

The logo for the Blue Mountain Village Association (BMVA) features the letters 'BMVA' in a stylized, hand-drawn blue font. The letters are thick and have a slightly irregular, sketchy appearance.

BLUE MOUNTAIN VILLAGE ASSOCIATION

Committee of the Whole

April 24, 2023



Staff Report FAF.23.053

- Staff Report FAF.23.053 does not provide adequate rationale for not stopping evaluation of Vacant Home Tax (VHT), particularly in light of the fact that such a tool may incentivize access to much needed and available housing.
- Staff Report FAF.23.053 recommends a narrow focus on Municipal Accommodation Tax (MAT) only vs. studying and evaluating a number of revenue tools concurrently, which is a more prudent and sustainable approach.
- MAT frameworks are: complex, require economic impact assessments, result in new or updated delivery partnerships with existing destination marketing organizations, expand partnerships and require appropriate time and legal due diligence to evaluate and plan for effective implementation.



Agenda

- **Key Considerations:**

- **Commitment to Driving Visitor Growth** - Implementation of a consumption tax such as a MAT implies by its nature that the Municipality is accountable for growing and investing in tourism, the visitor economy, and tourism-related infrastructure. Assessing impacts and alignment on this front among Council, all sectors of the tourism industry, local community members, and municipal operations is critical.
- **Fairness** – MAT frameworks tax one economic sector (Accommodation) vs. raising revenues from all local industry/economic sectors. This reality has to shape MAT's purpose and function to ensure credibility and fairness with use of funds.
- **Economic Impact** – Understanding the economic impact of additional taxes and increased costs for visitors on the accommodation industry and businesses which depend on overnight visitors is an important step in the process, particularly as we continue to rebound economically and face uncertainty.
- **Role of BMVA** - Implications of a MAT on BMVA's business model, role and function within the Municipality (destination management and marketing), and resulting financial impact for both BMVA and TBM must be well studied and understood before decisions are made.
- **Accommodation Industry Consultation Necessary** – Consultation with the Town's diverse and unique accommodation sector operators is required.
- **Realistic Timeline** – June 2023 is too soon to conduct the level of assessment and consultation needed to effectively evaluate a MAT and its implications on the community, economy/industry, BMVA and the Town.



Agenda

- **Recommendations:**

1. **Maintain the original 2023 project scope to effectively evaluate and compare all potential revenue tools & include robust economic impact assessment models (VHT, MAT, Other), with goals of defining purpose, economic sustainability & fairness.**
2. **Commence careful, respectful and inclusive accommodation industry consultations as soon as possible.**
3. **Consult with local community to better understand commitment to growing tourism and investing in tourism industry infrastructure.**
4. **Engage directly with BMVA to understand current DMO status, potential collaborative opportunities, risks for both parties, and commence required negotiations.**
5. **Create realistic timelines, utilizing the entire fiscal year to ensure due diligence on this important project work.**





Questions?

