

GUIDELINES

MANAGEMENT OF MUNICIPAL ACCOMMODATION TAX (MAT) FUNDS



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GENERAL INFORMATION ABOUT THE PROGRAM

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 ensuring the vitality of Ontario's tourism sector while maintaining a balance between the tourism and municipal sectors. The Temporary Accommodation Tax applies to all accommodations of less than 30 days in hotels, motels, and individual accommodation providers. At its regular meeting on June 26, 2018, the Municipal Council of the Town of Hearst adopted municipal by-law no. 48-18, authorizing the Municipality to collect a municipal tax on lodging as of January 1, 2019.

The funds generated by the Municipal Accommodation Tax (MAT) are invested in the promotion of tourism in the region, particularly in sales, marketing and development, through the Hearst Development Corporation, whose mandate is to promote Hearst as a destination of excellence.

A portion of these funds, allocated as a result of the applications submitted, are used to support tourism events as well as sustainable innovation projects aimed at improving the visitor experience. Applications for funding are first presented to the Tourism Committee, which is made up of key players in the sector in Hearst. This committee evaluates projects based on their impact and alignment with local priorities, and makes recommendations to the Hearst Development Corporation, which has the final decision-making authority for the allocation of funds.

THE OBJECTIVES

The purpose of the Municipal Accommodation Tax is to enrich Hearst's tourism economy by supporting initiatives that improve the experience for visitors and residents.

The main objective of the investments from the MAT is to attract more visitors, increase hotel occupancy and generate more economic benefits for local businesses.

The MAT funds are distributed in two streams:

1. Tourist event; and
2. Innovation — sustainable tourism.

The MAT aims to revive and promote tourism in Hearst by providing financial support to the tourism industry. While each stream has its own objectives, the following objectives apply to all streams:

- Generate economic or tourism benefits in the Town of Hearst;
- To improve the image of Hearst as a tourist destination;
- Lengthen the duration of tourist visits; and
- Improving the visitor experience.

You are encouraged to contact the Economic Development Department for more details on the steps to apply for MAT funding.

CONTACT INFORMATION

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Director of Economic Development
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Economic Development Officer
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FILL OUT AN APPLICATION

To apply for financial assistance, you must complete the application form and provide any other information indicated. Make sure you are getting the correct document for the stream you are applying for. Please refer to the information page for each stream to find out what documents need to be submitted.

Be sure to submit the documents listed below to:

lrodrigue@hearst.ca

Please note that the Hearst Development Corporation will only consider one application per project. In addition, the number of applications submitted in a given year will be taken into account in the assessment process.

STREAM 1: TOURISM EVENT

This component offers non-profit organizations the opportunity to apply for financial support from MAT funds for their events, provided that the event in question has an economic impact on the local tourism industry.

WHO QUALIFIES?

- Not-for-profit organizations, incorporated as a legal person, that can demonstrate financial and administrative stability

THE OBJECTIVES

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

- Stimulate short-term 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 visitor experience.

APPLICATION PERIOD

Applications are accepted on an ongoing basis, based on available budgets.

To ensure that you have an answer before your activity, make sure to respect the application deadlines. The Hearst Development Corporation reserves the right not to process applications received after the deadlines of each application period.

Start date of the activity	Application Deadline	Confirmation of funding
Between January 1 and March 31	November 1 st of the preceding calendar year	Maximum of 60 days from the deadline.
Between April 1 and June 30	February 1 st of the current calendar year	
Between July 1 and September 30	Mai 1 st of the current calendar year	
Between October 1 and December 31	August 1 st of the current calendar year	

ELIGIBLE EXPENSES

Eligible expenses 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 fees related to the event:
 - Tents, tables, chairs, etc. ;
 - Venues must be located within the boundaries of Hearst and surrounding areas.

