

Municipal Accommodation Tax Fund Criteria and Focus Areas

INTRODUCTION:

The Municipal Accommodation Tax (MAT) legislation requires the municipality to share a minimum of 50 per cent of the tax revenue collected from MAT, net of related administration costs, with an eligible tourism entity. The legislation does not mandate how municipalities spend the remaining 50 per cent, although it is suggested it should support tourism-related opportunities and infrastructure. This document identifies the objectives, criteria principles, roles, and areas of focus for both Tourism Burlington and the City of Burlington in the allocation of tax revenues collected from the MAT.

Tourism Burlington MAT Tax Revenue Reserve Fund

OBJECTIVE & OVERVIEW:

The Tourism Burlington portion of the MAT revenue (50 per cent of total tax revenues collected minus administration costs and fees) will be allocated to a Tourism MAT Reserve Fund and used to support tourism-related projects/initiatives that attract visitors to Burlington. The projects will include marketing campaigns, market research, incentive programs, and destination development initiatives. A portion of the funds may be used to fund contract staff resources required to implement new initiatives.

PRINCIPLES

- To be a steward of the destination by marketing and managing all actions of the organization on behalf of our tourism stakeholders;
- To increase awareness and visitation to Burlington through destination marketing and product development; while enhancing Burlington's national and international profile as a destination of choice for visitors;
- To facilitate, collaborate, and ensure industry growth;
- To become more competitive in the meetings and incentive travel, sports tourism, leisure travel, and group tour markets;
- To provide economic recovery to tourism and hospitality businesses;
- To attract new corporate sales business for hotels and attractions.

CRITERIA:

- Tourism projects and initiatives must take place in Burlington.

FUND OVERSIGHT & APPROVAL

The Tourism Burlington Board of Directors provides oversight for this Tourism MAT Reserve Fund through the approval of its annual budget. Informed by its Strategic Plan and the annual marketing plan, the budget will ensure the principles and criteria are integrated into the use of the MAT Reserve Fund. A regular review of the board structure will be examined to determine if additional representation is required from the tourism industry. Tourism Burlington will report annually to Council on the success of funded projects.

The role of the Tourism Burlington Board of Directors will be to:

- Review and approve the annual tourism marketing plan which will include be implemented with the use of MAT funds;
- Review and approve key performance indicators, as informed by the strategic plan, including MAT initiatives;

- Review and approve Tourism Burlington's annual operating budget, including the use of MAT reserve funds;
- Receive quarterly updates on the progress of the strategic plan, marketing plan, and staff work plans;
- Report annually to partners and Council at the Tourism Burlington Annual General Meeting on initiatives highlighting MAT and KPI.

An application process will be required for funding programs and incentives requested by event organizers or sporting hosts. Applications will be reviewed by a sub-committee appointed by the Tourism Burlington Board of Directors.

COMMUNICATION/ENGAGEMENT

Stakeholder consultation will be sought annually prior to budget submission through meetings with event organizers, venue sales staff, and the Marketing Committee. The Board-approved Tourism Strategy would be posted on the Tourism Burlington website. Regular communications through partner newsletters will highlight how the MAT tax revenues have been spent.

AREAS OF FOCUS:

After receiving stakeholder feedback, Tourism Burlington developed the following key focus areas for use of the Tourism portion of the MAT Reserve Fund:

Destination Development - Expansion of Tourism Niche Market Opportunities

The Tourism Burlington MAT Reserve Fund will be used to expand product offerings to increase Burlington's niche tourism experiences. Projects could include creating tourism routes and trails, developing themed tourism experiences or products and other initiatives that will contribute to an increase in visitation and overnight stays in Burlington.

The initiatives will be aligned with Tourism Burlington's strategic plan and the City of Burlington's Vision to Focus.

Priority will be given to:

- Outdoor Adventure;
- Cultural tourism – i.e.: Burlington attraction pass;
- Culinary;
- Ecotourism.

Incentives Programs

The Tourism Burlington MAT Reserve Fund will be used to support new and enhanced business and sporting events to generate overnight stays. A focus on animating areas of Burlington through the provision of booking incentives.

Funding will be provided as follows:

- One-time seed funding for hosting new tournaments, special events, conferences, and group tours that attract overnight visitation;
- Existing tournaments, special events, conferences, and group tours that add a new dimension to their current offering and marketing plans, targeting tourists and or new audiences.

