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Blue Mountain Village Association
November 17, 2025 COW Deputation

Re: Municipal Accommodation Tax – Funding Allocations to Support Tourism

The MAT partnership has created a valuable opportunity for the Town and the BMVA to align strategically and co-develop a destination strategy focused on sustainably managing, investing in, and growing our community’s tourism potential. As outlined in the Council approved Destination Strategy, the partnership between TBM and BMVA *“aligns with the Municipal Accommodation Tax legislation, ensuring that funds derived from this tax are utilized with precision and purpose to bolster our destination’s tourism positioning and infrastructure.”*

MAT funding is intended to strengthen and grow the tourism industry—benefiting the visitors and businesses who fund it, as well as the residents who enjoy the enhanced community assets and experiences it enables. It is not intended to replace general operating expenses or fund core municipal services.

The statement in the November 13 staff report therefore raises concern and appears inconsistent with the collaborative intent of the Destination Strategy:

“Town-led projects are recommended as the first priority for Municipal Accommodation Tax (MAT) funding as they are based on Town core services and follow the mandatory, essential or traditional principles.”

This approach could unintentionally limit meaningful industry participation and shift the focus of MAT from its core purpose—to grow and strengthen the tourism economy through shared investment and partnership.

We fully support the allocation of MAT funds to projects such as the Destination Strategy Implementation and Gateway Sign Project, which clearly align with tourism development objectives. It is easy to draw a connection to tourism in almost every aspect of Town activity, given that tourism is our largest economic driver. However, we respectfully offer the following opinion on the shortlisted items in the staff report:

- **Transit** – A critical community service, but shifting its entire annual budget to MAT would merely reallocate existing funding rather than advance tourism growth. The inclusion of transportation in the strategy was intended to expand visitor transportation options and improve connectivity within and to the municipality.
- **Clarksburg Parking Strategy** – Addresses a local business issue but does not clearly meet tourism criteria.

- **Parks & Leisure Activities Plan** – A municipal responsibility, parks and recreational facilities have been identified by residents as a priority for primarily resident use.
- **Economic Development Action Plan** – Falls outside the tourism mandate. Tourism-specific action plans are already captured within the Destination Strategy investment.

Historically, these types of projects have been funded through the Town’s annual budget and would have continued to be so if MAT revenues were not available, or these projects would not have been considered.

We also need to consider current market conditions and the competitive landscape. Destinations such as Muskoka, Prince Edward County, and soon, Collingwood are making significant strides by reinvesting their MAT revenues in tourism product development. To remain competitive, we must also ensure that our MAT investments are directed toward initiatives that create compelling visitor experiences and support measurable tourism growth.

To address the current market decline and ensure MAT funds deliver tangible outcomes, we recommend prioritizing projects that will stimulate overnight visitation and visitor spending by spring and summer 2026. Studies and signage updates, while important, will not by themselves increase MAT revenues. Waiting until spring 2026 to submit applications would delay investment planning until late 2026 and implementation to 2027- well over two years after MAT collection began.

We therefore propose the addition of two high-impact projects for the 2026 budget that align with market trends and deliver both immediate and long-term benefits:

1. Seasonal Outdoor Amphitheatre at Blue Mountain

A dedicated, ticketed performance venue to attract high-value cultural tourists - who spend up to 3 times more, stay longer, and engage more deeply with local experiences. This venue would be created with a removeable tent, leverage existing infrastructure and benefit residents and local businesses through high-quality cultural programming and increased visitation.

2. FIFA World Cup Activation (June 2026)

“Watch Parties in the Village” featuring a large outdoor screen to host community and visitor gatherings during this global/Toronto event. An infrastructure investment of approximately \$21,000, combined with a strong marketing campaign, will drive incremental international travellers visiting Ontario and Torontonians who want to escape the city.

We recognize the need to remain nimble and ready to respond to opportunities like the World Cup - opportunities that our competing destinations are already preparing to leverage.

The BMVA remains committed to working closely with Team Blue and the municipality on a cohesive, long-term plan for sustainable tourism growth. However, timely investment in strategic 2026 initiatives is essential to ensuring recovery momentum and maintaining our competitive edge. By focusing MAT allocations on projects that deliver measurable tourism benefits, we can strengthen our community, our economy, and our shared future.

Thank you for your consideration.