- Photography costs during the event:
 - If an amount is allocated to this expense using MAT funds, these photos will need to be shared with the Hearst Development Corporation's Board of Directors for promotional purposes in the region;
- Expenses incurred by volunteers:
 - Food and soft drinks provided during the event;
 - Distinctive clothing;
 - Gratitude Gift;
 - etc.

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

INELIGIBLE EXPENSES

Expenses that are not eligible for financial assistance include:

- The costs of running an organization, including salaries, operating costs, and management fees;
- Costs related to working capital, debt service, 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;
- Participants' accommodation costs;
- Legal fees.

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

DOCUMENTS TO BE SUBMITTED

- Application form (document: Application_Form_Event_EN);
- Budget forecasts of the activity (document: Budget_Event_EN);
- For existing businesses, a copy of the financial statements for the past year 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 organization making the request; and
- Other information, if required.

Amount requested/allocated	Documents to be provided before approval	Final Report
\$2000 and under	• Letter of request only	The final report is optional .
Between \$2001 and \$5000	• MAT Request • Budget	The final report is optional .
From 5001 and over	• MAT Event Request; • Budget;	The final report is mandatory .

	• For existing businesses, a copy of the financial statements for the past year and a copy of the most recent interim financial statements; • Proof of liability insurance; • List of members of the Board of Directors; and • Copy of the organization's charter.	Failure to submit it following the activity will result in the Corporation withholding 25% of the approved financial assistance and may lead to the rejection of any future applications.
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OBLIGATIONS AND RECOGNITION

Funding recipients must acknowledge the support of the Hearst Development Corporation as an official sponsor. The Corporation's logo or name must appear in any publicity related to the event (images, clips, website, advertising, press material). The logo will be submitted following the approval of the project. In addition, a drop-down banner will be given to the organization so that it can be displayed at the event.

DEPOSIT

For requests of less than \$5,000, the full amount is paid after the confirmation of the event and once a member has come to the Centre Gilles-Gagnon for a photo shoot with a representative of the Hearst Development Corporation.

For requests over \$5,000, 75% of the amount is paid after the event has been confirmed and once a member has come to the Centre Gilles-Gagnon for a photo shoot with a representative of the Hearst Development Corporation. The remaining 25% is paid after receipt of the final report.

FINAL REPORT

No later than 30 days after the event, it is recommended that all funding recipients must submit a final report describing how the funding provided was used. However, the final report is mandatory only for applications over \$5,000. Please refer to the document: [Final_Report_Event_EN](#)

Failure to provide a final report may result in the non-payment of the final tranche of funding, as well as the organization's ineligibility for subsequent funding of the MAT funds.

This report must present:

- A report presenting the activities of the event; and
- A final statement of event revenues and expenses signed by two members of the Board of Directors and presented in the same format as the budget approved for financial assistance.

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

Comments inserted in the final activity report could be used as a testimonial excerpt and shared with the 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 laid down.

STREAM 2: INNOVATION — SUSTAINABLE TOURISM

This component is used to fund the development of new sustainable tourism products that can enrich the tourist experience in our community.

Please note that the Board of Directors of the Hearst Development Corporation reserves the right to ask candidates to make a short presentation of their project at a meeting of the committee.

WHO QUALIFIES?

- Non-profit organization; and
- Businesses offering tourism products or services in the Hearst region.

THE OBJECTIVES

- For projects that add permanent tourism value to the Town of Hearst (not an event);
- Attract tourists from outside the town which will increase the economic benefits and the duration of accommodations in our hotels;
- Lengthen the duration of tourist visits; and
- To improve the image of Hearst as a tourist destination.

ELIGIBILITY CRITERIA

- The project takes place in the town of Hearst or in the region;
- The product or service does not compete with a product or service already in place in the region;
- Fill a gap in the tourist experience in Hearst;
- Increases the number of nights spent in our hotels, thus generating more revenue from the MAT;
- Improves the tourist experience; and
- Demonstrates that the project will be stable and viable.