Priority will be given to:

- Events generating overnight stays at local accommodations;
- Shoulder or non-peak season events;
- Events or programs that lend to the culture and diversity of Burlington;

- Collaborative partnerships (two or more partners);
- Events that take place in locations other than downtown;
- Sustainable or ecotourism-focused events.

Collaborative Marketing and Media Relations

The Tourism Burlington MAT Reserve Fund will be used to help develop collaborative marketing campaigns to build awareness for Burlington as a destination. This will include the promotion of new packages and experiences, joint media buys, hosting of media influencers, FAM tours and events, and photo or video content shoots to create a shared library and other creative partnerships to generate more awareness for increased visitation to Burlington.

Priority will be given to:

- Campaigns promoting packages with overnight stays at local accommodations;
- Shoulder or non-peak campaigns;
- Markets indicated in the Board approved annual marketing plan;
- Collaborative partnerships (two or more partners).

Tourism Destination Development/Feasibility Studies

The Tourism Burlington MAT Reserve Fund will be used for tourism studies or research that support the development and confirm the financial viability of new tourism products and experiences in Burlington. To be eligible, studies must be secured with a procurement process, and proponents must be professional consultants or firms specializing in tourism and/or economic impact.

Priority will be given to:

- Development of a Sport Tourism Strategy;
- Economic Impact Studies specific to Halton or Burlington;
- Visitation and sales data, specific to Halton or Burlington;
- Collaborative partnerships (two or more partners).

City of Burlington MAT Tax Revenue Reserve Fund

OBJECTIVE & OVERVIEW:

The city's portion of Municipal Accommodation Tax revenue (50 per cent of total collected minus administration costs) will be allocated to the City MAT Reserve Fund as outlined in Appendix B. This fund will support projects and initiatives that result in measurable improvements to city services that enhance tourist experiences and increase their visitation.

PRINCIPLES

- To improve visitor and resident experiences in Burlington through increasing the infrastructure and tourism capacity of the City to foster a positive destination image.
- To enhance Burlington's national and international profile as the best city to live in Canada through placemaking and place branding initiatives.

CRITERIA:

- Enable the City to increase investment in tourism-related initiatives that promote, position and brand Burlington as a competitive destination.

FUND OVERSIGHT & ASSESSMENT

A task group will be struck to provide oversight for this fund. The role of the task group will be to:

- Regularly review and refine the fund criteria;
- Establish a process for the solicitation of projects / initiatives;
- Recommend projects to be funded through the City of Burlington MAT Tax Revenue Reserve; Fund at the beginning of the budget process;
- Report annually to Council through the budget process on funded projects.

The task working group will include senior members of the following departments:

- Recreation, Community and Culture Department (2 members) - Task Group Coordinator and 1 other member;
 - Engineering Services – Park Design and Construction (1 member);
 - Facilities, Assets, Sustainability (1 member)
 - Community Planning (1 member)
 - Budget Representative.
- The task group will also include 2 representatives from Tourism Burlington, one staff member, and the Board Chair.

PROJECT IDENTIFICATION AND APPROVAL

As part of the annual budget process, the task group will identify projects for the City of Burlington MAT Tax Revenue Reserve Fund. Projects may be identified prior to the annual budget as well. Eligible projects will be submitted as part of the capital budget process. The budget review committee will review requests and make a recommendation to Council through the budget process. Council would make the final decision regarding the project(s) and use of this fund during the annual budget review.

COMMUNICATION

Approved projects will be listed on the City's website. Media releases will also be issued as appropriate during or post-project completion.

MAT Tax Revenue Reserve Fund Summary

Reserve Fund	Focus Areas	Reviewed by	Use of Funds Approved by	Under Authority	Communication
Tourism MAT Reserve Fund	Destination Marketing, Destination Development initiatives	Marketing Committee Special Projects Committees and Staff	Tourism Burlington Board of Directors	City/Tourism Service Agreement Reserve Fund Bylaw	Tourism Annual Report at Annual General Meeting Capital Budget Committee
City MAT Reserve Fund	New or enhanced city initiatives that have some correlation to tourism	Identified by MAT Working Group (City/Tourism) Budget Review Team	City Council	Reserve Fund Bylaw	Media Release Tourism Annual Report at Annual General Meeting