

Sincerely,

Tatiana Dafoe,
City Clerk

DRAFT

MAT Policy Survey Questions

1. How would you describe yourself?
 - Resident of the City of Stratford
 - Accommodation Provider (owner of a Short-term Rental, Bed and Breakfast, Inn, Hotel in the City of Stratford)
 - Business owner in the City of Stratford (excluding accommodation providers)
 - Visitor/Tourist
 - Other – please specify
2. Are you familiar with the concept of a Municipal Accommodation Tax (MAT)?
 - Yes
 - Somewhat
 - No
3. I believe the City should spend its 50% portion of MAT funds on (select all that apply):
 - improvements to existing services and infrastructure (ex: roads)
 - tourism-related events and activities
 - affordable housing and strategic priority initiatives (ex: Grand Trunk site, climate initiatives)
 - apply to existing tax levy commitments to tourism-related events and activities; thereby lowering the reliance on property taxes
 - placing the amount in a reserve to plan for larger initiatives
 - Other – please specify
4. I believe evaluation criteria should be adopted to guide funding decisions by Council:
 - Strongly Agree
 - Agree
 - Neither Agree nor Disagree
 - Disagree
 - Strongly Disagree
5. I believe the policy adopted should provide flexibility to Council when making funding decisions on the use of MAT funds:
 - Strongly Agree
 - Agree
 - Neither Agree nor Disagree

- Disagree
- Strongly Disagree

6. The City should take a grants-based approach (like the Community Grants program) annually and fund those projects/programs using MAT funds:

- Strongly Agree
- Agree
- Neither Agree nor Disagree
- Disagree
- Strongly Disagree

7. Do you have any other comments, suggestions, or questions?

Thank you for taking this survey.