

Huntsville Municipal Accommodation Tax Association

MINUTES

Virtual Meeting held on **February 11, 2021 @ 11:00 am**

Present: Jesse Hamilton, Christine Kropp, Scott Doughty, Karin Terziano, Matthew Phillips, Chirag Patel, Jeff Suddaby
Staff: Kelly Haywood, Bill Farnsworth, Torin Suddaby, Dan Watson, Morgan Richter, Scott Ovell, Nate Smith

1. Welcome

Motion to begin the meeting

Be it resolved to accept the agenda as presented

Moved by: Christine Kropp

Seconded by: Chirag Patel

CARRIED

2. Approval of Minutes

Be it resolved that the minutes from the January 14, 2020 meeting be accepted as presented.

Moved by: Jeff Suddaby

Seconded by: Christine Kropp

CARRIED

3. Declaration of Conflict of Interest

No conflicts were brought forward.

4. Staff Reports

Kelly Haywood provided an update to the Board on the status of the Provincial Reconnect Grant for the Winter Lighting Initiative. She said that the Province has told her that they will not extend the grant deadline past March as requested. Kelly said she is continuing to appeal the decision with the aim of having the timeline extended by one year to allow for the winter 2021/22 season. Karin Terziano commented that she understood the plan was to spend as much money as possible before the current March deadline to be reimbursed from the grant. Kelly said that in her last conversation with the Province she was told that the project may not be reimbursed for all costs. Jesse Hamilton suggested that the right people may not have been contacted yet about an appeal and suggested a letter and phone call be made from himself and Karen as mayor. The Board agreed that this was a reasonable course of action.

Jesse Hamilton welcomed Nate Smith, of Algonquin Outfitters, to the meeting. At the end of March Christine Kropp will no longer be eligible for BIA membership, so Nate will become the BIA representative to the HMATA Board.

5. Financial Update and Budget

Christine Kropp presented the Board financials. She reported that, once HMATA receives the Q4 payment from the Town, HMATA will have \$239,481 in the bank. She also noted that there are still \$324,000 in receivables owing from 2020 MAT tax that have been reported but not yet collected.

Next Christine tabled a proposed HMATA 2021 budget. Using a 2021 projected revenue of \$700,000, which is the same amount collected in 2020, HMATA will have a revenue total of \$1,263,491. After operating expenses there will be \$1,204,635 available to spend. Christine also reminded the Board that they have previously pledged to spend 50% of revenue on Partnerships, 40% on Product and Program Development and 10% on Community Strategic Initiatives. A motion was made to accept the 2021 proposed budget.

Be it resolved that the HMATA Board approves the 2021 Budget as presented.

Moved by: Jeff Suddaby

Seconded by: Matthew Phillips

CARRIED

6. Discussion of Draft 2021 Town of Huntsville Transfer Payment Agreement

Scott Ovell reported to the Board that a new TPA agreement must be signed that includes 2 sections dealing with the tax collected from short term rentals. He said that the Town collected approximately \$12,000 in short term rental MAT tax in 2020. The proposed TPA suggests placing the money from 2020 into a fund until it is determined how best to spend the money. Going forward in 2021, the revenue from short term rentals will be included in the 70% of MAT revenue HMATA will receive.

Scott Doughty asked if Huntsville by-law staff are speaking to short term rental owners to ensure compliance. Scott Ovell responded that by-law staff follow up on complaints and that, due to COVID, complaints have increased.

Jesse Hamilton said the Board will sign the TPA and return it ASAP.

7. Updates about COVID Recovery Winter Lighting Initiative

Kelly Haywood reported that there have been no real changes to the plan to postpone the lights at MHP and Downtown until Fall 2021. She gave a short update about the trails at the Grandview Winter Adventure Park. The trails are being groomed by volunteers and signage will be going up soon with directions and COVID safety information. Kelly said a small local marketing campaign for the trails will be launched soon.

8. Spring 2021 Program Ideas

Kelly Haywood presented a proposed plan for a Spring 2021 Campaign. The presentation suggested running a voucher program similar to the recent Sweater Weather campaign, where individuals who book a minimum 2 night stay at a participating Huntsville accommodator will

receive \$100 off of their hotel stay as well as receive \$50 in Downtown Huntsville dollars. She proposed 300 packages be sold. Kelly said that RTO-12 would be approached to partner in this voucher program, similar to previous partnerships. In addition to the voucher program, a Huntsville Art and Maple Crawl initiative was proposed. Self-guided tours would be created that mix art tours with existing Maple Trail attractions. An additional 7 Group of Seven painted canoes would be produced. The plan also proposes pop-up art galleries in regional businesses as well as engaging local artist studios and galleries. Additional activities such as live music at maple producers, virtual culinary demos, and beer tastings by local breweries were also suggested as ways to promote Huntsville itself as well as supporting struggling small businesses. A digital marketing campaign would be created and marketed through the Huntsville Adventures website as well as by the Huntsville BIA and Festival of the Arts. The campaign would be in market between April 1 and May 30. The total budget for the proposed Spring Campaign would be \$127,700, with the desire to secure additional funding from an RTO-12 partnership. Of that budget, HMATA would provide \$53,000, the BIA would provide \$25,000 (including their \$20,000 in HMATA partnership dollars), the Festival of the Arts would redistribute their \$12,500 HMATA contribution to this project and the Huntsville/Lake of Bays Chamber of Commerce would contribute \$10,000 from a proposed FedNor grant. \$7,200 would also be provided by the Canada Summer Jobs program.

