



Staff Report

Strategic Initiatives – Special Projects & Strategic Initiatives

Report To: COW- Admin, Corp and Finance, SI, Comm. Services
Meeting Date: September 15, 2025
Report Number: SI.25.030
Title: Municipal Accommodation Tax Evaluation Criteria and Process
Prepared by: Tim Hendry, Director of Strategic Initiatives

A. Recommendations

THAT Council receive Staff Report SI.25.030, entitled “Municipal Accommodation Tax Evaluation Criteria and Process”;

AND THAT Council approves the recommended evaluation criteria as attached to assess projects supported by the Town’s share of Municipal Accommodation Tax (MAT) funds;

AND THAT Council approves the Municipal Accommodation Tax project evaluation process as outlined and directs staff to follow this process as a trial for the 2026 Budget Process.

B. Overview

This report provides Council with the proposed criteria for evaluating investments and expenditures supported by the Municipal Accommodation Tax (MAT). It is designed to ensure transparent and strategic utilization of MAT revenues in fostering sustainable tourism development, community enhancement, and local economic growth.

C. Background

The Town’s Municipal Accommodation Tax came into effect on January 6, 2025, at a rate of 4% on all short-term stays of less than 30 days. The tax is collected by accommodation providers and remitted to the Town based on the approved collection schedule.

The implementation of the MAT is governed by Provincial Regulation 435/17: Transient Accommodation Tax. Under this regulation, 50% of net revenue is allocated to the Destination Marketing Organization, with the remaining funds managed by the Town for strategic use.

A report detailing the total collection will be brought forward to Council following the Q3 collection, which is scheduled for October 2025.

To help guide the strategic use of the Town's portion of MAT funds, evaluation criteria and the related process have been developed for Council's consideration. The evaluation criteria was designed to ensure transparent and strategic utilization of MAT revenues in fostering sustainable tourism development, community enhancement, and local economic growth.

D. Analysis

The introduction of the MAT Evaluation Criteria represents the Town's strategic and transparent approach to enhancing the community and stimulating economic growth through the investment of tourism revenue collected through the Town's MAT. The evaluation criteria was designed to maximize the use of MAT funds for the benefit of both residents and the visitors to improve public amenities and spaces, support local businesses and enhance tourism related infrastructure without the reliance of additional taxation on residents.

The evaluation criteria encourages the reinvestment of MAT revenue back into the local economy, creating a positive feedback loop where visitor expenditures drive further economic activity and development. This alignment with community and economic objectives underscores the Town's commitment to transparency and accountability in fund utilization, effectively communicating the shared benefits with all stakeholders and positioning The Blue Mountains as a leading travel destination while supporting sustainable community growth.

Evaluation Process & Criteria

The recommended approach is for the evaluation process to be completed by the Town's Senior Management Team, with a final recommendation presented to Council for approval. The internal evaluation will be scheduled following the 2026 Budget deliberation meetings scheduled for October 14 – 17, 2025. During these meetings, it's recommended that projects that could be potentially funded through MAT be 'parked' for evaluation based on the outlined criteria.

In late October, the Senior Management Team will complete the initial evaluation through consensus scoring and present a recommendation report at the next available Council meeting. At the meeting, Council will have the opportunity to review a prioritized list of potential MAT funded projects along with a clearer understanding of the total MAT funds available for use.

The evaluation criteria, along with the proposed scoring structure is included as an attachment to this report.

E. Strategic Priorities

1. Communication and Engagement

We will enhance communications and engagement between Town Staff, Town residents and stakeholders

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

4. Quality of Life

We will foster a high quality of life for full-time and part-time residents of all ages and stages, while welcoming visitors.

F. Environmental Impacts

No direct environmental impacts are anticipated as a result of this report. Sustainable practices are a consideration in project evaluations.

G. Financial Impacts

The evaluation framework is designed to facilitate clear resource allocation while ensuring transparency and accountability in financial management of MAT funds.

H. In Consultation With

Adam Smith, Interim CAO

Monica Quinlan, Director of Corporate & Financial Services / Treasurer

I. Public Engagement

The topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Tim Hendry, Director of Strategic Initiatives si@thebluemountains.ca.

J. Attached

1. Proposed MAT Evaluation Criteria and Scoring Structure

Respectfully submitted,

Tim Hendry
Director of Strategic Initiatives

For more information, please contact:
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Report Approval Details

Document Title:	SI.25.030 Municipal Accommodation Tax Evaluation Criteria and Process.docx
Attachments:	- Attachment 1 - Evaluation and Scoring Structure.pdf
Final Approval Date:	Aug 25, 2025

This report and all of its attachments were approved and signed as outlined below:

Tim Hendry - Aug 22, 2025 - 4:02 PM

No Signature found

Adam Smith - Aug 25, 2025 - 5:10 PM