

APPLICATION GUIDE







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Destination Animation Fund

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Background

On February 28, 2022, Guelph's City Council voted to implement the Municipal Accommodation Tax (MAT), <u>legislated by the Provincial Government</u>, on local short-term stay accommodations. These accommodations include hotels, motels, bed and breakfasts, and shared accommodation providers like Airbnb. Implementing the MAT was a priority outlined in the <u>2022-2026 Economic Development and Tourism Strategy</u>.

The MAT is used to enhance Guelph as a destination for visitors by providing funding and education support to tourism industry stakeholders, infrastructure upgrades that address visitor needs, and in marketing to support increased sport, group, and conference tourism activity in the City of Guelph.

The Guelph Chamber of Commerce is a not-for-profit Destination Marketing Organization (DMO) and operates under the name Destination Marketing Guelph (DMG). DMG will develop and implement a robust destination marketing plan to support the goal of making Guelph a premier place to travel for work and leisure.

The Destination Animation Fund is a funding stream that encourages tourism product development for consistent community events to increase Guelph's yeararound tourism products while developing new partnerships in the tourism community. Larger one-time events should consider applying to the Gather Here Sponsorship Fund.

Tourism industry support funding is a direct outcome of the 2022-2026 Economic Development and Tourism Strategy highlighted in priority 1.2 Support industry-led tourism product development and priority 5.3 Enhance placemaking throughout the city.

All funds are subject to the requirements and processes laid out in the Municipal Accommodation Tax Administration Policy.

Program objectives

The Destination Animation Fund is a joint initiative between Tourism and Destination Development and Destination Marketing Guelph to provide funds directly to eligible organizations to enhance Guelph's destination reputation yearround. The main objective of the fund is to create and leverage partnerships within the industry while increasing Guelph's destination attractiveness with new or enhanced year-round tourism products.

Priority objectives

The staff committee will prioritize projects that demonstrate:

- Collaboration with local and regional partners
- A focus on accessibility, diversity, equity, and inclusion

- Attracting visitors for overnight stays at accommodations
- Increased brand awareness for Tourism Services, Destination Marketing Guelph, and the Guelph community
- Advancing Downtown attraction
- Increasing or enhancing sport and event offerings
- A strong visitor-oriented value proposition

Eligibility and applicants

Businesses and organizations located within the municipal boundaries of the City of Guelph are eligible to apply for the Destination Animation Fund. Eligible applicants include non-profit organizations and for-profit businesses and organizations. New and established businesses and organizations will be considered. Successful applicants must be able to provide a minimum financial contribution to the value of 10% of the proposed project's total funding ask of up to \$5,000. All applicants must be in good standing with the City of Guelph.

Eligible projects

All projects must positively contribute to the growth of Guelph's tourism economy by:

- Developing new tourism products to add to Guelph's tourism offerings
- Enhancing existing tourism products
- Having a goal of appealing to 30% visitor demographics with the provincial definition of a visitor being from 40 kilometres or more away
- Being achievable within the 2024 calendar year

Eligible costs

Eligible costs include:

- Capital costs that enhance visitor experience
- Equipment purchases and rentals
- Materials and supplies that enhance the visitor experience
- Signage and wayfinding

Ineligible costs

Ineligible costs include:

- Alcohol purchase, distribution, and licensing
- Awards, prizes, and raffles
- Building and other permits and associated fees
- Donations
- Legal, audit, or interest expenses
- Lottery licenses
- Operating expenses (i.e. staff salaries and staff wages)
- Political contributions
- Pre-existing deficit funding (grant or loan)
- Marketing and advertising costs (physical and digital)
- Website or application development

• Individuals or unincorporated entities

Funding structure

The Destination Animation Fund is an annual fund that will only be accepting applications during the timelines outlined. Eligible businesses and organizations can receive up to \$5,000 or a portion thereof, to support their eligible project.

Successful applicants must be able to provide a minimum financial contribution to the value of 10% of the proposed project's total funding ask.

Example: if the total funding ask for the proposed project is \$2,000, the applicant must prove a minimum financial contribution of \$200 to be eligible to receive the funds.

Application process

Applications for the Destination Animation Fund will be accepted from Monday, June 3, 2024 through Friday, June 28, 2024 at 12:59 p.m. EST. Applications must be submitted online through the application portal. If requested, the City of Guelph will accept written applications.

A staff committee will review all applications in full before making funding award decisions based on a pre-established rubric based on the objectives of the fund. Funding can be for enhancements of existing programming or for new projects that haven't occurred previously.

Funding decision

A staff committee will review all applications following the application deadline on Friday, June 28, 2024 and funding awards will be announced in August 2024. All applicants will be contacted directly with the status of their award and successful applicants will receive 50% of the funds within 30 days of the award notice.

Applications approved for funding through the Destination Animation Fund will require the successful applicants to commit to project completion by December 31, 2024. The remaining 50% of the funds will be provided upon receipt of the final report.

All successful awards will be subject to the <u>Municipal Accommodation Tax</u> <u>Administration Policy</u>.

Applicants are not permitted to apply for the City's Community Investment Grant Program and the Destination Animation Fund for the same project. Applicants who apply to both funding streams will be disqualified for funding for that year.

If reporting requirements and the minimum financial contribution are not met by January 17, 2025, the full amount of the funding award must be paid back.

Reporting requirements

Successful applicants must report on the following by January 17, 2025:

- How funds were spent (including copies of receipts and proof of payment)
- New partnerships created or existing partnerships enhanced
- Visitor impact of the project
- Future of the project
- Success stories from the project including photos

Misuse of funding or utilizing funding on ineligible expenses will result in disqualification from future funding opportunities.

Definitions

For-profit business: A for-profit organization is one that operates with the goal of making money.

Major event: An event deemed to have a substantial visitor, economic, and reputational impact on Guelph may be given additional consideration for higher levels of funding, above and beyond the maximum \$25,000 offered through the Gather Here Sponsorship Fund. All major event applications must be submitted a minimum of 180 days prior to the start of the event. A major event must meet the following criteria:

- Open to the public, accessible, and welcoming
- Ability to reach audiences nationally or internationally;
- Generates an audience of a minimum of 5,000 in-person attendees and participants;
- A demonstrated visitor (40km or further) audience of 50% or more;
- Generates a minimum 1,000 room/nights at accommodations collecting the Municipal Accommodation Tax in Guelph during the duration of the festival or event;
- Increases the reputation of Guelph through significant media coverage and economic benefits;
- Financially sustainable and does not rely on funding solely for event success;
- And the event must have been in operation for at least two years.

Major events will be evaluated on a case-by-case basis.

Note: Meeting the criteria above is a minimum threshold for being considered a major event and as a result, not all events that meet the criteria are guaranteed funding.

Non-profit organization: A non-profit organization, also known as a non-business entity, or nonprofit institution, is a legal entity organized and operated for a collective, public or social benefit, in contrary with an entity that operates as a business aiming to generate a profit for its owners.

Tourism event: An event that is focused on attracting 30% or more of its overall attendance to be visitors from 40 kilometres or further away.

Specialty visitor-focused retail: A business or organization that offers a product that is not readily available in all communities. Examples include but are not limited to: wedding dresses, thrift stores, souvenir shops, etc.

Tourism product: A tourism product is considered any product, service, event or offering that appeals to a visitor.

Visitor: A visitor is considered anyone who visits Guelph from more than 40 kilometers away who is not making a routine trip.

Supporting documentation

Destination Animation Fund Application Form Appendix A – Budget document Appendix B – Attestation Cover Letter

Contact information

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