Jesse Hamilton suggested that a partnership with RTO-12 makes sense because it adds significant dollars and marketing to the proposal. Kelly Haywood said that the RTO has not yet confirmed what they will be doing this fiscal year in terms of partnerships. Kelly said that there is a short turn around time on this program to make the April-May deadline. She feels it is important to create a program to support the community in spring, especially considering the potential impact of the Streetscape construction project. She recognizes, however, that the timing may need to change due to COVID travel and safety restrictions. Kelly also stated that the voucher program has been designed to run with or without RTO support.

Karin Terziano asked who the lead on this project is. Kelly responded that it depends upon RTO involvement but, similar to other projects with grant money involved, the project would likely be managed by the HLOB Chamber.

Jesse Hamilton said that he recognizes that this proposal is currently about planting a seed and suggesting ideas, but he is concerned about the effect on accommodators. He said that, while he believes the money spent on the Winter Lighting Initiative is worth the investment, that program represents an extremely large spend and was not created specifically to increase overnight stays and ended up having a more local focus due to COVID-19. Jesse said he is concerned that, aside from the voucher portion, this campaign may not have enough of an accommodation focus for the proposed spend.

Karin Terziano asked whose bank account the funding for this initiative would flow through. Kelly Haywood responded that it would flow through the HLOB Chamber of Commerce. Karin asked what would happen to the event if the proposed grant funding did not come through. Kelly said that there are still lots of unknowns within the project until we know whether there will be a partnership with RTO-12 and whether the grant applications are approved.

Jesse Hamilton said that this proposal has gotten the seed planted and that the campaign should be revisited when there is an answer about RTO involvement

9. Discussion of Charitable Donation Policy

Jesse Hamilton started by saying he had been approached by the Coldest Night of the Year organization about whether HMATA would be interested in making a charitable donation to the cause. Jesse said that he feels it is necessary for HMATA to create an official policy to determine a fair and transparent method of donating to charity.

Bill Farnsworth presented a first draft of a potential charitable donation policy. Bill said that, in discussion with Christine Kropp and Kelly Haywood, he was recommending HMATA spend 5% of its after operating budget on charitable giving, which would amount to approximately \$60,000 for the 2021 fiscal year. Bill said that he had studied donation policies from other organizations and created an initial document for consideration. Bill recommends choosing a limited number of not-for-profit organizations to work with per year, with 1-3 partners being suggested. Bill said keeping the number low would reduce the amount of work the Board will have to do during an application and decision process as well as allowing larger donations to have a more positive effect on an approved organization. Bill suggested that organizations approved for funding should have a mandate that aligns with that of HMATA and suggested the Huntsville Hospital Foundation as one good option because they provide care to both locals and visitors.

Jesse Hamilton responded that he felt 5% was a high number and that he might recommend giving 10 grants/donations of \$5,000 per year. This would allow HMATA to help more organizations on an annual basis.

Karin Terziano recommended a clause that a given organization can only receive funding once every chosen number of years to allow more organizations to benefit from the program.

Jeff Suddaby said he liked the idea of donating to the Hospital Foundation but wondered if a better way to show support would be to participate in or buy tickets to fundraising events that not-for-profits organize.

Matthew Phillips said he agrees with the idea of keeping the number of donations small, but wondered if there was a way to support a scholarship for a student going into the hospitality field.

Nate Smith suggested that organizations that support health and well being in the community, such as the Huntsville Mountain Bike Association and the Muskoka Conservancy, might align well with HMATA's mandate.

It was agreed that Bill would incorporate suggestions into his proposed policy for the Board to discuss at the next meeting.

10. New Business

Karin Terziano reported that, if COVID allows the event to run, this is the final year of the Town's agreement with the Ironman Triathlon organization. It was her understanding that HMATA might be willing to consider continuing the agreement, which would involve paying the \$25,000 licensing fee. Jesse Hamilton responded that, when it makes sense, he feels the Board is prepared to move forward with the organization. Kelly Haywood suggested that Ironman should be treated as a partnership and apply through the official partnership program

11. Adjournment

Be it resolved to adjourn meeting at 4:45 pm

Moved by: Jeff Suddaby

Seconded by: Christine Kropp