MAXIMUM FUNDING

50% of the project, up to a maximum of \$20,000.

Please note that the amount awarded may differ from the amount requested. The Hearst Development Corporation evaluates each application individually and determines financial support based on the quality and relevance of the information submitted, the alignment of the project with the objectives of the innovation component, as well as the funds available in the current fiscal year's budget.

ELIGIBLE EXPENSES

- Consulting service
- Professional Fee
- Project Management
- Software license required to undertake the project
- Research Costs

- Construction work
- Permits, fees and other charges related to the project
- Purchase and installation of specialized equipment and furniture

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

INELIGIBLE EXPENSES

- Operational costs of the organization
- Business or marketing plans
- Legal, audit or interest fees
- Insurance costs
- Cost of taxes
- Working Capital Costs
- Debt servicing cost
- Donations and in-kind contributions
- Transfer of assets
- Purchase of automobile or rolling stock
- Costs of upgrading current facilities

DOCUMENTS TO BE SUBMITTED

- Application form (document : Application_Form_Innovation_EN);
- Budget forecasts of the activity (document: Budget_Innovation_EN);
- Project business plan;
- Letter of support from a partner;
- Copy of invoices related to the project;
- For existing businesses, a copy of the financial statements for the past year.
- Proof of liability insurance coverage;
- List of members of the Board of Directors;
- Copy of the charter or constitution of the organization making the request; and
- Other information, if required.

Amount requested/allocated	Document to be provided before approval	Final Report
Less than \$5000	• MAT Application — Innovation • Budget • Project Business Plan	Le rapport final est obligatoire . À défaut de le soumettre à la suite de l'activité, la Corporation retiendra 25 % de l'aide financière accordée et

		pourrait refuser de traiter toute demande future.
From 5001 and over	• MAT Application — Innovation • Budget; • Project business plan; • Letter of support from a partner; • Copy of invoices related to the project; • For existing businesses, a copy of the financial statements for the past year. • Proof of liability insurance; • List of members of the Board of Directors; and • Copy of the organization's charter.	Le rapport final est obligatoire . À défaut de le soumettre à la suite de l'activité, la Corporation retiendra 25 % de l'aide financière accordée et pourrait refuser de traiter toute demande future.

APPLICATION PERIOD

To ensure you receive a response before your activity, please make sure to submit your application by the applicable deadlines. The **application intake period** for the Tourism Innovation Stream is from **April 1st to June 30**.

Hearst Development Corporation reserves the right not to process applications received after the application intake period. No applications will be accepted after the completion of the project.

PROJECT TIMELINE

The project must be completed no later than December 31 of the calendar year following the year in which the application was submitted. For example, for an application submitted in 2026, the project must be completed no later than December 31, 2027.

OBLIGATIONS AND RECOGNITION

Funding recipients are required to acknowledge the support of the Hearst Development Corporation as an official partner. The modalities of this recognition will be determined on a case-by-case basis and communicated to the beneficiaries at the time of confirmation of the granting of funds.

DEPOSIT

A first payment, 75% of the amount, will be paid to the organization following confirmation of the start of the project. At least one member of the requesting organization must be present for the presentation of the cheque. A photo will be taken for promotional purposes of the HTT funds.

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

FINAL REPORT

No later than 30 days after the completion of the project, all funding recipients must submit a final report describing how the funding provided was used. The final report is mandatory for the final 25% to be paid. Please refer to the document: [Final_Report_Innovation_EN](#).

Failure to provide a final report may result in the non-payment of the final tranche of funding, as well as the organization's ineligibility for subsequent funding of the MAT funds.

This report must present:

- A report outlining the details of the project's completion;
- A final statement of project income and expenses signed by two members of the Board of Directors and presented in the same format as the approved budget for financial assistance;
- Proof of invoices and payments for expenses reimbursed with MAT funds.

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

Comments inserted in the final activity report could be used as a testimonial excerpt and shared with the 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 laid down.